

**Yukon Legislative Assembly
Whitehorse, Yukon
Monday, February 14, 2011 — 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 at this time with the Order Paper.

Tributes.

TRIBUTES

In recognition of Scotiabank Hockey Day in Canada organizers, volunteers and staff

Hon. Mr. Fentie: I rise today on behalf of the House to pay tribute to Scotiabank Hockey Day in Canada and all the organizers, volunteers and staff who worked tirelessly to make this day a resounding success on Saturday, February 12.

The national exposure and profile of Whitehorse and the Yukon demonstrated to the rest of Canada Yukoners' warm hospitality, pioneering spirit and proud sense of community. The hard work of the local organizing committee, chaired by Walter Brennan and co-chairs George Arcand and Ranj Pillai, deserve much of the credit for putting together the week-long celebration that caught the imagination of Yukoners, young and old alike. Likewise, the staff of CBC, both local and national, deserves our thanks for the exceptional work they did in profiling the strong hockey tradition in Whitehorse and Yukon communities.

In true Yukon fashion, we also told stories about our game by mixing sport and culture, whether it was the exhibit of hockey's history in Yukon at MacBride Museum, or the collaboration of musicians and filmmakers to put on a magnificent show at the Yukon Arts Centre. This week was all about celebrating our game of hockey and how it plays an important role in our lives.

I must also thank the CBC and NHL celebrities who spent the week in our town. The City of Whitehorse was abuzz with the sightings of the "who's who" of *Hockey Night in Canada*. Those Yukoners who had the pleasure of meeting these celebrities found them down to earth, friendly, and willing to take time with everyone. Yukoners will remember for the rest of their lives hosting Ron MacLean, Don Cherry, Lanny McDonald, Trevor Linden, Brad May and countless others who made the week truly special for everyone involved.

Without a doubt, Scotiabank Hockey Day in Canada was an outstanding success, and we will not soon forget the lasting stories and memories from this wonderful day. On behalf of all Yukoners, I would like to thank everyone who worked on bringing this event to the Yukon and making it the truly memorable experience that it was. Thank you.

In recognition of National Heart Month

Hon. Mr. Hart: I stand in the House today to raise awareness about the health of our hearts. It is particularly fit-

ting that I do so today, on Valentine's Day. February is National Heart Month, a time during which we are encouraged to consider our lifestyles and decide if the way we live will cut our lives short.

M. le Président, je me lève aujourd'hui afin de souligner l'importance de la santé du coeur, ce qui est plutôt de circonstance en cette journée de la St-Valentin. Février est le mois du coeur au Canada et c'est l'occasion pour nous d'examiner nos habitudes de vie et de déterminer si ces dernières vont diminuer notre espérance de vie.

The Canadian Heart and Stroke Foundation is working to raise awareness among Canadians of the risk factors that can increase our chances of heart disease and stroke. Some of these risk factors are out of our control — factors such as age, gender, family history and ethnicity. But some are well within our control. They are smoking, physical inactivity, high blood pressure, unhealthy diet, being overweight, high blood cholesterol, stress, diabetes and excessive alcohol consumption.

We can control each of these risk factors and we can obtain help controlling them if we are having difficulty on our own. According to the Heart and Stroke Foundation, 80 percent of the early onset of heart disease and stroke can be prevented. It takes very little to make a marked improvement to our health outlook. For instance, just losing five percent of our body weight can reduce high blood pressure and cholesterol. It's the weight we carry around our middles that is the most dangerous to our hearts.

In closing, I would like to encourage all Yukoners to take a look at their lifestyles and make changes, if needed. Little changes now can mean a longer life in the future. Thank you.

In recognition of Black History Month

Ms. Hanson: I rise in behalf of the New Democratic caucus to pay tribute to black Canadians in this Black History Month, February. Most Canadians are unaware of the long history of Canadian blacks. In 1782, 3,000 slaves who had fought with the British in the American War of Independence were granted freedom certificates and passage to Canada. Lawrence Hill, in his internationally acclaimed book, *The Book of Negroes*, provides an intriguing insight into the harsh realities of these early political refugees. By 1835, the British Parliament had abolished slavery in its colonies. In the next decades, most of the black people who came to Canada were fleeing slavery in the United States to escape legal and social inequalities, segregation and racial violence.

Canada did not have an entrenched system of discriminatory Jim Crow laws as the United States did, but racial segregation and discrimination was practised in many places.

In the Yukon during the Klondike Gold Rush, the population included 99 black people. The gold rush provided new opportunities with fewer restrictions on the kinds of work or business ventures available to people, regardless of their race, ethnic background or economic or social status. Black people worked as household servants, barbers, waiters, musicians, entrepreneurs, labourers and gold miners.

One of those black people who came to the Yukon was Lucille Hunter. She was pregnant and only 19 years old when she and her husband, Charles, left the United States in 1897.

They travelled via the Stikine Trail, one of the most difficult routes to the Yukon. When they reached Teslin Lake, Lucille gave birth to a daughter whom they named Teslin. The family continued on to Dawson, arriving there well before most of the stamperders. They staked a claim on Bonanza Creek in February 1898 and lived for a time at Grand Forks, at the confluence of the Bonanza and Eldorado creeks.

After Charles died in 1939, Lucille continued to operate gold claims in Dawson and silver claims near Mayo. Every year she walked more than 200 kilometres from Mayo to Dawson and back again. In 1943, she moved to Whitehorse, where she operated a laundry.

Although she was completely blind in her later years, she continued to be fiercely independent. Her life is a lesson to us that touches on women's rights as well as racial discrimination. She died June 10, 1972, at the age of 93.

The history of the Alaska Highway is also one of black history. The U.S. Army Corps of Engineers built the preliminary road through the northern wilderness. Nearly 11,000 soldiers worked on the construction of the highway at a time when the Yukon's resident population was fewer than 5,000. At that time the U.S. Army was segregated, and the new regiments were comprised of black soldiers commanded by white officers. Many First Nation people alive today remember their first encounter with black men as they built the Alaska Highway.

Many of the soldiers came from the southern U.S. and had never experienced a northern winter. They had to contend with the stereotypical view of black men as poor soldiers who performed poorly under stress. Most white officers were not happy to be commanding black regiments and resented their assignments. Despite all the difficult conditions, the black soldiers pushed through a basic road in only eight months.

Black Canadians have served in military units since the colonization of Canada. In World War II, black Canadian soldiers refused to serve in segregated units and were fully integrated into the army, navy and air force. The contribution made by black regiments, both in Canada and the U.S. was one of the factors that led to the integration of the U.S. military.

People of African descent are often absent from Canadian history books despite our long connection to the Caribbean as part of the British Empire. By learning and talking about black Canadians' history and contribution during this month, we can help break down the barriers of racism and discrimination. Year-round we celebrate the vital legacy that black people have given us in Canada whether they are born here or are newcomers to our country.

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

INTRODUCTION OF VISITORS

Mr. Cathers: Mr. Speaker, I'd like to ask all members to join me today in welcoming Currie Dixon to the visitors gallery and also extending a welcome to Mike Nixon.

Applause

Speaker: Are there any further introduction of visitors?

Returns or documents for tabling.

TABLING RETURNS AND DOCUMENTS

Mr. Elias: Mr. Speaker, I have for tabling a 2010 resolution passed by the Yukon Medical Association regarding their support for the regulation of energy drinks in the Yukon.

Ms. Hanson: Mr. Speaker, I have for tabling Bill C-593, *An Act respecting a National Strategy for Suicide Prevention*.

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

Are there any reports of committees?

Are there any petitions?

PETITIONS

Petition No. 14 — response

Hon. Mr. Rouble: A careful review of the Hot Springs Road rezoning petition and the accompanying legal petition has been completed by Energy, Mines and Resources land planning officials and the Department of Justice. The rezoning application is therefore receiving an in-depth review to carefully consider the contents of the petition and accompanying legal opinion. It will receive due consideration in keeping with the rights of all property owners, input from the community, and, above all, within the legal allowable uses as permitted by the Hot Springs Road local area plan and zoning regulations.

The Government of Yukon has not made any decisions on this rezoning application. This government is on record as being committed to safeguarding the rights of all Yukon land owners with respect to the use of their property, while also mindful of the input of the affected community. We will review this document, as we are also mindful of the input of the affected community with regard to the allowable activities permitted by the Hot Springs Road local area plan.

Speaker: Are there any petitions for presentation?
Are there any bills to be introduced?

INTRODUCTION OF BILLS

Bill No. 114: *Act to Amend the Housing Corporation Act*

Mr. McRobb: I move that a bill entitled, *An Act to Amend the Housing Corporation Act*, be introduced and read a first time.

Speaker: It has been moved by the Member for Kluane that a bill, entitled *Act to Amend the Housing Corporation Act*, be now introduced and read a first time.

Motion for the introduction and first reading of Bill No. 114 agreed to

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

NOTICES OF MOTION

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

THAT this House urges the Government of Yukon to declare the year 2012 the Year of the Yukon Tartan and to:

- (1) educate Yukoners on the tradition of the Yukon tartan;
- (2) promote the Yukon tartan at Yukon social and cultural events, as was done at the Scotiabank Hockey Day in Canada, 2011;
- (3) encourage all MLAs to wear or display the Yukon tartan at events or gatherings throughout the year; and
- (4) encourage Yukon's cultural industries to host an annual Yukon tattoo, similar to the Royal Nova Scotia International Tattoo, to showcase our Yukon tartan, diverse culture and heritage.

Ms. Hanson: I give notice of the following motion:

THAT this House urges the Yukon government to support Bill C-593, entitled *An Act respecting a National Strategy for Suicide Prevention*, standing in the name of the Hon. Megan Leslie, Member of Parliament, in order to establish a national suicide prevention strategy in consultation with provincial, territorial and First Nation governments.

I further give notice of the motion:

THAT it is the opinion of this House that failure by the federal government to renew funding to Sisters in Spirit to complete the database on murdered and missing aboriginal women negatively affects awareness of ongoing violence against women and girls.

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

THAT this House do issue an order for the return of all documents and papers related to the costs of the construction of the Whitehorse Correctional Centre, including all change orders, as of February 14, 2011.

Speaker: Are there any further notices of motion?
Hearing none, is there a statement by a minister?
This then brings us to Question Period.

QUESTION PERIOD

Question re: Yukon Housing Corporation mortgage portfolio

Mr. McRobb: Today I introduced for first reading, an *Act to Amend the Housing Corporation Act*. Many Yukoners have their mortgages with Yukon Housing, usually because they can't meet the more onerous qualification criteria with private lenders for the money to buy their home. This bill would protect those applicants and allow more Yukoners to own their own homes. It would prevent the corporation from selling mortgages to a private bank or other institution without the borrower's consent.

Even though the minister hasn't yet read the bill, he can tell us whether he supports the principle of protecting Yukoners' homes and mortgages, so does he agree that Yukoners' mortgages should not be sold without their express consent?

Hon. Mr. Kenyon: As the member knows well, this was discussed in the last session. The corporation has no plans whatsoever to sell mortgages. We do allow, however, people to move mortgages at their discretion because of the wider range of opportunities through banks, lines of credit, utilizing equity within the house to purchase a vehicle or further their education, or their children's education. Those are all possibilities, but as the member well knows from previous discussion, there are no plans and there will be no plans to sell off the mortgage portfolio.

Mr. McRobb: Mr. Speaker, the minister avoided the question, so allow me to explain the bill tabled today. It's concise and straightforward. The operative clause states, "... the corporation shall not assign, transfer or sell any loans ... without the express written consent of the borrower."

This bill would not interfere with how the corporation grants or manages mortgages. It would simply prevent the corporation from selling Yukoners' mortgages to another institution without their consent. It would also provide peace of mind to the public. It would avoid the shock of discovering at renewal time that they don't qualify, even though their long-term mortgage was approved by the corporation. Does the minister support this amendment to protect those mortgage holders?

Hon. Mr. Kenyon: Perhaps the member wasn't paying attention there. The corporation has no plans — never has and never will — to sell off any kind of a mortgage portfolio. The proposal was evaluated by the Management Board Secretariat, which is quite different from Management Board. I realize that the member opposite, never having been in government, might not be aware of that. There are no plans to do any of that. We deal with data, and hypothetical questions on a document that I haven't seen are hardly within the purview of this forum.

Mr. McRobb: It is encouraging that the minister does recall our conversations from last fall when the Housing Corporation did consider selling off Yukoners' mortgages to one of the big banks to help with its cash-flow problems. I'm sure he can also recall the bad publicity he received last fall and how that put the brakes on this secret plan.

This wasn't the first time the Yukon Party has tried to secretly sell off Yukoners' assets.

Internal government documents have revealed the reason for dropping this hot potato, and it was indeed the bad publicity. The minister stated that he doesn't have plans to sell off Yukoners' mortgages, but that's no guarantee, so why won't the minister support this amendment to protect these mortgage holders?

Hon. Mr. Kenyon: I'll state again for the member that such a plan was looked at by Management Board Secretariat, which is a division of the Executive Council Office, whose job it is — quite rightly so — to do evaluations. As the member also knows, the proposal showed that this was not a reasonable thing, which is what we certainly expected, and it was that member in the House who has shown on many occasions that he doesn't know the difference between Management Board and the Management Board Secretariat. I can understand that, since he has never served in a government.

I can assure the member opposite that, as hard as I try, I usually can't forget our discussions. They're quite memorable.

Question re: Old Crow student travel

Mr. Elias: There are 16 students from our community of Old Crow attending high school in Whitehorse this year. I want to see every one of them graduate.

They travel 800 kilometres from their homes, their families and their community to further their education. It's a noble goal, and I believe it's a goal essential to their success in life and it's a goal to do everything in our power to support. One way we can help is to get these kids home to reconnect and re-energize with their families whenever possible. The minister was not clear last week in response to my questions on the matter.

Will the Minister of Education ensure that the students from Old Crow are flown home to their families for the upcoming Easter break? Yes or no?

Hon. Mr. Rouble: I certainly appreciate the zeal with which the member opposite works to address the issues for the community of Old Crow. As Minister of Education my responsibility is not just to the 16 students from Old Crow who are attending Yukon's high school, or F.H. Collins here in town, but indeed the 5,000 students who attend Yukon schools throughout the territory. We strive to have that same level of excellence and same level of opportunity and the same chances of success for all Yukon students. We genuinely hope for all students to do their best, to gain the skills, education and capacities necessary to lead healthy, productive, meaningful lives.

Yes, I will continue to work on increasing the educational outcomes for students from Old Crow, whether it's working with the Vuntut Gwitchin First Nation on issues like the land-based experiential education program, whether it's putting in place some of the initiatives of Council of Yukon First Nations to provide additional supports to students from outside of Whitehorse who are attending school here, whether it's looking at the other educational reform initiatives that this government has put in place, in order to increase the educational outcomes for students of First Nation ancestry. Mr. Speaker, there is not one magic bullet that we're looking at; we're looking at a number of different options.

Mr. Elias: Mr. Speaker, it seems the Minister of Education can't answer a simple question on the floor of the House. Fifteen, 16- and 17-year-old kids from Old Crow must leave their families behind for nine and one-half months a year to attend high school in Whitehorse. They give up a lot to pursue their education and they should be commended. The minister's commitment to get them home as often as possible would go a long way toward making the choice to stay in school an easy one.

When the Minister of Education travels to London, England, when the Minister of Environment travels to Cancun, Mexico and when the Minister of Economic Development travels to China, I'm sure they view those trips as an investment. Well, I view getting the high school students back home to Old Crow for Easter and Thanksgiving as an investment also.

Will the Education minister ensure there is funding to get these students home for Easter and Thanksgiving breaks?

Hon. Mr. Rouble: There is funding available for students from Old Crow to make it home a number of times during the year. Additionally, the Department of Education does — and has on a number of different instances; last year I think there were two instances — provide airfare back to Old Crow in the event of a death in the student's family.

We do believe that it's important to provide those linkages with the community. That's why we're looking at expanding opportunities in Old Crow. That's why we're looking at additional delivery models for education, whether computer-based or land-based. That's why we're looking at the rural initiatives we have that affect not only the students in Old Crow, but also students from Ross River, or students from Haines Junction, or students from other communities who must travel to Whitehorse to finish their high school diplomas.

Mr. Elias: I'm going to keep my cool. This is exactly the type of issue I speak of when I say that Yukoners want the compassion and caring back in their government. Why is it so difficult for this Minister of Education to answer a simple question on the floor of this House? These students and their parents are listening.

It wasn't long ago that the Auditor General chastised this government for shortchanging First Nation rural youth. She pointed out that, on average, 60 percent of Yukon students graduate, but only 40 percent of First Nation students do. A 25-percent difference is worth fixing, and a Liberal government would support a policy change that would ensure that these students from Old Crow get home during these two holidays. Will the minister help these kids get home for the Easter and Thanksgiving breaks? Answer the simple question, please.

Hon. Mr. Rouble: The Government of Yukon certainly has demonstrated its compassion and caring for these students. It has gone above and beyond to provide for return airfare to Old Crow in the situation where there is a death in the student's family. It's a very unfortunate situation to be in. We'll also look to continue a wide range of programs across the board of Education to increase the educational outcomes for students of First Nation ancestry, as the member just pointed out — in working closely with the Council of Yukon First Nations. The First Nation Programs and Partnerships Unit has put in place a number of different initiatives. We've utilized the northern strategy funding from the federal government to provide a land-based experiential education program in the member opposite's community.

In fact, we'll continue to look at a number of different reforms, initiatives and program changes to increase the educational outcomes for all students.

Mr. Speaker, we certainly want to see that gap eliminated between the performance of students of First Nation ancestry and those who are not of First Nation ancestry, and we want to see the performance of all students in Yukon schools increased, with a much broader range of outcomes available for all the students who go through Yukon's education system.

Question re: Waters Act update

Ms. Hanson: With the signing of the devolution agreement in 2003, Yukon gained control over its resources. Over the years, it has developed its own forestry legislation and

amended the *Quartz Mining Act*, but the *Waters Act* still mirrors federal water legislation. I've heard comments from Yukoners that the act is outdated, antiquated, and from an age when development trumps all other values.

Can the Minister of Environment tell us the timetable he is working on for talking with the public about modernizing our rules around water?

Hon. Mr. Fentie: Mr. Speaker, I'm sure the member is well aware, considering history in this territory in respect to the devolution transfer agreement and the role that the Department of Indian Affairs and Northern Development played in that long decade plus process.

Of course, the first requirement for entering into the agreement for us in Yukon was mirroring the federal legislation. That's just the fact of life, but there's also a requirement that we follow due process over the course of time and develop successor legislation. I think that the fact of the matter that we've created forestry legislation — the first ever forestry act in the Yukon — is a demonstration of how that process unfolds. It took considerable time in working with First Nation governments and through significant public consultation to develop the legislation for forestry, and we expect no different for the other acts that are federally mirrored, but at some point in time will be replaced by successor legislation.

Ms. Hanson: Yes, I am very aware of the process with respect to replacing mirror legislation. I guess the point I would make is that almost eight years is a very long time to take to actually accomplish only two pieces of successor legislation.

One of the many wonderful lines in the preamble to the *Environment Act* states this: "recognizing that long-term economic prosperity is dependent on wise management of the environment." With an increased amount of mining exploration and production, the Minister of Environment is under increased pressure to ensure the preservation of our environment and our water.

Can the Minister of Environment share with Yukoners how the department is beefing up inspections, data collection, and policy and regulations to ensure the protection of our most precious resource: clean, fresh water?

Hon. Mr. Fentie: I don't want to seem somewhat presumptuous here, but I'm sure the Leader of the Third Party knows that there are a tremendous amount of legal and regulatory instruments in this territory, not the least of which is the *Umbrella Final Agreement* and the treaties in this territory, and all that falls from that very important agreement, including what we do in terms of the *Yukon Environmental and Socio-economic Act*, including all the stringent assessment of any application that comes forward in terms of access to land, water and/or resources.

In Yukon, I think it's very clear that we have a very stringent regime when it comes to ensuring we protect and conserve our environment. We have a very balanced approach that has encouraged development. The member is correct in the point that there is increased development in the territory, and it's because the Yukon Party government has applied that very stringent regulatory and assessment regime in a consistent

manner and a timely manner, but so too have we applied balance to that process, in terms of development.

That's what sets us apart. The NDP would turn the ox-cart around and go backward. We would focus on the balanced approach, increasing development in the territory.

Ms. Hanson: Mr. Speaker, I would just remind the member opposite that it was the NDP that put in place the *Environment Act*, that did put in place a number of pieces of enabling legislation, and if you'll go back far enough in history, brought First Nations fully into the land claims negotiating process. What I'm more concerned about is what happens on the ground.

A few years ago a memorandum of understanding was signed to transfer water inspection powers from the Department of Environment to the Department of Energy, Mines and Resources with respect to the Minto mine. Last fall, we heard Yukon Zinc requested a similar MOU. We have never received satisfactory answers about the effectiveness of this process. We are looking for an evaluation of this MOU from the minister who is ultimately responsible for protecting our water resources, the Minister of Environment. Is it working? Have there been any challenges? Can the Minister of Environment provide a copy of the evaluation of the transfer of powers under this MOU and shed some light into future plans for ensuring the protections of Yukon's groundwater, rivers, lakes and watersheds as mine production speeds up?

Hon. Mr. Rouble: Mr. Speaker, the Department of Energy, Mines and Resources works very diligently with industry to ensure that all requirements under legislation and regulation are enforced on a timely and professional basis.

This is all part of the integrated resource management practice. This is sending one person in a pickup truck and white hardhat out to take a water test rather than sending two people in two different pickup trucks. We believe in efficiently and effectively implementing the legislation. Certainly, our enforcement officers do that work on a daily basis. In fact, when one takes a look at the budget for Energy, Mines and Resources, people will see an increase in our client services and inspection, with three additional FTEs — three additional positions being provided to undertake additional client services and inspection work throughout the territory. These professionals do a great job in a very trying situation, and they have the faith of the government behind them.

Question re: Mining industry data

Mr. Cardiff: The Yukon New Democrat leader was down at the mining Roundup in Vancouver and brought back a report published by the Alaskan government on Alaska's mineral industry. Like the Yukon, the Alaskans have been in the mining business a long time, but unlike the Yukon, the Alaska government is interested in gathering the data on the industry and sharing it with its citizens. Alaska provides more information on the benefits; it provides job numbers; it provides regional geographic breakdowns; it looks at the life of a particular mine and shows what it has contributed to the public coffers in terms of royalties, taxes and fees.

Managing the economy properly means we need to gather more data and have this data become part of the planning proc-

ess. Will the government take a cue from our Alaskan neighbours and gather data on the values of the industry and share this with Yukoners?

Hon. Mr. Rouble: Mr. Speaker. I agree with the member opposite that it's important to see, in a tangible sense, all the benefits that are happening in today's economy, that it would be certainly great to see more specific numbers. We know anecdotally that we have about 600 direct jobs created in the resource industry this year — 600, Mr. Speaker. But having a more specific and maybe a more accurate statistic of that would certainly be a benefit so that Yukoners could see that, well, there are more than 600 people working directly in those situations.

Also, anecdotally we know that other people are putting in other contributions to their business, based on the growth in the mining sector. We see the reporting that the Yukon Geological Survey does. We see the reporting that the Department of Energy, Mines and Resources does. Clearly, this year, when the geologist was providing the background on Yukon's future on projects going on this year, it was standing room only in the Convention Centre in Vancouver with all the excitement that was going on.

Yes, Mr. Speaker, we've also launched a labour market framework exercise, which was done through the Department of Education last Friday. Part of that is collecting good labour market data so we can ensure we're preparing Yukoners for Yukon opportunities.

Mr. Cardiff: What the Minister of Energy, Mines and Resources is saying is that they're doing economic planning based on anecdotal information and not actually going out and getting the hard information. The New Democrats support responsible mining — it always has and it always will. The NDP has a long history with the industry and some of our accomplishments include creating the Yukon mining incentive program and the mineral exploration tax credit.

Some Hon. Member: (Inaudible)

Mr. Cardiff: I can see I'm getting under the Premier's skin now.

We believe the Yukon people should benefit from our mineral wealth. One way to do that is to collect royalties — the rent for extracting minerals on our land through corporation tax. Can the minister — not anecdotally — provide a breakdown of corporate income tax paid last year by mining corporations and the total value of mineral royalties collected by the Yukon government?

Hon. Mr. Rouble: Once we get into further debate on the budget and start looking at the recoveries, I'm sure if you direct some of these questions to the Minister of Finance, he'll be able to provide additional information. Certainly, when we get into debate on the Department of Energy, Mines and Resources, when I have officials and more of the information at hand, I'll be able to provide a bit more of that information. Members will note also that royalties are not just paid to the Government of Yukon, but, indeed, royalties are paid to the federal government and, indeed, royalties are paid to Yukon First Nations. We've seen the results of the Minto mine, recently, which is operating on Selkirk First Nation lands.

They've received, this year, \$6 million in royalties. Also of note — maybe it's anecdotal, but it's still pretty good news — is that the Capstone mining company provided \$1.8 million through the community economic development expense to the community in order to build an early childhood education centre. I know that's an anecdote, but I think it's a good one and it illustrates governments working to establish an appropriate regulatory regime — one that encourages local community benefit and impact. We want to see more situations like this.

Mr. Cardiff: Mr. Speaker, because the Yukon Party government does its economic planning on anecdotal information, it lacks comprehensive, cost-benefit data on the mining sector.

This issue was raised recently in the *Yukon News*. We hear that Yukoners want responsible mining to succeed, and they want to share in the benefits, but the lack of that hard data makes rational economic planning difficult. We know that the public subsidizes the mining industry in many ways. We build and maintain road infrastructure and bridges; we provide incentive programs, like the Yukon mining incentive program; we provide low-cost energy. We operate a geological survey, which the minister referred to earlier. We employ mining inspectors, water inspectors and mining recorders.

Can the minister provide Yukoners with a breakdown of the economic benefits we as a territory receive from the industry and, in particular, the number of Yukon residents who are employed in the industry —

Speaker: Thank you. Minister responsible, please.

Hon. Mr. Fentie: Mr. Speaker, just for some clarity for the Third Party — Yukon receives exactly what it is entitled to receive under instruments like the *Umbrella Final Agreement* and the devolution transfer agreement. We receive exactly what we are entitled to receive.

Furthermore, the NDP has made clear demonstration, time and time again, that they think more money should come out of industry and corporate pockets.

The Yukon Party government does not do that. We see no reason to increase cost to industry when the Yukon has become very competitive in the world market.

All this investment coming to the Yukon could have gone elsewhere. There's gold, precious metals and minerals around the world. The industry has chosen Yukon for a number of reasons.

Furthermore, this is the Yukon Party government that continues to use our taxation regimes in a manner that we put downward pressure on the cost to Yukoners, putting money back into their pockets, putting more money back into the pockets of small business. It is the clear contrast between the Yukon Party government and its approach and the NDP and its approach. We build; they want to detract and take the industry back to where it was.

Question re: Burwash Landing school

Mr. McRobb: I have a question for either the Education minister or the Minister of Finance. It has to do with the Burwash school. That is a project that was promised by the former Yukon Party Education minister until that project was cancelled by the Premier a few years ago. It was very interest-

ing to learn that, during the recent election for the Kluane First Nation, this government was involved in behind-the-scenes discussions with the First Nation about this school.

Both candidates declared publicly they support this school. Why isn't it in this government's budget or the long-term capital plan?

Hon. Mr. Fentie: Time and time again — in fact, the member would know that; he has attended some of the visits to the community of Burwash — as the question arose, the government was very clear on its position. I don't think I have to explain that over and over again for the Member for Kluane.

Furthermore, all that we're doing with the Kluane First Nation in regard to a facility in Burwash Landing is on the basis of a written proposal and request that came forward to government. It was not a request for a school. No, it was not, Mr. Speaker; it was a request for something entirely different and that's what the government has been working on since we were in receipt of that proposal.

Question re: Energy drinks

Mr. Elias: Mr. Speaker, last fall I brought the issue of energy drinks to the floor of this Legislature and to the attention of this government. I asked this government to take a stand for the health of our children by implementing meaningful legislation on energy drinks and it refused.

There's a new report on the effects of these drinks in the American medical journal, *Pediatrics*. It was written by doctors from the University of Miami's medical school. The report warns that energy drinks are unstudied, overused and can be dangerous for children and teens, and I quote: "For most children, adolescents and young adults, safe levels of consumption have not been established, the report said." It also went on to say, "These drinks have no benefit, no place in the diet of kids."

In light of this new research, will the government legislate the use of this product by children?

Hon. Mr. Hart: Since we had our discussion with regard to this subject we have been working with the other jurisdictions on dealing with energy drinks. We are looking into methods to address the issue of having energy drinks for those under the age of 18.

Mr. Elias: A parent came into my office the other day and said, "Darius, don't give up on this energy drink issue. We need them regulated in our own territory and we don't need to wait for the federal government to develop its own legislation because that's taking too long and they want to continue with the cautious approach."

We raised this issue last year and the government was silent. The answer was, "We don't think this is an important enough issue to take action", and they are content to do nothing. Again, I want to take the cautious approach; I want to ensure that Yukon children playing sports out there on the streets, or wherever, don't have access to these drinks because they are dangerous

I challenge the minister to canvass Yukoners and to do its due diligence like it did with the cellphone issue and confirm that Yukoners want these energy drinks regulated in our terri-

tory with our own legislation. Will the minister do his due diligence with energy drinks in our territory?

Hon. Mr. Hart: Mr. Speaker, as I indicated, we are working with the other jurisdictions on what we can do to assist and provide restrictions to those who are under the age of 18 and dealing with energy drinks, and we intend to do so.

Mr. Elias: Mr. Speaker, last fall the minister said on the floor of the House that he wants to hear from doctors. Well, many doctors have spoken. The *Canadian Medical Journal* says that energy drinks pose serious health risks to kids. In the report that I just mentioned, they say that energy drinks would be regulated like tobacco and alcohol. I tabled earlier today a motion from the Yukon Medical Association that also supports a regulation made in our territory with regard to energy drinks being sold to youth under 18 years of age.

Again, will the Minister of Health and Social Services do his due diligence and begin the development of our own territorial regulations, as they pertain to the consumption and sale of energy drink products to our kids under the age of 18 years?

Hon. Mr. Hart: I'll repeat again: we are in the process of dealing with the other jurisdictions, as I've stated in the past, on how we deal with issues of preventing children under the age of 18 from drinking these beverages. We are in this process; we are dealing with the medical profession, not only here in the Yukon but also in Canada, on issues like this in other jurisdictions and how they put the legislation in place, to enable us to go forward on this issue.

Speaker: Thank you. The time for Question Period has now elapsed.

Speaker's ruling

Speaker: Prior to proceeding to Orders of the Day, the Chair will rule on a question of privilege raised Wednesday, February 9, 2011, by the Member for Vuntut Gwitchin.

Before ruling on the question of privilege, the Chair will address some procedural matters. Standing Order 7(4) says that the Speaker must rule on (a) whether there appears, on the face of it, to be a case of breach of privilege, and (b) whether the matter has been raised at the earliest opportunity.

I shall address the second matter first. The Member for Vuntut Gwitchin raised the question of privilege before Orders of the Day on February 9, having tabled earlier that afternoon documentation in support of the question of privilege. The Chair accepts that February 9 was the earliest opportunity that the member had to bring this matter to the attention of the House.

I shall now address the issue of breach of privilege itself. In dealing with questions of privilege, it is not the Chair's role to rule that a breach of privilege has or has not occurred. That is a matter for the House to decide. The question for the Chair is whether there appears, on the face of it, to be a breach of privilege.

In raising the question of privilege, the Member for Vuntut Gwitchin asserted the Member of Community Services had, in the course of responding to a question from the member during Question Period on February 8, 2011, made an inaccurate statement; that the effect of this comment was to cast in doubt

the member's word, and his reputation; and that this impeded the member in discharging his duties.

The category of privilege that the question of privilege raised by the Member for Vuntut Gwitchin rests upon is that of obstructing or interfering with a member in the performance of his or her parliamentary duties. The standard for meeting the test of obstruction is strictly circumscribed. The test, as laid out by Joseph Maingot in the second edition of *Parliamentary Privilege in Canada*, at pages 235 to 236, is as follows: "Obstruction must be connected to parliamentary work (parliamentary proceeding) and be occasioned by improper means."

Maingot notes that situations that "do not relate to the Member's parliamentary work but rather to his constituency work or other work in his official capacity as a Member" do not constitute a question of privilege. It would be an exceptional case in which one member's comments contradicting another member's version of events — that is, a disagreement between members as to the facts — could meet the threshold for obstruction.

In the case at hand, the Chair has not been provided with evidence that the minister's comments have impeded the Member for Vuntut Gwitchin from taking part in proceedings of the House. For example, the minister's comments have not prevented the member from participating in debates of the House, or from voting, or from attending sittings of the House. Therefore, the Chair concludes that there does not appear to be a question of privilege, as the threshold for this category of privilege has not been met in this instance.

The Chair thanks all members for their attention to this ruling. We will now proceed to Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 23: *Third Appropriation Act, 2010-11* — Second Reading

Clerk: Second reading, Bill No. 23, standing in the name of the Hon. Mr. Fentie.

Hon. Mr. Fentie: Mr. Speaker, I move that Bill No. 23, entitled *Third Appropriation Act, 2010-11*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 23, entitled *Third Appropriation Act, 2010-11*, be now read a second time.

Hon. Mr. Fentie: I am pleased to introduce Bill No. 23, *Third Appropriation Act, 2010-11*, also referred to as *Supplementary Estimates No. 2, 2010-11*, to this First Session of the 32nd Legislative Assembly.

First, by way of a brief overview: critics have noted that a special warrant was issued January 27 in the amount of \$25,664,000, while declaring that the warrant was not necessary, that the warrant does not represent open and accountable government. The government side obviously does not concur with that type of criticism.

The members opposite may appreciate that, through this third appropriation act, the Legislature will be debating and

considering those additional expenditure items previously included in the special warrant. In other words, there will be a full and wholesome debate of all expenditures related to *Supplementary Estimates No. 2, 2010-11*, which is Bill No. 23, which is inclusive of all matters within the special warrant.

While the Legislature conducts its business, the special warrant ensures that government officials have the requisite legal authority to make the expenditures delegated and entrusted to them.

So, Mr. Speaker, as identified in the third appropriation act, *Supplementary Estimates No. 2, 2010-11*, provides for sums required of some \$25,664,000 as identified in the special warrant. These sums required are offset by sums not required of some \$38,584,000. There are a number of adjustments reflected in *Supplementary Estimates No. 2, 2010-11*, and ministers who are requesting supplementary budget approval will be pleased to provide members of the Legislature with the complete details of their expenditure requirements in the department-by-department, line-by-line review and in general debate.

Today I will limit my comments to the two major items or themes that are reflected in the third appropriation act under the sums required totals.

The first theme, Mr. Speaker, is environmental liabilities. The *Supplementary Estimates No. 2, 2010-11*, reflects \$5.116 million that is to be recorded in recognition of environmental liabilities identified for the 2010-11 fiscal year. That is something that is of significance because this is an area that will create variances during any period of a fiscal year, as the calculations of determining environmental liabilities are ongoing year by year, regardless of the start of the fiscal year, April 1, and the end of said fiscal year, March 31.

So, it's very reasonable to conceive that there will be variances due to environmental liabilities during the course of the fiscal year that were not reflected in the original estimates for said fiscal year. While the minister will be pleased to discuss these details during general debate, let me take this opportunity to note that our government records environmental liabilities in accordance with requirements of the Auditor General, so it's not something that we can choose to do or not to do; it is a requirement vis-à-vis the Auditor General's office. The decision not book the government's liabilities when they become known would risk receiving a qualified audit. That's something all governments should endeavour to ensure, at all times: that we are not receiving qualified audits. We would find ourselves in a catch-22 situation. The government needs to recognize these liabilities; however, the assessment work needs to be done before environmental liabilities can be meaningfully estimated. I emphasize "meaningfully estimated". This is about open, accountable government by providing Yukoners the most updated information and estimates that are based on all available data and information. It's all about openness and accountability.

Should we go the other route, it makes it very difficult to budget for liability recognition. That's not what this government does.

In light of this challenge, I wish to acknowledge the ongoing efforts of the Department of Environment to refine the estimates of the government's environmental liabilities. At this

point, I have to point out to the House that there was a time the government did not book any environmental liabilities whatsoever. That's no longer the case, under the Yukon Party government's watch.

By matter of convention and courtesy to the Legislature, the adopted practice of the Yukon government has been to identify a \$1 vote for environmental liabilities, as the point I just made. The \$1 vote signals to the Legislative Assembly that there is likely to be some as yet unknown future requirements to be brought forward when appropriate for consideration by this Assembly. Obviously, when the estimates are tabled at the beginning of any fiscal year for debate, there may not be sufficient data to be able to estimate environmental liabilities for the course of that fiscal year.

But we do make note of it with this \$1 accounting of environmental liabilities, which signals, hopefully, to all members of the House, that there is more to come during the course of the fiscal year. So, as noted, through this *Supplementary Estimates No. 2, 2010-11*, we are identifying \$5.116 million related to the recognition of these environmental liabilities. Now, this is consistent with the approach the Yukon government has adopted — to book the best estimate for environmental liabilities when it becomes known — not to guess what the liability might be in advance of more thorough assessment work to be done.

The second theme is employees. Our government remains committed to ensure our employees' pensions are adequately funded and our liability for employee future benefits is indeed properly recorded. This supplementary addresses these issues with additional funding requirements identified for three departments. For the Public Service Commission, an increase of \$944,000 is provided to appropriately record the liability related to employee future benefits. Mr. Speaker, recognition of the liability related to employee future benefits is a requirement — and I stress "requirement" — under the Public Sector Accounting Board, or PSAB, standards.

The 2010-11 mains were based on the then current actuarial report, which represented the best information at that time. Subsequently, the Public Service Commission has received a new actuarial report resulting in the requirement to recognize increased liabilities for employee future benefits. To not record — therefore, to not comply — would again result in qualified audits, and that's not something the Yukon Party government intends to do.

A total of \$2.170 million is identified in the *Supplementary Estimates No. 2, 2010-11*, to address pension solvency issues for Yukon Hospital Corporation and for Yukon College. Now, I've just covered two specific issues in the theme that relates to employees, solvency for pensions and, of course, future employee benefits. The Liberals in this House have taken great issue to that expenditure.

In fact, it appears the Liberals, because of April 1 estimates for any fiscal year, would probably say no to these types of expenditures during the course of the fiscal year. If that's not the case, it's unfortunate that the Liberal leader did not articulate how they would have handled these emerging liabilities.

Out of this, \$1.15 million is provided, related to Yukon College under the Department of Education's O&M vote, and \$1.019 million is being provided, related to Yukon Hospital Corporation under the Department of Health and Social Services' O&M vote. Pension solvency is an Office of the Superintendent of Financial Institutions, or OSFI, requirement. It's not that we just wake up one morning and decide, "Oh, we should do this." It is, in fact, a regulated requirement.

So the Government of Yukon continues to comply with these requirements, ensuring appropriate funding is provided to address the identified solvency deficits for both the college and the Hospital Corporation.

Non-compliance, by the way, is a risky proposition, as the Government of Yukon could face monetary penalties imposed by OSFI or a qualified audit from the Auditor General. Again, these are not steps that the Yukon Party government is willing to take, and that's why we do what we do during the course of a fiscal year.

So, once again, this short articulation of the facts demonstrates clearly that the decision-making during the course of a fiscal year is related when it comes to our employees on matters of great importance and requirement, therefore variances occurred, and the estimates therein were changed.

Another theme is capital works. As our government has done in recent years, we once again have taken the opportunity to identify in *Supplementary Estimates No. 2, 2010-11*, those capital projects for which there are significant anticipated lapses and to include those amounts in the 2011-12 main estimates. These adjustments can be considered early revotes. Reflecting these at this time serves to establish appropriate vote authority early in the 2011-12 fiscal year, ensuring that departments have the necessary spending authority as projects progress through the summer months.

Individual ministers will be pleased to provide more detail on these adjustments during the debate — the very constructive debate, I'm sure — that we will undertake over the coming days.

In reviewing and projecting end-of-year capital spending requirements, two significant projects — Kwanlin Dun cultural centre and Whitehorse Correctional Centre — were identified as being ahead of schedule and, therefore, on pace to expend more than provided in previous 2010-11 capital appropriations. In the case of Kwanlin Dun cultural centre, the Department of Community Services is the responsible department, while the Kwanlin Dun cultural centre is on track to require \$3 million over and above the amounts previously appropriated for 2010-11.

Other lapses allow the Department of Community Services the ability to offset and manage through adjustments within its total previously approved 2010-11 capital appropriations. So, Mr. Speaker, the specifics regarding the 2010-11 capital allocations for the Department of Community Services are detailed in *Supplementary Estimates No. 2, 2010-11*, and, as I noted earlier, the minister will be pleased once again to discuss in more detail during a very constructive debate the expenditures as afore mentioned. Although the additional requirements for Kwanlin Dun's cultural centre have been managed within pre-

viously approved appropriations, this just was not the scenario facing the Department of Justice and the Whitehorse Correctional Centre.

Regular capital appropriations for the Department of Justice cover office furniture and equipment, information technology and building maintenance requirements. As the appropriate and responsible budgetary sponsor of the Whitehorse Correctional Centre, the Department of Justice is limited within its capital vote to deal with significant variations in appropriation requirements, particularly when the current year requirements have indeed increased. In reviewing projected year-end requirements, the Department of Justice in conjunction with the Department of Highways and Public Works determined that the Whitehorse Correctional Centre project was ahead of schedule. The options facing our government were to either stop work — which wasn't an option we wanted to choose — or provide additional spending authority — the option we did choose. Our government does not support slowing down the project to meet originally planned cash flows.

The Liberal leader might want to explain to the Yukon public what he would have done in this instance. Delays due to lack of budgetary authority in the current fiscal year may have resulted in unintended consequences, such as reduced hours for onsite contractors, trades, and labour or even, in most extreme cases, layoffs.

So, Mr. Speaker, our government is not in the business of denying Yukoners work when there is work available. I am sure that the Yukon public, the Yukon contracting community and the members opposite can appreciate the decision we made to advance said funding earmarked for the 2011-12 fiscal year back to the 2010-11 fiscal year to ensure uninterrupted employment for the potentially affected workers. The special warrant was definitely necessary; I cannot but wonder whether the opposition even understands the potential consequences to this group of Yukon workers, had this warrant not been issued.

Let me now delve into theme number four.

Here again, there has to be a much more thorough explanation by the Liberals and all the opposition in regard to this particular expenditure that created a variance during the course of a fiscal year. This supplementary provides approximately \$11.8 million to the Department of Health and Social Services. Of that, \$7.4 million is allocated to physician and hospital claims and \$2.8 million to social assistance.

These were emerging expenditures during the course of the fiscal year, creating a variance. The Yukon Party government, in having a savings account, was able to utilize that savings account to meet these emerging needs for Yukoners. The Department of Health and Social Services has worked diligently, striving to control, offset and mitigate costs in these areas. However, cost increases in these areas of essential health care and social services are very significant, and the Yukon Party government responded in the appropriate manner.

We did adopt an approach of managing permanent and ongoing budget increases, based on actual expenditures during the year. This strategy has resulted in the need to have supplementary budgets to address cost increases beyond those contem-

plated in the main estimates — not really a difficult matter to understand.

This strategy also afforded us the opportunity to more fully understand the cost pressures facing the Department of Health and Social Services. So, Mr. Speaker, the recent trend is undeniable: there are significant volume increases in these areas. This supplementary provides the necessary fiscal resources to address these volume changes. As noted, the recent trend has seen significant cost increases. While the Department of Health and Social Services will continue its efforts to mitigate and control costs in these areas, assuming similar volumes and so on, it is clear that the base budget in these areas needed to be reviewed and adjusted.

So, Mr. Speaker, just a quick side note: not only will members see an increase here in *Supplementary Estimates No. 2, 2010-11*, members will see a significant increase in 2011-12 main estimates in recognition of the trend analysis and these increased cost pressures.

The budget increase to be provided in the 2011-12 main estimates should significantly mitigate future supplementary requirements in these areas.

The Minister of Health and Social Services will be pleased to discuss this at length during general debate.

In summary, there is no doubt that expenditure growth related to the provision of ongoing or core health care and social services has been significant. We are addressing these increased costs and volumes for 2010-11 through this supplementary estimate. Further, we are recommending to the Legislature significant budget increases in these areas for 2011-12.

Let me delve into the fiscal framework. Increased spending requirements are not considered in isolation. Lapses and revenue changes are also considered and are detailed in this second supplementary. All things considered, increased expenditure requirements, lapses and deferrals to future years and revenue adjustments in the second supplementary reflect increased O&M requirements of \$17.698 million, decreased capital requirements of \$30.618 million, and decreased revenues of \$1.795 million.

I'm sure there will be critics, as there always are. Empty criticism, however, does not the case make. Our government tabled a budget with a \$2.907 million annual surplus, and now, here we are with supplementary estimates forecasting a year in which expenses will exceed revenues by some \$20 million. I will take this opportunity to clarify some examples of those adjustments that were made that have contributed to where we are now. First, collective bargaining: negotiations with the Yukon Employees Union and the Yukon Teachers Association were in progress when the 2010-11 main estimates were tabled. Therefore, the 2010-11 main estimates did not provide any adjustment for the outcomes of collective bargaining. I think that's a pretty logical approach and very reasonable that we would wait until the collective bargaining process has concluded, which will determine what we must account for.

By the way, it has been the historical practice of government not to identify any provisions for potential wage impacts while collective bargaining is underway — fairly reasonable and a logical approach. Our government is committed to allow-

ing the collective bargaining process to proceed unfettered and unencumbered. Imagine a collective bargaining process where the government has already tabled what it intends to pay its employees by way of any increase to wages. What would that mean for the collective bargaining process? It wouldn't be a good situation to be in as an employer, would it? We proceed to ensure that it is unfettered and unencumbered.

Including any adjustment in advance of negotiations would have been premature, of course — premature in the disclosure of the government's mandate in the collective bargaining process. With the ratification of collective agreements with YEU and YTA, wage and salary adjustments recognized subsequent to the 2010-11 main estimates total approximately \$10 million.

I've heard the Liberal leader espouse continually that the Yukon Party government simply does not manage the finances properly. He might want to explain how he would have addressed a \$10-million variance for employees, both for the YEU members and the Yukon Teachers Association members. We wait with great anticipation to hear that.

Let me delve into environment liabilities a little more. I spoke of the \$1 vote to signal to this Assembly that there are likely to be future, as yet unknown, appropriation requirements to be considered.

Supplementary Estimates No. 2, 2010-11, now identifies environmental liabilities of \$5.116 million. This is recognized for the 2010-11 fiscal year. I've also touched on pension solvency and employee future benefits in relation to the college and the Hospital Corporation.

Regarding the main estimates for the Public Service Commission's updated actuarial report, we've proceeded in recognizing those future benefits. These adjustments — related to both pension solvency and employee future benefits — total approximately \$3 million. Now, I've gone to some length to highlight a few significant required adjustments.

It is fair to say these are largely process-driven, such as collective bargaining negotiations or influences by third parties such as pension evaluation and actuarial reports. The timing is effectively beyond the control of any government when tabling main estimates, because all estimates are based on all available information at the time. Subsequently, wage and salary adjustments added approximately \$10 million to the expenditure base, recognition of environmental liabilities added \$5 million, re-evaluation of the hospital and college added just over \$2 million. Of course, in terms of the new actuarial report, approximately \$1 million was added to employee future benefits. Our 2010 main estimates did reflect a surplus of \$2.9 million; we are now reflecting, of course, that expenses have exceeded revenues by \$20 million. This represents a change or variance of some \$23 million.

Mr. Deputy Speaker, the required adjustments I have just noted account for approximately \$18 million of this change. The balance represents the net change of our revenue adjustments and expenditure choices that our government has made in response to emerging priorities.

Our net financial position — our net financial resource position; our savings account — remains positive. While most provincial and territorial governments have net debt — mean-

ing they owe more than they are currently capable of paying — this is not the case in Yukon. This is not the case in Yukon, because of Yukon Party government financial management. Net financial resource position is the most important indicator of our government's fiscal health — the Yukon territorial government's fiscal health. This indicator speaks to the future.

In simple terms, net financial resource positions reflect the sum total of the government's financial assets, offset by the sum total of the government's current liabilities. We have the cash and other financial assets to pay off all — let me repeat: we have the cash and the other financial assets to pay off all our obligations.

Our government has maintained a healthy net financial resource position. That is a Yukon Party government's financial planning priority — maintaining a savings account so that we can pay off our obligations. This is significant as it allows our government to be flexible in timing our investment decisions. Our very healthy net financial resource position has provided us the opportunity to make significant capital investment choices while maintaining and enhancing service levels Yukoners have come to enjoy and expect — in other words, meeting the needs and the delivery of meeting those needs for all Yukoners. It's about creating a quality of life that is acceptable to the Yukon public.

Recent focus has been on the increase in expenses recognized in the 2009-10 fiscal year, as well as those increases forecast for 2010-11 fiscal year.

We do see years where expenses temporarily exceed revenues. That's not unusual — in fact, not unusual here and across the country. However, we need to consider the Yukon government's fiscal framework over a multi-year horizon. That's another facet of Yukon Party government fiscal management — a multi-year horizon. In each of the five years prior to the 2008-09 year, an annual surplus was booked. Accumulated surplus grew from \$413 million in 2004-05 to over \$547 million in 2008-09. That is an increase of approximately \$134 million over five years — Yukon Party government fiscal management.

We have tabled long-term plans along with the 2011-12 budget. There we see very positive indicators with annual surpluses and positive net financial resources forecast over the next four years — Yukon Party government fiscal management, remaining in positive territory. Over time there will be fluctuations, as has been demonstrated in the *Supplementary Estimates No. 2, 2010-11*. There always will be.

These fluctuations reflect the swings, ebb and flow of government spending and investment in response to local and global economic conditions. Critics suggest that our surpluses were too large. Remember those days? Critics were suggesting and criticizing the Yukon Party government for having too large of a savings account. Critics now suggest that, when expenses temporarily exceed revenues, there's cause for alarm.

The Yukon Party government simply cannot agree with that. We created a savings account for the express purpose of using said savings account in time of need. If there ever was a time of need, we've just gone through it — one of the most significant global economic and financial meltdowns since the

Depression. A significant meltdown and I recall the Liberal leader berating the government of the day that we were doing nothing.

We did do a lot, and when you look at what happened to Yukon during the two years of that very major global economic and financial meltdown, the Yukon grew. Its GDP grew. We maintained stimulus and, at the same time, we met other obligations in meeting the health care needs of Yukoners, solvency issues in pensions, future employee benefits, and met our obligations as an employer in delivering all obligations when it comes to our collective bargaining agreements with employees.

We are very proud of our achievements, to say the least. Facing very uncertain global economic times, we were able to use the savings account that we developed and we continued to provide a quality of life for Yukoners that they so deserve. We have weathered the storm, so to speak; we have not broken the bank. Looking to the 2011-12 and the multi-year plans, we see a very positive sign — that we are building up the savings account and indeed the bank. The finances of the Yukon remain very strong. The critics will have their say, of course, but I for one am very proud of how our government has managed our finances — saving when we can and spending when it is needed.

To reiterate, our long-term plans tabled with the 2011-12 budget reflect very positive indicators of Yukon's continued financial health as created by the Yukon Party government, and this work began so many years ago back in 2002 when we first took office and inherited the chaos and the debacle visited upon this territory by the exiting Yukon Liberal government.

We are indeed very well positioned for the future. So in closing, Mr. Speaker, thank you; as Minister of Finance, I am very pleased to present the supplementary estimates for consideration by the Legislative Assembly. Ministers who are requesting supplementary budget approval will be pleased to provide members of the Legislature with the complete details of their expenditure requirements in department-by-department, line-by-line review in what will be a very constructive debate I'm sure, because the opposition, now having had all these days to reflect on and critique all budget documents, have seen the light and will obviously present to Yukoners what they would have done differently than the Yukon Party has done, not only to meet the needs of Yukoners, emerging needs, in a very significant manner, but continue to maintain a savings account for Yukon's future, which is indeed a very bright one.

Of course, once second reading is concluded I will endeavour to engage with the members opposite in general debate, which again, I'm sure — after all the information provided to the opposition — will be very constructive and hopefully will set the parties apart, so that Yukoners can make an informed decision. Right now there's only one choice. When it comes to financial management, it's the Yukon Party government. Nobody knows out there in the territory what kind of management would be visited upon them under a leader from the Liberals, who has demonstrated clearly the lack of substance to the finances of the territory, and I certainly would defer to the newly elected Third Party leader — I'm more than willing to hear from the Third Party leader on what the NDP's

financial management priorities will be all about and what that would mean to the Yukon's future.

Our future, in terms of the Yukon Party's plan and fiscal management, is a bright one. It is an ever-increasing quality of life. It is an ever-increasing ability to attract investment to build and to ensure that Yukoners are benefiting to the maximum — to the extent possible that they possibly can. It takes good fiscal management to lay the foundation. Thank you.

Mr. Mitchell: Well, I don't think I will take quite as much time replying to the Premier at second reading as he took laying out his reasons why he, once again, failed to accurately estimate the spending patterns of his government. But I will point out to him, when he says he looks forward to engaging in debate — we always enjoy engaging in debate with this minister. We look forward to that too.

When the Premier says that Yukoners will have seen the light and he hopes the opposition has seen the light — we've seen the light. It looks like a train of debt heading our way — out of the tunnel, largely pushed over into the Crown corporations, but, nevertheless, debt that exists for all Yukoners.

I would point out to the Premier, who talks about all the reasons why we ended the year in deficit, although he predicted a surplus budget, that it was the Premier who read the budget speech last year in this House, heralding his eighth successive surplus — his eighth successive surplus budget.

It's not the opposition parties that forced him to do so. He could have provided more realistic estimates at the time, and we encouraged him to do so. We stood in this House last year and said we did not believe that the estimates, in particular, for Health and Social Services — for operation and maintenance spending in Health and Social Services, in particular — were realistic. At the time, the government was estimating they would be less than the year previous. We said that had been a pattern that had not yet occurred in recent memory, and we were told we were questioning the work of the officials — not at all. We are questioning the direction of this Premier and his ministers, and history has proven us right.

In fact, while the Premier stood in this House and proudly hailed a surplus budget of over a billion dollars, based on a \$2.9-million surplus being estimated or projected at the time, we said then that that would never happen. In fact, this latest budget, this second supplementary or third estimates for 2010-11, Bill No. 23, shows, as officials declared in the opening of the briefing a week and a half ago, that it's a deficit budget. It shows it right on page S-1.

First of all, we thank the Finance officials for the very thorough briefings they have provided us — first of all, on budget day and as well, for Department of Finance. It is much appreciated. We know they work under very difficult timelines, especially this year getting the budget documents ready some six or seven weeks earlier than we are used to. We do appreciate the job that they do.

The facts are what they are. This was presented as a surplus budget and it's now a deficit budget for the second year in a row. The 2009-10 budget was originally supposed to be a \$19.4-million surplus as presented in the estimates two years

ago. That budget — when the books finally closed — led to a \$25.7-million deficit audited by the Auditor General of Canada. So those are the numbers in the public accounts.

The 2010-11 deficit to date, as we've said, is \$20.1 million. The deficit got bigger with every update, from the original surplus in the main estimates to a \$2.4-million deficit last fall, to a \$20.1 million final number, or almost final number, because we know there's always another supplementary budget later on in the year to sort of close the books, but it will be very close to that.

At least we hope it will be because the estimate that we received this year of \$20.1 million is based on where things were at back in early December, so there was still close to a quarter of the year remaining.

The Premier talks about net financial resources. I'd like to point out that the Premier has quoted lots of different numbers when he talks about surpluses and net financial resources. He likes to quote the non-financial assets for the total accumulated surplus of some \$500 million, but in fact, the net financial resources, the Yukon savings account, as the Premier correctly stated in this House today, is some \$18.169 million, just under \$18.2 million. About half of what was invested into asset-backed commercial paper, which is now valued on our books at some \$26 million and which makes up part of the net financial resources, although this isn't money that Yukoners can readily use right now is locked up for many years, based on what the Premier has been telling us.

Now, the Premier erroneously, just about a week and a half ago, in a morning interview with CBC host Sandi Coleman — in response to a question about what was Yukon's savings account, the Premier very, very quickly said the savings account was \$43 million. So, the Premier was looking ahead some 14 months to the projected savings at the end of the 2011-12 year. We're sure he would not have wanted to provide the wrong number, so for all of CBC's listeners, the Premier erred when he said the savings account was \$43 million. That's what he hopes it to be at the end of the current fiscal year.

You know, we did tell this Premier last March that the estimates, in particular for the Department of Health and Social Services — that they would spend less money than the year previous — were not realistic. We said then that the \$2.9-million estimated surplus was an imaginary surplus and we said there would be a deficit before long. As I've said, there has been. The Premier asked Yukoners some four and one-half years ago to imagine the future. It is he and his government who have proven that they're either unable or unwilling to do so when he continues to table budgets in the spring and to decry to all how there are going to be surpluses, and in the end, they turn out to be deficits.

How can Yukoners really trust in this Premier's estimates that we're going to have a surplus this coming year and rebuild the savings? The Premier talks about the environmental liabilities and how they couldn't be booked because they were unknown, but the Premier could have stood here in this House last spring and said that it's only prudent and proper procedure to book \$1 for those environmental liabilities. We can't estimate them, so we won't put an amount in the budget that might be

too high or too low. The \$1 is to telegraph — to tell all who read the budget — that there will be a number before year-end. And likely just from that amount alone, this won't be a surplus budget.

If he had done so, he would have fewer critics. He could have done so; it just wasn't in his nature to do so. Now, the fact is that the net financial resources have plummeted. In the past three years, they have moved from some \$135 million to the current projection of \$18 million. In fact, they dropped by some \$15.1 million just since last fall when the *Second Appropriation Act, 2010-11* — the first supplementary budget — was tabled in this House.

That's how much they have changed in less than six months — certainly a pattern that is of concern. When they were originally projected at the beginning of the year, it was promised that it would be over \$40 million for the current year, but, in fact, they are not.

Of particular concern, as we've said, are the estimations for Health and Social Services. The Premier, first of all, has set up a straw man. The Premier says to all Yukoners: "Well, we had to spend money in order to provide adequate medical care for Yukoners. It's the opposition that wouldn't want to do that. The opposition wouldn't want to look after health care. The opposition wouldn't want to pay employees." Well, that's just not so, Mr. Speaker; that's obviously incorrect. Of course we would pay our employees and of course we want to look after Yukoners' health and well-being. All we were saying is: let's start with more realistic estimates at the beginning of the year and then our year-ends will look a little closer to the projections when we get there.

The Premier talked about the amounts that are in this budget — \$1.15 million for Yukon College and \$1.019 million for Yukon Hospital Corporation to address issues of pension solvency — over \$2 million in all. He explained that that's according to OSFI requirements. Again, he says, "Would the members opposite not want us to do that?" No. However, the Premier could have put amounts in the budget at the beginning of the year to at least estimate — because that's all they are at the beginning of the year — they're called estimates. He could have estimated an amount for those two issues, because the facts are that everyone has known for a long time that these were issues that needed to be addressed because of the requirement that the monies be fully on hand if all the employees were to retire simultaneously or the college were to go out of existence. I agree with the Premier — we don't really expect that to happen, but those are the legal requirements, and the Premier has known that.

Similarly, the employee future benefits of \$944,000 in order to comply with public sector accounting board standards are also a legal requirement. So, the Premier sets up straw men when he says that it's the members opposite that wouldn't do this. It's the members opposite who wouldn't want to pay employees or provide health care. That's just not so. It's incorrect. It's the members on this side of the House who say each year let's be more accurate with our initial estimates so that we don't have to go back to Yukoners and say, once again, "We promised a surplus and delivered a deficit." As a matter of fact,

this supplementary budget confirms our previous claims that the Yukon Party underestimated health care costs by millions and millions of dollars. In fact, \$230 million was originally estimated, now the number is up to \$257 million.

The budget documents of course contain no updates on the health capital project, such as the Watson Lake hospital, because the Premier has moved these expenditures off the main books and transferred them to the Yukon Hospital Corporation; nevertheless, they are borrowings and debt that exists. I think it was only up to \$12 million when we ask Finance officials how much had been borrowed by the Yukon Hospital Corporation to date, but we know that the full amount will be somewhere in the realm of \$17 million to pay for the nurses residence and the specialists residence across the river on Hospital Road, and then some additional \$50 million for the Watson Lake hospital and the Dawson hospital above the \$5 million or so that was already spent in Watson Lake on the shell that was originally started five years ago for another purpose. So those are debts that belong to Yukoners.

The Premier has often said the government was operating on a line of credit previously. Well, this is pretty similar to a line of credit, because it's a borrowing facility that the Hospital Corporation has arranged with the chartered bank under the authority of the Yukon's Health and Social Services minister who had to sign off on it for that to happen, and they draw it as they need it, so it operates pretty close to a line of credit.

Now, the Yukon Development Corporation/Yukon Energy Corporation borrowing — that's different, because that is \$100 million that was borrowed at a rate of approximately five percent over 30 years. That will cost Yukoners \$150 million over 30 years, whether it be apportioned into the rate base for a portion of it and into interest payments for the balance, that's what the total interest will be and it will be paid by taxpayers and ratepayers who are largely the same people, the people in Yukon.

We struggle to support this budget update because we don't have confidence in this Premier — his ability to predict an estimate properly, based on what has happened over the past two years in the previous supplementary in the fall. There are also all the things that are not in the budget update so that we — excuse me, Mr. Speaker, I thought time was unlimited on — I've got five minutes remaining, and I'm sure I can wind up in that time.

We continue to be disappointed — thank you, Mr. Speaker. Apparently, the time is not limited; however, I will finish soon nevertheless.

We are disappointed at what is missing in this budget. We're disappointed that there still has not been a permanent allocation for youth at risk, who are still required to go to the Skookum Jim Friendship Centre — even after-hours to phone a number in order to go through an initial intake. Then they're brought to the Sarah Steele Centre — more commonly referred to as "detox" — for emergency shelter.

They can only stay there, I think, until 9:00 in the morning, at which point they're back on the streets or they have to find yet another place to go to. It's a difficult situation, even though the officials and the volunteers and the NGO employees at each

of these locations are doing their utmost to help these young people. As we have said, if they don't have a safe place to return to that next night — if they're not able to go home, if there is a home, because there is substance abuse or fighting or what have you at the home they have fled, they have to go through this process all over again. They can't simply ring the bell at Sarah Steele and say, "I'm back." They have to start back at the beginning. We think that's not the right way to look after our young people. We have said so before.

We see nothing in the long-term capital plans that accompany the budget documents. We saw nothing last year for this, and there is nothing in this supplementary budget. We're disappointed in that. There has been nothing in any of the budgets over the years to address the need for a homeless shelter downtown. We continue to see and hear about Yukoners who have fallen through the cracks and who end up going to the Salvation Army. There are 10 beds there. Once those are filled, people are sleeping across plastic chairs. It's not acceptable to the Liberal Party, and it shouldn't be acceptable to anyone in this Assembly or, for that matter, in this territory, but that's how we're treating people.

We have heard in the *Task Force on Acutely Intoxicated Persons at Risk* report, co-authored by Chief James Allen and Dr. Bruce Beaton, both respected Yukoners, that there should be a downtown sobering centre, co-located or located near to a medical detoxification centre, and also a longer term shelter — again, nothing in the five-year plans and, again, nothing in this budget update.

Certainly, when this budget update was being prepared, as the main estimates were being prepared, we were aware of these challenges and these needs. The money has not yet occurred or been provided, although we have certainly heard from officials that they are looking for solutions. We appreciate the work of the officials to do just that. There are many things in the budget that we can obviously support. Of course, we support paying for the increases in wages that are deserved by our employees, whether it be the Yukon Employees Union, employees who work for the Government of Yukon, or Yukon Teachers Association employees who teach our children. They are well-deserved.

The Premier says he could not anticipate or reveal his hand in budgeting for them. We understand that, but we said at the time last year that those settlements would occur during the year. They alone would more than devour the supposed surplus that the Premier talked about in the spring and, of course, at \$10 million, they have.

We are very happy that the work is proceeding at or ahead of pace on the Kwanlin Dun cultural centre and the new public library. We are pleased with that. We are, of course, happy to see much of what is in the budget. We don't criticize that much of what is in the budget, but rather, what is inevitably and invariably missing.

With that, I will say that I will reserve the rest of my comments and questions for the engaging back-and-forth that the Premier referred to earlier. I look forward to it. Unfortunately, it will be very difficult to support this budget since we don't have confidence in the ability of the Premier to estimate

accurately. We therefore don't have confidence in his budgets. Thank you, Mr. Speaker.

Ms. Hanson: I'll just start by indicating that I am generally very task-oriented and focused on what the issue is at hand, so I thought today we were speaking to *Supplementary Estimates No. 2, 2010-11*. I'm finding it a little strange that most of the conversation to this point has really focused on either election platforms or issues around what one party or the other party would be doing, as opposed to speaking to what the Yukon Party government of the day has done with respect to the fiscal year 2010-11.

The Premier, the Minister of Finance, raised questions as to what the Third Party would do. I would only reflect that the Third Party has a strong history. The Yukon New Democratic Party has a very strong history of balanced budgets for 11 years in government because we take the view that budgeting is more than spending. In my mind, budgeting implies that there's a responsibility and onus on the minister — on the Minister of Finance in particular — to take a long-term view, to plan, to manage and control the expenditures of that government and of each government department.

What we clearly see for the fiscal year 2010-11 is that there is a real lack of credibility in the whole budgeting process, not just in terms of saying we can spend as much money as there is and more, but to say with accuracy at the beginning of one fiscal year that we can project the areas of expenditure and manage within that.

That is incredibly important, not just for the whole of the public service to know the parameters within which they're operating, but to enable the public — the general public of the Yukon — to be assured that there is good, sound fiscal management by this government. I think that the demonstrated performance of the government to have, year after year, the requirement to come back to this Legislative Assembly seeking additional supplementary additions to the budget, speaks to an inability to actually manage. For, quote, "fiscal conservatives" this is a rather unfortunate dilemma that they find themselves in and one that I would reiterate that the Yukon New Democratic Party has not found itself in, in the Yukon Territory.

We've seen again that the government started in 2010 projecting a surplus. That was revised to project a small deficit in the supplementary budget No. 1. What does supplementary budget No. 2 do? Well, it moves up that smallish deficit to a significant deficit of \$20.2 million caused by, again, a decline in revenues and an increase in expenditures, which takes us back to having our net financial resources reduced to \$18.2 million.

You know, one of the things that the Premier spoke about is the importance of having a horizon. I would suggest that when you're out on the land, you look forward and you look backward to where you've been. If we look forward, we have this idea that each year we're being told that there is this magic pot at the end of the rainbow and we're going to have more money; there is going to be a lot of surplus dollars. But, you know, if we look backward, we see that, in fact, that has not been the case with this government. If you look back to where

this government was in 2006, with a \$202-million savings account, or rainy-day fund, we've diminished that down, down, down in each successive year.

What it does do is beg the question: how can this government claim to be strong fiscal managers? Their estimates are off; they need to have supplementary budgets to correct these original estimates. I think the Yukon public is clearly seeing this and that's why there is so little faith in this budget of 2010-11, the supplementaries to that, as well as the budget that's coming up for discussion. I would really hope that that's what we can get into. I realize that I am relatively new to the legislative process, but I hope that we can actually engage in a discussion, not a bunch of inflated rhetoric about, you know, people's perceptions of issues.

Let's actually talk about the issues that matter to Yukoners; let's talk about these budgets; let's get into each department. My observation over the last three sessions, sitting up in that visitors gallery, is that very rarely does this Chamber actually engage in a discussion on every single department. It's imperative that we, the Legislative Assembly members, those of us elected by the citizens of Yukon, actually are able to review and hold to account the Government of Yukon for expenditures being made on our behalf. I really hope that will be our focus over the next little while.

The Minister of Finance made several comments — and I will credit the Leader of the Official Opposition, the Liberal Party — with respect to just having the credibility to book items with a nominal value amount so we can acknowledge and the government acknowledges as a budgeting planning exercise that they're aware of these obligations. I found it interesting he was touting that the booking of environmental liabilities is some sort of an innovation. Perhaps it's an innovation for this government, but it's not an innovative step, and one would have expected it to be done well before this supplementary budget going forward.

From a New Democratic Party point of view, it's unfortunate that this government has continued to rely upon supplementary budgeting as a way of just sort of struggling through. What we would like to suggest are ways where you take into consideration how you actually plan, manage and control those expenditures, as well as look at the input that this government has received from Yukon citizens over the last number of years.

We heard this afternoon that Health and Social Services expenditures are increasing dramatically. That's not new news. In 2008, the *Health Care Review* that this government put in place reported back on significant measures for health care sustainability and how we might manage that; that has never been debated in this Legislature, although expenditures are being made without recourse to this Legislature regarding some of the items discussed in that review. There are a whole range of those areas that this government has refused to bring back for discussion by the people who are actually accountable — all of us as legislators — for the financial status of this territory.

We know that the government is going to continue to tell us over and over again and sort of throw, you know, different

ideas about how it could justify continually spending more. I would suggest that we need to take a serious look at what our real level of revenues are in this territory and then manage within that. I come from a perspective that you budget and you spend and you stay within that amount. The Premier, I think, will have to consider, also — deciding which one it is. He says on every single opportunity that we are living in the land of opportunity, we are living in the land of prosperity and we have no worries. He then goes on to say, for the second time today, that it's a time of need; therefore, that's why we need to drawn down upon our savings account. Well, which is it? I would suggest that we need to be very careful that if we are able to maintain and sustain a small savings account, that we actually keep it for a time of need — not for a time when we've had access to record federal transfers for stimulus funding like we've had over the last two years. So, not only have we spent beyond the actual core transfers to the territory from the federal government, we've gone beyond even the stimulus levels of funding. So, I think we need to get our house in order and actually begin to manage these resources as if they were our own, because, in fact, that's what they are.

So, the Yukon New Democratic Party will be looking forward to engaging in actual, serious conversations with the members opposite about their responsibilities, their portfolios, as we look at how we're going to ensure the range of programs and services and innovative approaches to managing this very dynamic economic are assured for all of us, not just some of us.

With that, I'll cede the floor to members opposite, and I am looking forward to the very serious debate over the next few days on the budget for the next fiscal year.

Hon. Mr. Hart: Today I'll be short; I'll be brief and to the point. I will discuss issues directly related to the *Supplementary Estimates No. 2, 2010-11*, and I look forward to discussing in detail when we get to Committee of the Whole all issues relating to Health and Social Services, as they relate to this supplementary.

Today the department is asking for an increase of \$11.78 million in O&M and for a total revised O&M vote of \$257.684 million for Health and Social Services. The department is also requesting an increase in capital of \$65,000 for a revised capital vote of \$7.506 million. This O&M is offset by a recovery of \$2.124 million and capital recovery of \$18,000.

The following increases highlight the adjustment contained in the *Supplementary Estimates No. 2, 2010-11*: \$2.8 million for social assistance; \$3.7 for insured health services and physician claims; another \$3.7 million for insured health, services in hospital claims; and a further \$1.019 million increase for the Yukon Hospital Corporation pension fund solvency deficiency.

I would also like to note for your information, Mr. Speaker, and for the information of the members opposite, there was a slight error in the briefing that the officials from the department provided to the opposition. The increase of \$1.019 million to the Hospital Corporation should have been offset by an additional \$320,000 revenue generated from the Watson Lake patient services recoveries.

This correction will make the total increases provided for in the budget briefing materials coincide with the supplementary budget bill. The department and I apologize for this oversight.

The budget also contains increases that are associated with 100 percent recovery from Canada, including an increase of \$137,000 for the drug treatment funding program; \$50,000 for the extension of the aboriginal health transitional fund program; \$60,000 for the drug strategy community initiatives fund; and \$30,000 for the hearing services.

In addition to the recoveries from Canada, there is a \$60,000 increase, which is recoverable from the Government of Manitoba for the FASD symposium hosted by Health and Social Services. There are also increases that are offset by the third-party recoveries, such as \$15,000 for hearing aids through our hearing services; \$320,000 for the Watson Lake patient recovery system; and \$16,000 for the National Nursing Smoking Cessation Best Practice Initiative.

These increases are offset by reductions related to various funding agreements, which are 100-percent recoverable from Canada. They include a reduction of \$132,000 for the National Crime Prevention's SNAP, or Stop Now and Plan project; another reduction of \$70,000 under the chronic condition surveillance agreement and a reduction of \$76,000 under the Internationally Educated Health Professionals initiative.

In addition, there is a one-time increase of \$350,000 in funding for the *Social Inclusion and Poverty Reduction Strategy*. The request for \$65,000 in additional capital in this supplementary budget relates primarily to the equipment and building renovations.

These are the overall specific items as they relate to the supplement, and I look forward to answering questions in detail in Committee of the Whole for Health and Social Services as they relate to the supplementary.

Mr. Inverarity: It gives me great pleasure this afternoon to speak to the *Supplementary Estimates No. 2, 2010-11*. Like my colleagues before me, I'll be fairly brief in terms of this discussion this afternoon, mostly because I'll be looking forward to getting into line-by-line debate. I'm not going to focus on some of the aspects that my colleague, the Leader of the Official Opposition, has already mentioned earlier, particularly the way that the deficit has been talked about, both in the public and in here, other than to say that the \$20-million deficit that is showing up in this supplementary budget today is certainly a far cry from the \$2.8-million surplus that had originally been forecast at the beginning of the year, making it close to a \$23-million turnaround to the bad.

I think that the comments made by the Leader of the Official Opposition were valid. I think that, clearly, when it comes to budget and finance discussions within this Legislative Assembly he has a better grasp of the situation than the members opposite with regard to where we stand from a fiscal financial point of view, and I commend him for his consistent endeavouring to bring forward the facts.

I would like to comment partially about the forecasting — not necessarily the \$1 for environment offsets. I think it comes

down to the Premier's comments about not wanting to forecast estimates in a budget. He had mentioned some of the contracts that were being negotiated at the time as the reason for not including them in the estimate, and I believe the Leader of the Third Party shares the opinion of this side of the House that some estimates should have been included in the budget.

If you're not going to include estimates that you know are going to happen in the coming year for things like wages and salaries and other things along that line, how does the Premier argue that we basically include items that are going to likely be contracted out in the course of the year with estimates on things like schools, how much money is being set aside for road construction, road maintenance and repair and these kinds of projects? In fact, the government goes so far as to publish projections on contracts to make it easier for people to bid on those, by, in fact, stating what the government's position is, financially, on these outside contracts that will be tendered in the course of the year and negates his argument that other contracts should not be included. It's trying to weigh one against the other, and, again, it's confusion.

At this point and moving on, as I do with most of these types of speeches, I would like to thank my constituents again for electing me to Porter Creek South.

I find they have been consistent in expressing their opinions and helping me to weigh my position on issues, particularly within the Porter Creek Community Association, Friends of McIntyre Creek and constituents as a whole who give me counsel on a day-to-day basis about what their concerns are.

I'd also like to thank the Finance officials for their briefings — all the officials, particularly from Highways and Public Works, which department we will be getting a briefing on next week, and the Justice department, which I also serve as a critic for, which gave me a briefing late last week. The information, particularly from the Department of Justice, has been succinct. I find the changes are clear and concise and they allow me to leave the political questions up to asking them on the floor of the House here. It makes dealing with the financial side a lot better.

Some of the concerns that are coming up within my constituency bring up a larger matter from within the community as a whole.

I guess what I'm saying is that when we discuss "community", it's more than just perhaps my constituency. Certainly, when I talk about issues like infill and McIntyre Creek, they border on a couple of different ridings, but they border on the community as a whole and how a community wants to move forward with these types of issues. Housing, as a general topic, is a significant problem throughout the territory. We heard on the radio this morning that the government was announcing a project, or a housing strategy I think it was called. I look forward to seeing the details of that as they come forward, but it's clearly not just a Whitehorse issue. The issue borders other communities within the Yukon that are all struggling to deal with housing issues and I think that we need to address that on a broad scale.

Other concerns that are coming up within my community, or certainly again across Whitehorse and across other schools,

are issues of fight clubs, for example, where youth are getting out in the community and are either on school grounds or off school grounds and engaging in this particular activity. I guess the question I'd like to ask around that particular issue is, what is motivating it? What are the issues behind that expression of going out and having unorganized fights on school grounds or off school grounds?

Is there some underlying cultural event that is steering our youth to become more violent? In fact, I suppose that might question: are they more, or not, violent from say perhaps when I grew up? I guess as I grow older, I have the luxury of saying, "Well, they didn't do it back in my day", but in fact we did have some. It wasn't tagged as that, certainly I don't feel it is as significant as what I see going on in the community today. I guess one of the concerns, particularly around fight clubs, is that the audience it is appealing to — well it's actually more about audience, a worldwide audience, as opposed to someone trying to settle a dispute between himself or herself and someone else within the school that needs to be tussled about. It becomes one of an issue of trying to do something for the entertainment value of it. I have some real concerns about how as a culture we promote or project that as some sort of positive step or some sort of method of trying to have some entertainment value. I'm not sure; it causes me great distress as to how we deal with that.

I'm picking on fight clubs at the moment, but it really comes down to an issue of violence among individuals, youth particularly, and how we as parents have to struggle to find out what our children are doing after school, or in school. I had a discussion the other day with someone about video games and the violence. I grew up in the computer industry; I started working on my first computer in 1981, and I've watched the games continue to grow and develop over the last 30 years, but I don't play the games myself. I've never been a gamer; the purpose of a computer for me has always been a work tool. My applications were to try to better my employer or whatever, but I knew the entertainment value of computers was valid.

I remember, even when I had my home store, we would get Dungeons & Dragons applications coming in. I would bring them home and my children were six, eight at the time. I would throw it on the coffee table and say, "Here, try this out and tell me what you think of it." They took it, went to the computer, installed it, got it running, and the ones I looked at actually had a lot of vocabulary skills built into them. Although they were a type of Dungeons & Dragons — I'm trying to remember the name of the manufacturer — they promoted children's spelling, for example.

However, it's an issue that I believe that we need to deal with. I think we need to look at the issue of video games as a larger context within the education system.

I alluded to "community" earlier, Mr. Speaker. I think that we, as a Legislative Assembly here, need to lead our community in terms of where we want to go, how we want our citizens to grow the community, our social values, our cultural values — all of these things are relevant to where we sit today. It may be questionable as to how the topic of "community" revolves around this budget, but in fact it does, because what is tabled

here needs to be believable within the community. The values that are expressed within this budget should also represent the values of the community. So, when we see members of the House stand up and say, “We believe in social housing. We believe in having detox centres or different social events,” — like, for example, the detox centre up at the Correctional Centre, as opposed to perhaps downtown — these are social values that need to be reflected in the budgets that are presented before the House. Do we see them? No. In fact, the government side stands up and says, “Well, you know, this social housing” — not social housing — “but the detox centre downtown is important,” — I’m calling it the wrong name — but in fact, there is no money in the supplement. There is no money in next year’s budget. In fact, there is no money for the next five years.

As I have indicated early on, I could probably talk for a long time regarding this particular supplementary. I’m going to leave the details to when I get into the department-by-department debate. I’ve touched on the primary concerns that I have with regard to things that are going on within the communities that need to be developed, and we need to see how we as a community are going to deal with the fundamental problems that we’re having in our community today — drugs, alcohol, violence, housing — community matters. We as leaders in the community need to stand up and say that how we behave and how we live in our communities is important, and we need to take our communities seriously. We need to listen to our citizens and we need to get on with it.

Hon. Mr. Kenyon: It gives me pleasure to rise today to talk about the supplementary budget and some of the things within it. First of all, again I’d like to really thank the Member for Porter Creek South, who mentioned the other day he hadn’t noticed any recession over the last few years up here. I think that speaks very highly of this government and the way we have managed to steer our way through the global downturn that affected us a little bit, but affected so many other people in so many ways.

We have really had no significant impact here. In fact, we have benefited from the capital spending and construction projects that have been initiated from late 2008 and 2009, and continue with some of them finishing up to this day: \$53.26 million was provided to Yukon to build new and renovate existing social housing units. As I’ve mentioned before, those monies were earmarked. There was no choice to utilize those funds in other ways. We’ve invested wisely in that to create quite a number of social and senior housing units throughout the territory.

After the completion, the Housing Corporation estimates that 101 additional units will have been added to the housing portfolio. We’ve also upgraded units currently in the social housing portfolio, improving the quality of life for tenants and potentially reducing the corporation’s operating and maintenance expenses. I do have to point out, overall, that that includes basically a 40-percent increase in social and senior housing stock. Is there more to do? Yes, we think there is, and we think there is especially when you look back at the legacy of the very short-lived Liberal government and two successive

NDP governments that provided not a single social housing unit.

Some Hon. Member: (Inaudible)

Hon. Mr. Kenyon: The Leader of the Third Party is agreeing with me over there and saying thank you for that. Obviously, the money came from the federal government and through lobbying. We didn’t just sit there and hope that it came in. There was a great deal of lobbying and a great deal of work with the Canada Mortgage and Housing Corporation, so I’m very glad that she agrees with me on that.

The new buildings feature Yukon Housing Corporation’s SuperGreen energy standards. This is very important, because it does reduce the overall operation and maintenance over time. It means fewer greenhouse gas emissions, and it drops the operation and maintenance budget of the corporation quite significantly. I’d like to provide a few details on each of the projects that we have been involved in on that.

The Housing Corporation has been working with the Department of Highways and Public Works as the contracting authority to replace the Korbo apartment building in Dawson City with new housing. Completion is expected in the spring of 2011. We look forward to getting that open. That will be a new 19-unit building that is being built to SuperGreen standards. Over half the units are one-bedroom apartments, which is consistent with the recommendations of the Auditor General. We anticipate the new structure will take care of our current waiting list in that community.

The direct and indirect impact of the project is 28 jobs and a \$2.7-million contribution to the gross domestic product. I do have to point out there that the Yukon is one of only two jurisdictions in Canada, and way ahead of the other one, with a positive gross domestic product in Canada. The Canadian average was in the negative numbers and all other jurisdictions were in the negative numbers. It’s the best GDP position in Canada — with a good savings account to work with and to add to what we are doing elsewhere. The project will add six new units to the existing social housing inventory in Dawson City. The Yukon Housing Corporation also constructed a new six-unit seniors building in Faro.

The total cost of that project is \$2.2 million. A ribbon-cutting ceremony was held on August 31, and many of the town’s residents were in attendance. I do have to point out that because this was in conjunction with CMHC, there is a requirement for federal participation with the announcement. So, while it was under construction, it was quite good to go up there with representatives from CMHC and get that going. The building is built to Yukon Housing Corporation’s SuperGreen energy standards, its accommodating home standards — a barrier-free environment. This increases the total number of senior-friendly units from four to six. The Faro Housing Advisory Board is in the process of accepting applications and allocating those units. We’re very pleased to get that underway and under control.

The construction is underway on a new eight-unit seniors building in Teslin. The project cost there is \$2.95 million. It is expected that this project will be complete in late spring of 2011. We’re making good progress on that. The seniors build-

ing includes seven one-bedroom and one two-bedroom units and it also features energy-efficient construction, barrier-free units, common areas, a lounge and the capacity to accommodate meal preparation and a common dining area.

Based on multipliers provided by the Department of Economic Development, this project is generating just over 16.5 person years of direct employment and approximately four additional indirect person years of employment.

If we move to Watson Lake, construction of the Watson Lake seniors housing project is complete. This building includes eight one-bedroom and four two-bedroom units. The \$4.85-million project is built to Yukon Housing Corporation's accommodating home standards, again, as well as the SuperGreen energy efficiency standards. I should point out that the SuperGreen standard was developed and is a creature of the Yukon Housing Corporation. I can remember some time ago being criticized by someone that we weren't sending someone to a conference on energy efficiency. They were a little bit shocked when I pointed out that we in fact were teaching that course.

The new building in Watson Lake has other features. It has common areas, an exercise room, TV lounge, capacity for meal preparation and a common dining area.

Construction on the Whitehorse affordable family housing project is now complete. I understand that a couple of days ago the last resident moved into there, so all units are occupied. That consists of four individual buildings, all featuring Yukon Housing Corporation's SuperGreen energy standards. The intent of this development is to provide amenities that will benefit the positive growth and development of families. Amenities include recreational areas, suitable fencing, enhanced interior design and layouts specific to the needs of young families and children. The Yukon Housing Corporation has hired a coordinator to manage the single-parent family housing and to work with the tenants as well as work with corporation tenants in other parts of the city. The project costs approximately \$7.85 million and generated just over 50 person years of direct employment and approximately 10 additional indirect person years of employment.

Construction of the new children's receiving home is now complete and is occupied. The original building was well over 40 years old, and that receiving home houses children 12 years or older on a short term basis who are brought into care of the government as a result of abuse or neglect.

Construction is complete and the residents have started moving in to the new housing development in the Ingram subdivision. That's a six-plex and features four three-bedroom units and two four-bedroom apartments.

Through a Yukon asset construction agreement, or YACA, the Yukon Housing Corporation negotiated a contract with Kwanlin Dun First Nation to satisfy the economic benefits and requirements for the Whitehorse affordable housing project. A ribbon-cutting ceremony was held in November of last year, with representation, again, from Canada, Yukon government and the Kwanlin Dun First Nation.

The building was designed to be fully barrier-free, and each unit has an elevator lift chase in place to install a lift, if

required. They aren't there now, but the capability, if needed in the future, is built into this. The project is really quite incredible. It was used as a training exercise for Kwanlin Dun First Nation construction workers. It also involved a number of people from Challenge and provided value-added benefits, including winter works, classroom and hands-on training in SuperGreen home construction methods and on installing radon mitigation systems and ventilation systems. The project also provided work experience, as I mentioned, for Challenge Yukon participants. The quality of the construction on that project is second to nothing in the territory. This is a group you want building your house if you're looking.

Construction is underway on a 30-unit seniors building at the Waterfront Place in Spook Creek, near Quartz Road, at the north end of downtown Whitehorse. Completion is anticipated for the spring of 2011. Yukon Housing Corporation is working with the Department of Highways and Public Works as contract authority on that project, which will relocate tenants from the Whitehorse seniors apartment building at 207 Alexander. The new residence has 24 one-bedroom units and six two-bedroom units.

Now, the Yukon Housing Corporation is conducting a building assessment of the existing facility at 207 Alexander Street to help determine future uses of the building. Until we have the tenants out of there, when we can adequately do an evaluation, we obviously can't start getting into the real nitty-gritty of that building. But that will happen very soon and then we can start making plans of what we are going to do with that.

The direct and indirect applications and impacts of this project are estimated to be 56 jobs and \$5.4 million contributed to our gross domestic product impact. Yukon Housing Corporation has purchased three lots in Takhini subdivision, on which we're planning to build three two-bedroom duplexes. The \$2.2-million project will be built to YHC's SuperGreen standards, of course, by the Kwanlin Dun First Nation, as per the Yukon government asset construction agreement with that First Nation.

Construction will commence this spring and we're hoping that by early 2012 we'll have that well under control and people moving in.

We're also replacing several, aging double-wide trailers throughout Yukon with single-family houses. Yukon Housing Corporation intends to build up to 12 three-bedroom houses — we're hoping four in Ross River, four in Carmacks, two in Teslin and two in Dawson City. The tenders will be issued soon — early in 2011 for construction starting in the spring, as soon as we get rid of this white stuff.

The Yukon Housing Corporation is also upgrading social housing units throughout the Yukon using YHC funding, along with economic stimulus funding from Canada's stimulus plan. Over 523 economic stimulus contracts have been issued since 2009. Work will continue throughout 2011, and tendering for additional projects will also continue this year.

Upgrading includes many different types of work; for example, interior or exterior retrofits, roofing repairs, flooring replacement, furnace upgrades, boilers, siding, trim and air-barrier upgrades, elevator upgrades in some of the larger build-

ings, wheelchair lifts, bathroom and sink renovations, painting, furniture and appliance replacements. All of these things are part of that.

We have also assisted several non-government agencies and organizations to upgrade their social housing through projects, such as installing elevators and Gateway housing and Kaushee's Place has a new boiler system.

Land has been selected on Fourth Avenue by the river and a lot consolidation is underway to build the Abbeyfield. I understand that essentially is complete and done. We worked with Yukon Electrical to accomplish necessary power line work on that site in the past fall. The geotechnical and engineering reports are complete.

We have held information sessions and mailed information to Yukoners in December and January to determine the interest of non-governmental organizations in operating this facility and interest in residency. The Abbeyfield is quite a unique system of housing — a whole concept first established in England in 1956, and there are now over 1,100 Abbeyfield houses in 14 countries.

The first Canadian Abbeyfield house was established in 1987 in Sidney, British Columbia. There are now over 30 Abbeyfields throughout Canada, the majority of which are in British Columbia.

The Abbeyfield concept provides seniors with a private area of their own within the companionship of a shared household. Each building provides modified, independent living suites without a kitchen, plus common areas, including lounges, a dining room, kitchen, recreation area and laundry room. Meals are prepared by a house coordinator who may live on-site and is also responsible for looking after everyday needs of the residents. There is no provision for acute- or long-term care requirements. There will be, of course, though — as I mentioned this morning to the media — space for in-house care by nurses, foot clinics, a visiting doctor — this sort of thing.

The design should be completed in time so that the building construction will be tendered this spring. That proposed seniors building would include — we were hoping — up to 12 bed-sitting rooms; I think we're going to end up with 10, given the shape of the lot. Each room will have a private bathroom. Common spaces, such as the kitchen, dining room and living room would be shared. What got me interested in this concept was a visit to an Abbeyfield in Burnaby some time ago when all of a sudden there was all sorts of screaming and yelling from the living rooms. When I went in to see what was happening, there were two women in their nineties watching a hockey game on TV and having a great discussion. They didn't seem to agree on who should be winning. Otherwise, they would likely be in a small apartment or a small room someplace with little companionship and be socially isolated. That's not reasonable for the people who have given so much to build this territory.

We've also been involved in assisting Habitat for Humanity in providing affordable housing options to Yukon families. We've provided \$164,000 to purchase land in downtown Whitehorse to build the Phoenix Rising three-plex and \$60,000 to assist Habitat in terms of SuperGreen construction and training. I do have to mention that part of that was the family that

we purchased it from who actually accepted a lower than market rent because they were quite impressed with the project. We also provided free ongoing technical assistance to Habitat for Humanity and assisted them in building to that SuperGreen standard.

We've installed sensors in the building, which will be linked to data recording equipment to remotely gather building envelope performance and energy-use data. Hard data will form a body of factual information on super-insulated construction, which really doesn't currently exist. The ongoing monitoring will be a continuation of the Yukon College, Yukon Housing Corporation and Habitat partnership, which was struck at the beginning of this project. The Housing Corporation is designing, purchasing and placing the sensors and data collection equipment.

Yukon College is providing the server for remote collection, storage and retrieval of the data, and Habitat for Humanity is working with potential owners to obtain the agreements allowing the ongoing use of their house as a test site.

Habitat for Humanity is an important partner in housing and Yukon Housing Corporation will continue to work with that organization in a proactive manner to address the needs for affordable housing. It is anticipated that 810 Wheeler will be ready for occupancy in early spring, hopefully very shortly.

As you can see, we have done a wide variety of things, compared to the very short-lived Liberal government — the shortest lived majority government in the history of the Commonwealth of Nations — which really didn't have a chance to do that much. It is surprising that two successive New Democratic Party governments did not build any social housing from any source. I think we've done pretty well on that.

I do have to point out though that the Member for Kluane, who tabled a motion and mentioned in Question Period today the fact that he was concerned there might be a sale of assets, he didn't notice at that time — I guess he didn't read that part of the budget — there was \$7 million added into the budget portfolio. I have to point out to him, since he obviously hasn't read this budget either, that this one has \$7.15 million added into the budget for mortgage finance loans, owner-build loans and home completion loans.

I encourage the Liberal critic and the Leader of the Official Opposition to perhaps read the budget before they're so quick to criticize it.

Mr. Fairclough: I'll be brief in my response to the supplementary budget. I've heard the comments from the previous speaker and I will talk a bit about where he has gone with his comments.

The supplementary budget — this Yukon Party government wants all of us in this House to support this supplementary budget. We on this side of the House will not be voting for this supplementary budget. It's a confidence vote. Like the general public out there, we do not have confidence in this Yukon Party government. They say it over and over again, and I know many of the members on that side of the House have been hearing it over and over again. We've heard it quite a bit over this past weekend.

Why do people, why does the public, not trust this government any more? Well, for one, they say one thing and then do another. The Finance minister says one thing, like we're going to have a surplus budget — the last two years — and we find out that information that is tabled in this House is contrary to the words of the Finance minister, and that's one of the reasons why the general public have lost trust in this government. They said there was going to be a surplus budget, and guess what? We are \$20 million in the hole. The year before, we had a deficit also. The Premier is going to come forward and say, "Well, vote for this one. For sure this one is going to have a surplus. Look at it — it's right here." We don't believe it; the general public doesn't believe this Finance minister any more and there are reasons why — a lot of history that took place. I didn't hear the Premier say it but in his budget speech to the main budget for 2011-12 he said that, with all that they've done over the years, if this isn't good prudent fiscal management, he doesn't know what is. Well, here he is, asking us to approve and vote for a budget where he said there was a surplus, and contrary to his words, right here in black and white, there is a deficit.

He said, if this isn't good, prudent fiscal management, he doesn't know what is. We pointed out over and over again about the Yukon Party's ability to present budgets in this House. The Correctional Centre was a prime example. It was \$30 million — they call it a Cadillac facility — and they took that footprint and built on there exactly the same thing, but it went from \$30 million to \$50 million to \$60 million to \$70 million. The Premier says, if this isn't good, prudent fiscal management, he doesn't know what is. Isn't that something? What about ABCPs and the investment that the Finance minister found himself in? \$36 million tied up for another eight years and what does the Premier, the Finance minister, say? If this isn't good, prudent fiscal management, he doesn't know what is. I'm sure the members opposite heard this over and over from the general public too. I'm sure that the general public brought up the whole issue of extended care facilities and hospitals in the territory.

The Premier said that he works with the public, that they're open and accountable, that they communicate with professionals, yet no public consultation ever took place when it came to the extended care facilities in Watson Lake and Dawson City. As a matter of fact, these facilities are questioned by the professional community out there. So they say one thing and they do another. When it comes to good fiscal management, the Premier said they would be spending \$5 million on the extended care facility in Watson Lake. It ballooned to \$25 million and who knows what the final cost will be.

So you go from \$5 million to \$25 million and the Premier says, if this isn't good fiscal management, he doesn't know what is. This is what he is telling the public right now: vote for us again and we'll get it right this time. Thank goodness that there are some pots of money out there from Ottawa to address some of the issues here in the territory, like the housing issue.

We're talking about last year's budget, and it's too bad that there wasn't money in the supplementary to replace the units that Yukon Housing Corporation sold off in the community of

Carmacks, for example — four units gone in a year when the community really needed them. It wasn't reflected in the budget. These units didn't get built. We brought it up in this House and I'm hoping the pressure from this side of the House and the general public, the community, has brought the government to at least identify those monies in the next fiscal year to replace those units, because that community is growing.

What we heard from the general public is that it's time for a change. The Yukon Party had a good run at having monies come from Ottawa during this downturn in the economy. We've benefited from it. The mining industry has picked up; the price of gold went from \$260 in 2002 to over \$1,300. People are investing out there and that will continue. What I heard the previous speaker and the Premier say, over and over again, is they feel that the Yukon Party is the only one that can govern in the territory. That's what they feel, and of course, that's far from the truth.

The money that's coming from Ottawa will be there and we know that there's going to be an increase in population over the next few years; people are interested in the Yukon and we have the resources here and we're going to see the economy in the Yukon continue to climb.

I didn't hear the members opposite give credit to First Nations for having final agreements and giving certainty to the territory, or other governments and parties that negotiated a devolution agreement. When it's convenient, they brag it up; when it's not, they put the other parties down — isn't that something. That's the kind of stuff that the general public doesn't want to see.

The Yukon Party promised to improve decorum in this House. We've all heard it, but it hasn't happened, not on the Yukon Party side. They're the government; they set the tone in this House, so when will we see those improvements? The Premier gets called to order quite often for his performance in the House and not following the rules like he should. He said he'd improve decorum in the House; it didn't happen.

We've seen all kinds of projects that have ballooned way past the dollar amount the Yukon Party said in this House, including the Whitehorse Correctional Centre. It went from a Cadillac facility to a warehouse, and now it's a healing centre and who knows what other name they'll give it. We've also had promises in this House to ensure that F.H. Collins school will be built. That money isn't there either.

The Premier says, if this isn't good and prudent fiscal management, he doesn't know what is.

We heard from members of the general public that they feel the Yukon Party is tired, that it's time for a change. They don't trust this government. We know there's a lot of money out there; the budget is big and you cannot buy trust. For whatever the Yukon Party wants to put forward, that is on the people's minds all the time. They want to be included in decisions that affect them — something like the hospitals that are being built.

This supplementary budget that's before us is a money bill, of course, and like all money bills, it's a confidence vote. Maybe there are some of the members on the Yukon Party side who might not want to support this. I'd be surprised, because I

think the Premier has some control here, but I don't think that members on that side of the House agree with the Finance minister and the Premier on his words that this is good, prudent fiscal management when you see a budget that was presented and talked up quite loudly in the public. We've seen paper ads and TV ads on this, saying this is a surplus budget, when it turns out to be something different. It's all contrary to what the Premier said. It's a deficit two years in a row, and now the Premier is saying, "Vote for us. Really, this budget will be different from the last one," even though it looks like we're going down the very same road. It's interesting to see the project that just happens to be around \$20 million plus that would have — should have been in the books, was promised to be on the books — F.H. Collins — to see that amount in the 2011-12 budget, that makes the budget balance.

Time will go by and we will see how this plays out. We on this side of the House do not feel that the Premier is ready to govern any more or any of the Yukon Party — they are very tired. The public wants a change, and they want to see a change come quickly. If a vote on this budget should be in favour of turning it down, then it's a confidence vote and we would go straight into an election. That's where people want to be. I'm interested to hear what members opposite have to say on the supplementary budget itself.

Hon. Ms. Horne: I rise to speak about the supplementary budget before us today. This budget, like the previous ones, builds on our commitment to practise good governance with strong fiscal management and a climate of cooperation, collaboration and partnership with our First Nation governments, our two sister territories, our provincial counterparts and the federal government.

Let me explain how this budget relates to the previous one. In 2006, we campaigned on a commitment to provide Yukoners with a clear vision for a bright future. We committed to help Yukoners achieve a better quality of life; we committed to protect and manage Yukon's environment; we committed to continue to grow and build our economy; we committed to practise good governance. Mr. Speaker, we committed and we delivered. This budget before us is only one more example of how our government is delivering to our communities. In my comments today, I want to focus on what this budget means for my riding. I think we need to look at how these budgets interconnect. The members opposite keep bringing up how the supplementary budget impacts the mains. They keep bringing up the mains so I'm going to mention some projects that get the bulk of their funding from the mains as they relate to the work and projects being funded in this supplementary budget.

Later on, I will mention briefly some justice-related items but it is my intention to discuss these more fully in Committee of the Whole. It is not my intention to give an exhaustive overview of those items here.

For the Justice department, we have some additional money to implement the victims of crime strategy, more money for legal aid, funding for a parent education program, some \$500,000 for the secure assessment centre, and we are moving up from next year to this year over \$3 million because of how

quickly we have been completing the new multi-purpose treatment and Correctional Centre.

You know, I am pleased that we're moving to address the way we handle people who need secure assessment. Having listened to the members opposite, I suppose the Liberal position is that they would rather not spend the money to address the situation in the RCMP cells. I'll come back to that in my supplementary budget. I want to use this time to talk about the supplementary budget's impact on my riding.

I'm going to begin with the Department of Health and Social Services. I see that the budget contains some \$11,780,000 in additional requests for Health and Social Services. Let me talk about some of the areas for which Health and Social Services provides services in my riding. Health Services gets an additional \$7,907,000. Let me tell you about what that means to people in my riding. This means money to enhance and support the Yukon home care program to provide services for all Yukoners, but particularly for those who require home care outside of Whitehorse.

We are doing more, though, to keep seniors in their home communities. As you know, in Faro we have invested in housing for seniors. This is part of a \$3.25-million investment in Faro, Teslin and Watson Lake.

I was pleased to participate in the opening in Faro. I think it is imperative for healthy communities to keep their elders and seniors in the community, not only as mentors but to pass on the history and best practices to the youth of the community.

Last year we set aside funds to provide computer radiology in 13 community health centres. That work has now been accomplished. As a member representing a rural riding, I am pleased with the progress our government is making to get more services for Yukoners living outside Whitehorse. Because we have strong representation in our caucus for rural ridings, we are well aware of the needs and care about the rest of Yukon outside Whitehorse.

On a related note, we budgeted \$120,000 to expand telehealth video conferencing equipment into First Nation offices. I am very pleased that this work has been done. I know my constituents are happy that they don't have to book a couple of days off to drive all the way to Whitehorse to go to their appointment and then drive home. Rural services, such as this, contribute to a better quality of life for our rural communities.

Speaking of travel, I see that this budget calls for an extra \$325,000 in recoveries from Canada for travel under First Nation benefits. I noticed it as I was admiring the fact that we more than doubled our recoveries from Canada for hearing assessments and aids. Last week, I listened to the Leader of the Official Opposition deride our efforts to deliver health care to rural Yukoners. He argued that if we build a facility, then we should build it in every community. He then talked about the associated staffing levels. For him, it was a big joke. You know, Mr. Speaker, as a rural MLA, I find that genuinely offensive and out of touch with the reality of today's Yukon.

The opposition implied last week that even if they agree with the budget, it's their job to vote against it. Imagine that, Mr. Speaker — even if they agree it's good for Yukoners, they have to vote no.

As I looked at the budget line for Yukon hospital services — an additional \$864,000 they are asking for — I was reminded of the Member for Copperbelt's hasty comments. Mr. Speaker, Watson Lake and Dawson City already have these medical facilities. Continuing to have medical facilities available in Dawson City and Watson Lake only makes sense. We are building facilities to replace buildings that have outlived their useful life. In a medical emergency, not everyone has the option of driving five or six hours to Whitehorse to get medical treatment.

I guess that means the Liberal government would kill health care in rural Yukon, just like they killed the treatment program at Sarah Steele. I expect that they will again vote against the \$60,000 in recoveries from the drug strategy community initiatives.

The Leader of the Official Opposition stated in his speech earlier that he is not opposed to paying the employees. That is noble. I am sure the shortest lived majority government in the Commonwealth also had noble intentions to pay employees when they had to take loans out to do so. We never said they were bad; we said they were incompetent.

The opposition says it supports increased drug and alcohol programming, but gutted the Sarah Steele program. I suppose that's their job as well.

One of the concerns I have as an MLA and have heard from my constituents about is that there needs to be a crisis line for people with substance abuse issues. Substance abuse does not have regular office hours. This service provides a 24-hour crisis information line through the alcohol and drug information referral service that offers the public access to addiction support workers at all times.

In this budget is money for capital expenditures in community infrastructure. Although it is not in my riding, I'll just mention that the Selkirk First Nation is getting \$72,000 for their small-diameter piped water system. They are also getting \$151,000 for a waste-water disposal facility.

Based on his previous voting patterns, including saying no to a new school in Carmacks, methinks the Member for Mayo-Tatchun will also vote no to the safe drinking water for Pelly Crossing and no to responsible sewage disposal. That's their job, they say.

This budget speaks to the Ross River water system upgrades. I appreciate the assistance of the Premier and the Minister of Community Services for getting projects in my communities addressed. It sets aside \$100,000 for water and sewer pipe upgrades for Faro.

As an MLA who represents two incorporated municipalities — Faro and Teslin — as well as the unincorporated community of Ross River, I am profoundly interested in our support for municipal and local governments. I have been following the work we have been doing supporting our municipalities. Every year I have been in office, we have increased our overall contribution to the comprehensive municipality grant. We have also increased our allotment for community operations in unincorporated communities. On that front, we have \$200,000 in this budget for transfer stations, recycling depots, composting and shipping equipment at landfills. It might not seem like a

big deal, but it is support like this that goes a long way in making a difference in rural Yukon.

Let's have a look at what we're doing in the area of highways and transportation in my riding. The members opposite like to talk about the mains and the supplementary budget, so I will do the same. There is roughly \$1 million for Ross River community road upgrades. This is in addition to the \$125,000 that we are adding by way of the supplementary budget to our work on the Campbell Highway. All told, between our Building Canada contribution and our YTG-funded portion, that means we are investing over \$12 million on roadwork along the Campbell Highway and Ross River roads.

In the supplementary budget is money for community infrastructure. In the supplementary budget is \$74,000 for Teslin roads and drainage upgrades. As well, in the mains, we have \$926,000 for Teslin roads upgrades. Again, let me express my appreciation to my colleagues for their support when I bring forward constituency concerns.

The Highways and Public Works budget speaks to maintaining our assets. In my riding, we have \$2.3 million for the deck replacement for the Morley River bridge. In the supplementary budget is an increase of \$465,000 for other airports. In my riding, we have \$400,000 for the Faro airport terminal building replacement. I know they are looking forward to this building replacement. In 2011-12, Yukon will be receiving a total of \$25.217 million to remediate type 2 mine sites that remain the responsibility of Canada, of which \$20.507 million is for the Faro mine.

I just wanted to mention a couple of other projects that mean so much to me as the MLA. There is \$3.761 million for further waste-water treatment in three communities, including Teslin. As well, there is \$6.847 million for water and sewer pipe replacement, water system upgrades, water treatment, reservoirs, wellhead protection and other water-related infrastructure improvements in Faro and other communities.

Because arsenic in Yukon drinking water is of particular concern due to regulatory standard changes, in 2011-12 funding is being provided for arsenic treatment, including \$1.013 million for systems upgrade and arsenic treatment in Ross River and \$2.907 million for arsenic treatment upgrades to meet 2011 regulatory requirements in Teslin and other communities. We have \$100,000 for Teslin phase 2 arsenic treatment.

I will go over them in more detail when we get to the Committee of the Whole debate, but here are some of the things that are in the supplementary budget related to my departments. For the Justice department, I'll just flag a few items. We have \$54,000 to implement the *Victims of Crime Strategy*; we have \$150,000 for legal aid; we have \$500,000 for the secure assessment centre.

We are moving up from next year to this year over \$3 million because of how quickly we have been completing the new multi-purpose treatment and Correctional Centre. I know it has been said many times opposite that the original plan put forward by the Liberals was a perfect plan and \$30 million. That was a warehouse facility with a revolving door again. We went out, we did extensive consultation with Yukoners, we came back and we are constructing a correctional centre in the truest

sense of the word. We have changed the way we do business in in corrections in Yukon.

We have \$20,000 to fund a parent education program. The Women's Directorate did not bring any items forward in this supplementary budget. As a government, collectively, we have accomplished much and we are proud of our record. As a government, collectively, we have rebuilt the economy. Private sector employment and investment is up. As a government, we have collectively established Yukon as a great place to do business.

We have, as a government, collectively matched our progress on the economic front with our advances on the social side of the ledger. As the MLA for Pelly-Nisutlin, I am pleased with what this budget represents for my riding in terms of jobs for our residents, support for our municipalities and service for our communities.

We as a government collectively serve Yukoners; that's our job. If this isn't good, prudent management, I don't know what is.

Hon. Mr. Lang: I stand here today to discuss the supplementary that we're debating this afternoon. I would like to thank the Minister of Justice for her comments this afternoon and, of course, the House itself for the work we do for the people of the Yukon. I certainly find the debate interesting from the opposite benches because of their perception of how this government has done business over the last period of time.

This government has been in a position of managing the economy of the territory for nine years. Of course, as we debate today, we talk about the supplementary, but we also talk about the success of how the focus and the direction of the territory has changed immensely since those days in 2002 when the territory saw a mass exodus of individuals and saw an exodus of our youth, where there was no opportunity here for them to participate in the economy.

Most of our youth, whether it was individuals who were in the trades or professional individuals, had no option but to look elsewhere for employment. That was in 2002. The minister responsible for Yukon Housing Corporation made the point of the investment we made on the housing side of the ledger — the partnerships we had with Canada, the work we did with Canada and First Nations — and the success of those partnerships to produce a 40-percent increase in social housing in the territory.

If you were to look at the economy of the territory, every community has been touched by this government's management of the economy, whether you're in Dawson City — the investments we have on the ground in Dawson City — or whether it's housing or addressing the waste-water treatment situation that we found ourselves in when we acquired the responsibility for governing the territory. The \$29-million investment was a court-ordered process that we as a government, in partnership with the City of Dawson, are addressing in today's Yukon. There is the housing situation in Dawson and the opportunity we have for building and expanding on our health care unit in Dawson and Watson Lake.

The members opposite tend to talk about Dawson City and Watson Lake as if somehow, because of their location, they should have a lower standard of health care provision. The Leader of the Official Opposition is looking at other jurisdictions and saying they're doing one thing and we're doing another thing. I remind the member opposite that there's quite a distance between Dawson City and Whitehorse, and Watson Lake and Whitehorse. The distances dictate what we do in these communities, not that we are not addressing our responsibility as Yukoners. That's the issue the Yukon government has always had on this side of the House: we make decisions for the whole territory.

We haven't stepped back because of the situation where it's one riding or the other riding. That doesn't enter into the discussion; it's the need of the communities themselves that we take under advisement and make decisions on.

Certainly the Leader of the Third Party questioned our management of money, who paid for what and who did what. I say to that member: this is a government that partnered with the federal government on many of these issues. Whether it was a Liberal government in Ottawa, Conservative government in Ottawa, we were partners in these investments. When we talk about a housing partnership, we don't only talk about the federal government funding what; we're talking about our partner which is the federal government and in most cases, First Nation governments, to improve the lot of Yukoners when it comes to housing.

Certainly, Highways and Public Works and Community Service — since I am responsible for those departments, first of all, I would like to thank the hard-working individuals in those departments for putting budgets together, working within the department to make sure that we're addressing the issues that come up on a daily basis in the territory, especially in Community Services.

We have a large responsibility — not only a large responsibility in managing a big part of the budget or the resources of that department, but certainly as we move through the year, keeping ahead of how that money is flowing, what is being spent and, of course, at the end of the year what has been done and what hasn't been done and what this supplementary would present to the Yukon people.

Again, I remind the members opposite, this is our ninth opportunity to stand in front of Yukoners and present a budget, but as the Minister of Finance says, we went through 24 months of very questionable times through the last two budgets. Those two budgets reflected the management this government did in partnership with our federal government and First Nations to minimize the impact of those very, very stressful financial times in all of Canada, if not all the world. The fact that we came through that recession, depression or whatever you want to call it — we could call it the financial meltdown in Canada and in the world — as well as we did is only because this government had a savings account, money in place, that we not only could use to stimulate the economy, we could manage ourselves through with it.

I'm very happy to see that after 24 months, in the third year, we're the first jurisdiction in Canada to present a bal-

anced budget and also have a savings account. We have less than four percent unemployment in the territory today. We have things happening in our community that never happened in our community before — opportunities for our youth, whether they're tradespeople, professionals on every level, to come back to the territory and participate in the future of our territory. Those opportunities haven't been here for the last period of time and certainly weren't there in 2002 when this government took over the responsibility of the finances of the territory. When the Yukon Party government was successful in 2002, the obligations of the finances were paramount in the minds of all Yukoners.

I went door to door looking for support in my community and it was the economy — first and foremost, the economy; what's happening to our Yukon. I'm sure everybody in this room got the same response at the door from Yukoners.

What's wrong with the Yukon? Well, we had a government of the day that had been in for a very short period of time — which we won't go into, Mr. Speaker, but the economy was in shambles and the problem with the economy being in shambles was they had no direction on how to fix those shambles. When they talk about mining and mining just fell out of the air, or the economy fell out of the air, that's not factual. The government — this government — over the last nine years has been working on the economy, and the economy today is the best in Canada. This is, in one profession alone, in the last eight years, we have five second-generation Yukoners now practising medicine in the territory. That's just from a doctors' level of expertise; that's not counting the nurses, the medics, the paramedics, the individuals who are working out in the field. So this government, through its astute management of the resources and by devolution, which we've been working with over the last six or eight years, has put us in a position now where we can move forward.

We weathered the big storm over the last 24 months. When you look at what happened in different jurisdictions across Canada, we were probably the least affected by the downturn in the economy. The argument from members opposite was: should we dip into our savings account? The argument about dipping into our savings account — when we acquired responsibility for government, there was no such thing as a savings account. Should we dip in there to get through those heady days when we found ourselves in a recession — not the makings of our own, Mr. Speaker, but a Canadian and worldwide recession. I think that was just prudent financing when we did that.

Now, as we move through the year and the Finance minister manages the budget, and also we in our departments manage the finances of our departments — compared to projections. Projections are just that — projections are projected. Somehow, the opposition talks at great length about how they would project better than this government projects. I will tell the members opposite: I have a very capable staff of individuals in the Department of Highways and Public Works, and I leave the projections up to them to present to me, and I present them to the House.

Community Services — I think I had best leave the projections and the managing of the finances to the experts in that department because I will say to you that there is nobody across there that I can see who would be capable or competent to do just that. I say that the departments do a stellar job in presenting the budget to the House and following those projections, on a period basis, very closely — very closely. But, as you see, there are resources for health care in the supplementary. Well, health care is a moving target. There's no way that a department could project doctor visits or air obligations for individuals to go outside of our jurisdiction for medical attention. All of those things are unknowns and certainly now, with the growing population.

As you see in the new budget, there is a 14-percent increase in those costs to get closer to our projections — or, the increase to the budget presented to the House for the ongoing year to try to compensate for the growth in population and, of course, the cost of services when you have that increase in population. In saying that, the predictions for the good work of the departments also realizes that with more people, we have a bigger and lengthier tax base. Certainly, through the last eight years, we have three producing mines that we didn't have in those days — four, actually, because most of the business for Cantung is directed through the territory. We have 600 to 800 people working — as the Minister of Energy, Mines and Resources says — out there in the field in these mines. Of course, the biggest percentage of them are Yukon citizens, who pay taxes in our community. So those kinds of investments are part and parcel of any budget.

If you were to look at the economy of the territory from the point of view of a jurisdiction that went from 2002 to 2011 and saw the reflection of the improvements on every level, it is quite amazing how the Yukon had the recovery capabilities that it did.

Now, the members opposite talk at great length about the price of gold and the price of silver and the price of copper. But I remind everybody in the Yukon that those resources are situated in most places in the world. The thing about what we have here today is a lack of communication or a lack of capacity from the members opposite to put the alternative in front of Yukoners. Do they want to go back to a Liberal government? Do you want to go back to the NDP? The NDP shut down the Sarah Steele Building or the Sarah Steele complex. They're the government that did that. They didn't have any treatment. The Liberals didn't open it.

Now, they will say, "Well, we didn't have enough time," which I agree with. Programming takes a little bit of time, resources and those kinds of things. Do they want to go back to that? Or, do they want to take a chance with the opposition without presenting to the territory — what is the alternative?

What would they do differently? What would they touch? What buttons would they push to make the Yukon even better than it is today? I don't think they can do that. The Leader of the Official Opposition had an opportunity in his response to the budget to put out to the Yukon people what they were going to do as a government. He had unlimited time and he spoke for less than 20 minutes. I don't think Yukoners will buy into

something that doesn't have the plan to put together — an alternative to what this government has been doing for the last nine years. I would say to the members opposite or to Yukoners: they're running on empty. By the way, the communication we're getting in the House or the questions that they ask, the negativity we get and the figures — we are responsible for the figures in the budget. Again, I would like to thank the department for putting those good figures together. What we do is defend those figures, very successfully.

I would say to you, that the opposition has to get out and put something in front of the Yukon people. Negativity isn't going to win it. Pointing fingers at us and saying we are all evil or bad people isn't going to win it because, regardless of what the opposition says, we are seen as nice people. I have many friends in the territory; I have spent a lot more time in the Yukon than most people across the way have and I have many, many good friends in the territory who think I'm all right. Being a bad person isn't going to win you votes. What will win you votes is having a solid platform, solid leadership. By being empty of ideas and just going on what they're doing here in the last six or seven days is not going to win votes.

So, Mr. Speaker, I support this supplementary. I look forward to the ongoing debate as we look at our departments. Certainly, the Yukon is better today financially under the management of these individuals on this side of the House than it was nine years ago. I sit down, saying to you and the House that we are hoping to get support for this supplementary.

Mr. Nordick: It gives me great pleasure to rise today to speak to Bill No. 23, *Third Appropriation Act, 2010-11*.

When I was elected, I promised my constituents, the constituents of Dawson City and the Klondike, that we would achieve a better quality of life for Yukoners, and we have. I committed to protecting and preserving our environment and wildlife and we did that. We also committed to creating a diverse, strong economy. You just have to look outside today and look around this territory to see that we have done that.

We have also committed to practise good governance, and we have done that also. We also have agreed to have a good working relationship with other levels of government, including municipalities and First Nations. This Yukon Party government has achieved that also.

I would like to thank the constituents in my riding, my family and friends for supporting me in developing a better life for all Yukoners. I would like to thank them for electing me to help protect and preserve the Yukon's environment and electing me to help promote a strong, diverse economy. We have built schools in Carmacks. We've built two schools in Dawson City, a School of Visual Arts, and we're currently building a new Yukon College school in Dawson City to be opened in the very near future.

We are supporting the quality of life in rural Yukon and throughout the territory in building infrastructure like housing. We are currently replacing the old Korbo apartment building in Dawson City with a new 20-unit apartment building. This is an affordable housing apartment building. It is promoting and achieving a better quality of life for Yukoners. We're building

a waste-water treatment plan in partnership with Dawson City, and that is something that the former Liberal government ignored. Connected to the waste-water treatment plant, we're building a district heating system which will help heat the town's water supply in Dawson City and other future buildings. This will lower the utility costs in Dawson City, lower our water and sewer utility rates which will provide a better quality of life for the citizens of Dawson City, and will help promote a diverse economy because you can actually afford to live in the community.

For quality of life in a community, you need good quality recreation facilities. This government is working with the City of Dawson to achieve just that. You need good quality health care facilities and this government is doing exactly that with the Hospital Corporation building a new hospital in Dawson City. You need education facilities, which I mentioned earlier. We are building a new Yukon College in Dawson City.

We've built an art school and — it's hard to explain — we have a very beautiful high school and grade school in Dawson City and right now I'd like to thank all the teachers and educators in Robert Service School for the quality of work that they do in providing a basis for the students of my riding.

We also invest in museums and cultural centres. We invest in walking trails. We build tourism centres. Arts and culture in Dawson City is supported to a tune of close to \$1 million — over \$1 million in this budget alone, and more precisely in this *Third Appropriation Act, 2010-11*, for the Public Service Commission there was an increase of \$944,000, which is to appropriately record the liabilities related to employee future benefits. Recognition of the liability related to employee future benefits is a requirement under the Public Sector Accounting Board standards.

A total of \$2.170 million is identified in the *Supplementary Estimates No. 2, 2010-11*, to address pension solvency issues for Yukon Hospital Corporation and for Yukon College, of which \$1.15 million is provided related to Yukon College under the Department of Education's O&M vote and \$1.019 million is provided related to the Yukon Hospital Corporation under the Department of Health and Social Services O&M vote.

This supplementary provides approximately \$11.8 million to the Department of Health and Social Services; of that, \$7.4 million is allocated to physician and hospital claims and \$2.8 million to social assistance. The Department of Health and Social Services has worked diligently in striving to control, offset and mitigate costs in this area; however, cost increases in these areas of essential health care and social services have been significant. The recent trend has seen significant cost increases, and while the Department of Health and Social Services will continue its efforts to mitigate and control costs in these areas, assuming, at a minimum, similar volumes, it is clear that the base budget in these areas needs to be reviewed and adjusted. Not only will members see an increase here in the second supplementary for 2010-11, members will also see a significant increase in 2011-12 main estimates in recognition of these cost pressures.

The negotiations with YEU and YTA were in progress when the 2010-11 main estimates were tabled. The 2010-11

main estimates did not provide any adjustments for collective bargaining. It has been the historical practice of government not to identify any provisions or potential wage impacts while collective bargaining is underway. Including any adjustments in advance of negotiations would have been premature disclosure of the government mandate in the collective agreement process. With the ratification of collective agreements with YEU and YTA, wage and salary adjustments recognized subsequent to the 2010-11 main estimates total approximately \$10 million.

At the time the 2010-11 main estimates were prepared, the most current information available was used to determine our pension commitment to the Yukon Hospital Corporation and Yukon College. In addition, the most current information available was used to estimate the government's liability related to future benefits for employees. Pension plans have been re-evaluated and adjusted related to recognition of employee future benefits, and pension solvency and employee future benefits total approximately \$3 million in these supplementary estimates.

To summarize this bill, wage and salary adjustments added approximately \$10 million to the expenditure base. Recognition of the environmental liabilities added just over \$5 million. The re-evaluation of college and hospital pension plans added just over \$2 million and a new actuarial report added approximately \$1 million related to employee future benefits.

I know the Liberal Party stated earlier and I think it was the Member for Mayo-Tatchun who said their party will not be supporting this, which is quite the statement when you say that they will not support wage and salary adjustments. They will not support environmental liabilities and they would not support college and hospital pension plans. It does say a lot, but then again, some of the things the opposition parties say do need some explaining, if I can say it politely.

I know on Thursday the Leader of the Liberal Party spent a great amount of time trying to justify some of his prior comments with regard to health care delivery in communities. I know it's difficult when you have to explain comments like the one he made on September 22. There's a model, a good governance model, of health care delivery used across Canada and the United States and that is to concentrate resources in the greater population centres. It's also very difficult to explain what he went on to say the next day.

I could see saying "incorrect" or "mistaken" things all in one day, but then to say it again on the next day — to say, "That's just the way it works. You make certain decisions when you live in a community." Then about four months later, stand up and try to justify those comments. At one time, I actually wanted to lean over there and hand the member a shovel — a shovel to help dig himself out of the hole he was creating — because he went on to say, "Clearly, the side opposite — the government — has come to the conclusion, contrary to all evidence and all expert advice, contrary to accepted practices across this country, contrary to any rhyme or reason of how one provides medical service..." We should not be providing the exact same services in every community. That's the Liberal stance when it comes to providing increased health care ser-

vices in Dawson City. It's contrary to accepted practices? Contrary to any rhyme or reason? I think the Leader of the Liberal Party should just stop — stop, stop trying to justify why he doesn't support the communities' health care needs, because every time he tries to justify it, he gives another reason why they would not build a hospital in Dawson City and not build a hospital in Watson Lake.

Again, I ask the Leader of the Liberal Party: stand up in my community and explain those comments, explain them to my family, to my friends, to my cousins' friends who live in the community. Explain it to the Tr'ondëk Hwëch'in First Nation citizens who live in the community. Explain it to the Member for Vuntut Gwitchin's community. Explain that they need to fly all the way to Whitehorse — that they should recover in Whitehorse, not Dawson City. Explain that to Mayo. Explain that to citizens around Stewart Crossing. Explain to the people in the mining camps that they don't deserve increased health care services in the community. I actually look forward to the next time that the Leader of the Official Opposition stands up and tries to justify his comments, because he'll probably say another thing like he said on September 22, and again on September 23, 2010, and again on February 10, 2011, — how the Liberal Party would not and will not support rural Yukon by increasing investments in health care facilities. I'm going to end on that and I'm going to close by saying, this Yukon Party does believe in rural Yukon and we back up our words by our actions. Thank you.

Hon. Mr. Edzerza: The main estimates in the Department of Environment's supplementary estimates is an indicator of this government's significant commitment to clean up its contaminated sites around the territory. These estimates also recognize the government's achievement in obtaining an agreement with Ottawa that will see the cleanup of the Marwell tar pit in Whitehorse. This is the largest single source hydrocarbon contaminated site in Yukon. We estimate this cleanup will be a 10-year long project that will cost almost \$7 million.

These estimates provide a reference point in time to show the Yukon government's outstanding financial liabilities to clean up contaminated sites under its ownership and control. These contaminated sites can include highway camps and airstrips. This is not new money that will flow into the Department of Environment's yearly programs. It is a bookkeeping notation that can help us track our progress as we proceed with contaminated sites remediation.

This total will move up and down in the coming years as work is completed and new locations are added to the schedule.

At this moment in time, we have identified 67 sites throughout the territory. They do not represent every site, as we believe other properties will be brought to our attention over time. Of these 67, we have determined that up to 15 sites are not significantly contaminated and do not need to be remediated. An example of these sites is airstrips. We have identified and noted 22 sites that are highly contaminated and have to be addressed in the years to come. We are taking a rational, measured approach with the understanding that we have limited resources and capacity and that it will take many years before all

the sites can be assessed and remediated. This supplementary No. 2 is on the books to show that the Yukon government's contaminated sites liabilities have gone from \$7.6 million on April 1, 2010, to \$12.7 million as of March 31, 2011 — an increase of \$5.1 million. We have identified four sites that we will work on this year, with the largest being the Klondike River highway maintenance camp at kilometre 65.1 of the Dempster Highway.

The cleanup of the Klondike River camp is an example of how our estimates can change in a very short period of time. Our original estimate called for \$600,000 to clean up this site. There was further assessment work over the past year and we have now advised that the cost to clean up a portion of this one site is now just over \$2 million.

The rest of this year's increase came when new sites, such as the Marwell tar pit in Whitehorse and other Yukon government highway camps, were added to the list. These have increased our liabilities by \$5.1 million. Our estimates at the beginning of the year did not include the Marwell tar pit because we were still in discussion with the federal government on cost-sharing. We now estimate that the liability for this site is just over \$2 million. We will be managing this project and activities planned for this year include planning additional assessments and YESAB screening and permitting.

Mr. Speaker, I would also like to now just talk a little bit about some of the accomplishments of Environment over the past several years. I know that there were some comments made earlier by different speakers that a lot of the talks have had somewhat of a political tone to them because of the probable upcoming election. Quite possibly, I would believe that that is not going to be uncommon throughout the whole sitting.

The opposition parties are definitely trying to find ways to discredit the government and they are having a very difficult time, because there has been so much progress over the last nine years. It's hard to discredit a government that is successful, so there will be a lot of different comments coming from the opposition, whether they have the proof to support them or not.

But that's okay, because one only needs to look around the Yukon to see all the progress that has been made over the last number of years.

I know — I walked the waterfront seven years ago and the landscape has changed dramatically with such projects as a much-needed seniors complex, to Kwanlin Dun's cultural centre, to the train tracks that are now running along there with tourists going back and forth. As we walk around through the downtown area, you can see several apartment buildings that have been undergoing construction over the past few years.

When we look at the economy of the Yukon, we have had the lowest unemployment rate across Canada and regardless of how anyone — whether it's the media or opposition or anyone else — wants to spin it, this government has had a huge play in all those activities going on in the Yukon today.

The great support for a lot of the mining industry is probably one of the main reasons why the Yukon has flourished so much in the past few years with regard to mines going into production.

There are a lot of potential mines coming up on the horizon. I know I went to the Roundup in Vancouver — at one time it was hard to get a couple hundred people out to this event. You now can't move around in there when you go there. It is so packed and so full. The Yukon night is one event that is almost crowded to the capacity where you can't even get in there. So there are a lot of good, positive changes that took place over the years.

I have heard several comments about this Yukon Party government not taking the environment seriously. I'd like to just put a few things on the record that prove otherwise. We opened a new \$2-million Tombstone Territorial Park interpretive centre. We invested over \$600,000 in new interpretive trails, a parking lot and site restoration projects around the new Tombstone Interpretive Centre and restored historic buildings at Herschel Island Territorial Park.

We renewed a five-year agreement with Holland America, Tr'ondëk Hwëch'in and Yukon government to promote the use of interpretive programs in Tombstone Territorial Park. We provided logistical support for the filming of a major motion picture in Tombstone Territorial Park. We supported a Vuntut Gwitchin and private sector tourism joint venture to manage commercial grizzly bear viewing in the Fishing Branch Ecological Reserve. We also partnered with the Yukon Wildlife Preserve for the construction of a new animal care facility. This included securing \$1.9 million in CanNor funding for the project. We have also provided \$1.8 million over three years, from 2009 to 2012, to the Yukon Wildlife Preserve to help the organization expand its programs.

More than 3,000 people attended Swan Haven and various celebrations of swan events in April 2010, including 21 school groups.

About 800 people participated in other wildlife viewing programs delivered in the summer of 2010, such as elk bugling, mushroom talks, a bat night walk, and migratory birds events. We established the office of the chief veterinarian to provide advice and direction to policy, regulation and surveillance impacting wildlife, domestic animals and public health. We also responsibly managed harvest activities including the challenging and evolving hunts of elk and bison. We completed the winter tick management program that began in 2008 with marked improvement found in the Takhini elk herd and some improvement in the Braeburn elk herd. We also had management projects underway on moose, caribou, martin, bats, grizzly bears and selected fish populations. Information gathered informs the government's wildlife management and land use decisions. We have undertaken community-based wildlife plan reviews of wolf management, elk and bison.

This included work from the renewable resources councils and the Yukon Fish and Wildlife Management Board. We've begun work with First Nations to develop harvest management strategies in areas where overall harvest is considered near or above sustainable limits for ungulates. We are managing the cleanup of the Marwell tar pit area, as I mentioned earlier on — again, worth \$7 million. We allocated over \$2 million for remediating four contaminated sites owned by the Yukon government as part of YTG's new approach to managing environ-

mental liabilities. We also published the first ever *Status of Yukon Fisheries* report and the Fish and Wildlife Branch highlights report. We completed boundary delineation work on the Summit Lake-Bell River protected area in north Yukon. We provided expert water quality, hydrology and geometrical advice to proponents and regulators, and we implemented a water enforcement and compliance regime.

We also undertook a water adaptation project to develop a water information tool and conduct a water risk assessment.

When we talk about a better quality of life for Yukoners, we invested more than \$500,000 in recycling and waste-reduction efforts throughout Yukon, including improvements to community depots and ongoing support for the popular recycling club for kids and the school recycling program. We are providing financial assistance of more than \$320,000 over two years to Raven Recycling to help it maintain recycling services. We also hosted the Environment Fair, showcasing Yukon's environment. There was participation of over 1,300 members of the public. We are planning for a 2011 Environment Fair on May 13 and 14.

Through the federal climate change adaptation program, the Yukon government has invested \$1.3 million over four years, from 2008 to 2011, in four projects.

We hosted the annual Yukon Youth Engagement Forum on Climate Change, which was attended by young people from several Yukon communities. We conducted several surveys to ensure that we are better able to serve the Yukon public. These included the hunting licence holder survey, the hunter efforts survey, fishery survey and public consultation on *Wildlife Act* amendments. We have improved our website and increased access to information for the public.

With regard to the First Nations and relationship building, we established the Nordenskiöld Habitat Protection Area as called for under *Little Salmon-Carmacks First Nation Final Agreement*. We established the 1.21-million hectare Old Crow Flats Habitat Protection Area, as called for under the *Vuntut Gwitchin First Nation Final Agreement*. We continued the collaborative Tr'ondëk Hwëch'in training program to staff future ranger, interpreter and maintenance positions. We established and operated the Tombstone Park management committee with the Tr'ondëk Hwëch'in members.

We have developed protocol with the Teslin Tlingit Council respecting conservation, environmental education and compliance. We have also made progress on Southern Lakes Wildlife Coordinating Committee with several First Nation recommendations for wildlife and habitat management. We undertook a review of the community-based fish and wildlife work-plan with Little Salmon-Carmacks First Nation for their traditional territory. We also established a Pickhandle Lake Habitat Protection Area Steering Committee and began management planning with the Kluane and White River First Nations.

We also developed a harvest management plan for the Porcupine caribou herd, in collaboration with First Nation governments, Government of Canada and other agencies. We completed an associated implementation plan for endorsement by the eight parties. We are monitoring and enforcing conservation measures for the Porcupine caribou herd in accordance

with the harvest management plan. We have enhanced field monitoring of harvest through greater field officer presence, along with the mandatory check station to ensure plan objectives are being met.

Work is underway on all 34 actions identified in the *Yukon Climate Change Action Plan*, including several research projects involving wildlife and water resources. We are completing a water management framework and considering a Yukon water strategy. We participated in COP16, UN Conference of the Parties on climate change in Cancun in December 2010 and will participate in COP17. We provided funding to support community climate change adaptation planning in Dawson City, Mayo and Whitehorse. We have collaborated with climate change officials in the Northwest Territories and Nunavut to develop a draft plan territorial adaptation strategy. It's plain to see that there are a lot of accomplishments and I just hope that the opposition party throughout the year will recognize the fact that, yes, this government has done an awful lot when it comes to working with the environment.

Hon. Mr. Rouble: It's an honour and a pleasure to rise in the Assembly today both in representation of my constituents from the beautiful Southern Lakes and also as a minister of the government responsible for the departments of Education, and Energy, Mines and Resources.

It has been a pretty interesting debate so far today — quite far-ranging, sometimes touching on the budget. What it is reinforcing, though, is the issue of when government work is done and how we know that the work upon our plates has been completed.

The truth of the matter is that government will always have a role. There will always be a responsibility for ongoing policy development, for initiative change or responding to different issues as they emerge. There will always be a role for the elected, democratically established government to provide direction to the people who work within the government. I should add that those people who do work within the Government of Yukon — they're a pretty hard-working bunch of people. My hat goes off to them, whether it's the folks who work in the departments that I'm most familiar with — of Education or Energy, Mines and Resources. They're always there, eager to pitch in, to work on the task at hand, to find an innovative, creative solution, to help to communicate it to other people and, all at the same time, keeping an eye on the purse to ensure that the action is being implemented prudently and properly.

Mr. Speaker, we're seeing a time here in our Assembly where there is a lot of posturing going on among all of the political parties. We're talking about a budget and budgets are always about options — budgets are about choices. Unfortunately, the opposition benches have been quite quiet today. We have had a number of speakers from this side up now, all in a row, without hearing additional debate or comment coming back and forth, but we haven't heard a lot about the options or the choices or the differences that opposition members would take.

We have heard the old tired song of, "We're in opposition. It is our role to oppose. This is a confidence vote, and we don't

have confidence.” Well, it’s more than that. Here are a series of initiatives that the government is planning to undertake, if it’s voted for by the majority of people elected to the Assembly. We can hear if there is support or not for some of these items from the members in the opposition. Or, we could hear what their plan forward is. On that front, it has been rather interesting today. We have heard from one party that they wouldn’t use a supplementary budget. That would be it. They would establish a budget at the beginning of the year —

Some Hon. Member: (Inaudible)

Hon. Mr. Rouble: Excuse me, Mr. Speaker. Do I have the floor? Thank you.

For the Leader of the NDP, I would ask that while I’m talking, if there are additional points that she would like to raise, she can make them during her speech. But to heckle from the gallery is certainly not appropriate. I didn’t do it when she was speaking; I would appreciate the same when I am speaking.

We did hear from the NDP that their desire was to put forward a budget at the beginning of the year and then to not fine-tune it, or not deviate from that, or not respond to the different situations coming forward with large supplementary budgets. Well, Mr. Speaker, there are a number of different issues that do come up during the year. There are issues that one has to be responsive to and innovative in dealing with. We don’t always like the phone calls that we get, but we have a responsibility to respond to them and handle them. This year when Yukon College called and said they were facing a pension shortfall — a pension shortfall of greater than \$1.6 million — we had an obligation to respond. We could have just said, “No, it wasn’t in your budget allocation for this year. No, you’ll need to find it from someplace else. No, you have a fiduciary responsibility to manage your institution within your own budget envelope.” But we certainly appreciated the situation they were in and came to their assistance. That’s a big reason why we have a supplementary budget before us. There was a responsibility to deal with changes in the situation, changes in Yukon, and with new information brought to us as the departments went through the work that was tasked to them in the previous budgets.

When you take a look at this supplementary budget, the lion’s share is really in the area of Health and Social Services. Again, that’s responding to identified and actual Yukon health care patients and their needs. We didn’t close down the door to the hospital and say, “That’s it, we’ve reached our previously budgeted amount for X-rays this week. Come back next Monday.” No, we didn’t do that. Did we turn patients away? No, we didn’t do that. We said we’ll find a way to address this. Yes, that meant dipping into the savings account. That’s a pretty responsible thing, isn’t it? Having a savings account? Having made prudent financial decisions in the past so that there is a resource there to tap into? I think so.

When one looks at the budget documents that are before us, you’ll see in the five-year plan the go-forward basis as to how to rebuild that. I acknowledge there will be unforeseen items that come up. That’s why we have a budget process. That’s why we don’t just come up with a pie chart and identify

that whatever revenue comes in we’ll apportion off 18 percent for this department, and 12 percent to that department and eight percent here and 22 percent there. That has been a method that has been proposed by some as to how we should establish our budgeting process.

At the beginning of the year, we look at the pie and divvy it up, and that’s the portion that you get. Well, I would suggest that that isn’t fully grasping the reality of the situation, the reality of the new factors that come into play, the reality that we face in Yukon where we have a fairly small population, and different projects can cause a significant jump plus or minus in the normal department’s budget allocation.

When we go forward with building a school, Mr. Speaker, the capital budget there in Education takes a huge jump. So does that mean that we should just have a straight line capital budget every year? Not in the departments. We need to be responsive to identified needs that are demonstrated in the territory and find innovative, creative ways of resolving them. And this will go on because we in the territory will always have needs; we’ll always need to rebuild facilities, to change facilities, to construct new facilities and those will start to create additional issues that we haven’t seen in the past.

We have really looked forward to putting in place capital structures. The best example of this would likely be the residences at Yukon College. When Yukon was hosting the Canada Games, the hosting committee had identified, I believe it was, about \$3 million to put up athletes and house them during the time. Well, as we got closer and closer to the games, we found that there really wasn’t a solution in place that could be done for that \$3 million. So the government stepped in, provided additional assistance, changed the budget. You’ll recall that this was done by way of a supplementary budget where we went to work with the federal government, identified some housing dollars, went to work with Yukon College, went to work with Yukon Housing Corporation and put up the facilities that have become a tremendous legacy from the Canada Games. We didn’t expense \$3 million out on housing that would have ended as soon as the games had ended.

Instead, we built facilities that are housing seniors and students, and those are going to be a legacy for years to come.

I’ll come back to the housing example in another moment. We’ve had a lot of discussion about housing needs and priorities. There has been a lot of talk now about housing for chronically inebriated people. Again, it often comes down to an issue of priorities. When we took office, we put forward housing for seniors, put housing forward for students. We worked with the federal government to provide the housing trust that provided tens of millions of dollars to Yukon First Nations which provided tens of millions of dollars’ worth of housing throughout rural Yukon.

Also, we went to work with providing resources to Yukon Housing Corporation, to allow them to provide additional support to Yukoners, either through the mortgage programs or assistance with renovating their homes. Another one of the projects that we went ahead with was the single-parent family home. As that’s nearing completion, we’re looking forward to seeing that full of residents.

That will be another step forward. Again, the work of government is never done.

Additional housing projects are going on in Dawson, Haines Junction and other places — Faro, for example, for additional seniors housing. That's going on. We've seen an increase in the number of social housing units available through Yukon Housing Corporation. That has increased by some 30 or 40 percent over the amount of the number of units that we've had in our inventory of stock only a couple of years ago — yes, once the needs of seniors, of students, of rural Yukoners, of single parents. Yes, we are looking at the needs of other equity groups out there. We can't accomplish everything overnight. No one has that magic wand to flash and all of a sudden that will be it; that will address all of the housing needs throughout the territory. Again, it comes back to a matter of priorities and which projects do you pick to do first. We're seeing this through all of the government, through all of the government departments.

Whether it's Tourism, Health and Social Services, Yukon Housing Corporation, Economic Development, Community Services, Highways and Public Works, Justice, the Women's Directorate, Environment, Education, Energy, Mines and Resources, all of these departments have identified priority areas. That's our role as ministers to identify those priorities, to identify with the departments the action plans for implementing them and addressing them, and that's what we have here before us in the budget. We're responding to the priorities that have been identified by Yukoners for Yukoners and we're seeing here in this supplementary budget how we can be responsive to the changing needs in the community and the changing situation.

Mr. Speaker, when you take a look at the Department of Energy, Mines and Resources, you'll also see that there's a tremendous increase, that this year we have a \$625,000 increase in mineral resources due to a significant increase in the volume of quartz claim fees collected by the department. That's a pretty good thing to put into the budget to continue to address.

Some of the other changes that we'll see in the Department of Energy, Mines and Resources — I look forward to getting into great detail with the initiatives that are in the budgets with the members opposite. In Energy, Mines and Resources, we've seen a change in the Faro mine reclamation project. This is a very long-term project and our costs — the estimates on this one — we expected over \$700 million will be spent on this project. This is a long-term project and we'll be working on it not only for my lifetime, but for lifetimes to come. It will require ongoing care and maintenance in order to prevent the acid rock drainage and the acid from leaking out of the rock that has currently been exposed. They will need to provide a cap to that and also to provide longer term treatment of the water that is going into those areas. Part of this responsive supplementary budget is responding to the changes in that project.

We have some projects that go faster than planned; some, for a variety of reasons, don't go as quickly as planned. We've seen increased allocations in the Department of Justice, and Tourism and Culture, to respond to the faster-than-expected

construction work on projects like the Correctional Centre and projects like the cultural centre on the waterfront.

As the Minister for Community Services said before, what would you do? Just put the project on hold and just lay everybody off? That we'll get to that next spring? No. We tapped into the bank account that had been established and recognized that we had this as an opportunity and that we would look at expending more this year than had been originally planned. Why? In order to get the project finished that much faster so that Yukoners could enjoy the capital asset that's there.

That's a key point. We don't build these projects for the sake of building a project and employing construction workers. We build these projects because there is a need in our territory.

The members opposite have often talked about people born in a hospital today who will end up paying for the cost of the hospital in Dawson or Watson Lake. I would look at that a little differently. A baby born in Dawson or Watson Lake will happen not only next year, but for the next 20 years after that. We don't build this just for the sake of building it, but we build it because of the benefit it provides to the community where there's a demonstrated need.

What we have before us with this budget — and I understand I only have two minutes left, one minute left — is an opportunity, another opportunity where we can talk about the go-forward plan. We can talk about how we, the Yukon Party, are going to be responsive to Yukoners' needs; we can demonstrate that in the fiscal budget that we have before us, and so can the opposition. The opposition can forget this game about "I'm not going to vote for it because it's my role to just say no", but they can stand up and say yes, that's a good idea, no, that's a bad idea, or yes, you should defer this, or no, you shouldn't defer that. If we're going to be constructive in this Assembly, let's have a constructive debate.

Now, Mr. Speaker, there's much more I could go into; there's the whole Department of Education. We have issues in here regarding F.H. Collins. I look forward to addressing them because the Government of Yukon is certainly committed to rebuilding F.H. Collins; that's in the plan before us. I see that my time is up, so I will yield the floor to others to hear their options.

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

Hon. Mr. Fentie: Well, as we hoped for on the government side — a constructive debate and hearing from the opposition on what alternatives they would have presented to Yukoners — I must say we're sadly disappointed.

Let me begin on a note here that really expresses why there is disappointment, not just on this side of the House, but I think throughout the Yukon. Both the Leader of the Official Opposition and now Leader of the Third Party made this basic statement that we, the government, in addressing environmental liabilities in the mains for the fiscal year 2010-11, did not put anything in the budget to signal that there were possible future variances coming during the course of the fiscal year.

This is really astonishing. What it does show is the opposition doesn't even bother to read the budget documents. They stand here and commend all these officials who work so hard to produce them, but they don't even do the service to those officials by actually reading the documents.

Let me point something out to both these leaders: on page 10-14 of the main estimates for the fiscal year 2010-11, this page begins with the heading of "Environment and Environmental Liabilities". It goes on to list program objectives, which are: to provide reasonable estimates — let me repeat: to provide reasonable estimates — and recognition of the Yukon government's environmental liabilities. It goes on to say: to coordinate and provide for the remediation of contaminated sites on land administered by the Yukon government. Then it goes on to list the O&M expenditures for the 2010-11 estimates, 2009-10 forecast, 2009-10 estimate and the 2008-09 actuals.

Here it is: the activity, as listed, on page 10-14, which the two leaders of the opposition parties said the government did not do, clearly lists activity, environmental liabilities, \$1 for 2010-11, making that signal that variances are coming. If we go all the way out to the actuals, which are the numbers in the public accounts, duly audited, it shows for 2008-09 a total of \$2.958 million as booked for Yukon government environmental liabilities. Herein lies the problem. It's impossible to have a constructive debate on the finances of the Yukon if the opposition parties don't even bother to read the budget documents.

Furthermore, how do the opposition parties expect Yukoners to entrust to them the finances of the territory and the financial future of the territory if they make criticisms based on not even reading simple material and budget documents? Empty criticism is not worth anything. So I'm here, the government side is here to help. What we're going to do now is begin the debate on budgets — supplementary and otherwise — at page 1. It's called the glossary. The glossary begins with accumulated amortization, which states: "The total to date of the periodic amortization charges relating to tangible capital assets since they were placed in use."

I would encourage the opposition members of the House to reflect on that statement and then apply it to budget documents. That will help them understand why the budget documents express exactly what they are expressing.

It goes on in the glossary to state the definition of "accumulated surplus". This is, "The combined amount of net financial resources and non-financial assets; which is also expressed as the difference between assets and liabilities."

That's pretty important to understand when it comes to creating a budget and managing the finances of the territory. "It is the cumulative excess of revenues over expenses." It goes on to say, "Since non-financial assets including tangible capital assets provide resources that the Government of Yukon can use in the future to accomplish its objectives, non-financial assets form part of the accumulated surplus."

So when the Leader of the Liberal Party stands up and tells Yukoners that Yukon is broke, the Liberal leader has not even bothered to address the fact that we do have assets. We do have

— including tangible capital assets and non-financial assets — the fiscal resources available to finance future government operations. If the members opposite don't even understand that simple facet of financial management and budget structure, how in the world can we — Yukoners — entrust in them the financial future of this territory?

The glossary states on amortization: "The systematic process of allocating the cost of tangible capital assets to expense for the periods in which they provide benefits." I emphasize "benefits," Mr. Speaker. That's what this is all about — benefits to the Yukon public, for the purpose of tangible capital asset accounting in Government of Yukon. Amortization is calculated using the straight-line method — very much a comparison to page 10-14. It's a straight line that clearly articulates that we did book environmental liabilities in the main estimates.

And it goes on to say, "...which reflects a constant charge for the service over the asset's estimated useful life."

At that point, I must also input the fact that the Official Opposition and the Third Party continually criticize the investment in infrastructure that is being amortized out over the full use of its life. Why should the taxpaying public of today pay out of their pockets immediately the total cost of infrastructure and assets that will provide benefit to Yukoners long into the future? The reason is exactly as is stated in the glossary.

I encourage the opposition members to start at page 1 of any budget document and start reading it. It goes on to say: "This term is used interchangeably with depreciation and is generally understood to mean the same thing." Therein lies the point.

Deferred capital contribution — these are things that could create variances during the course of any fiscal year. Deferred capital contribution: "A contribution or funding received from a third party for the acquisition, development, construction or betterment of a tangible capital asset. A contribution includes tangible capital assets transferred from a third party to the Government of Yukon."

This point, Mr. Speaker: the Liberal leader and the Leader of the Third Party make all these wild statements about our financial house is not in order, the bank is empty, we are broke, on the basis that there are variances during the course of the fiscal year after main estimates have been tabled. Well, this is one area where deferred capital contribution may very well create a variance during the course of the fiscal year as calculated.

Disposals: during the course of the fiscal year, there may be disposals of tangible capital assets. It goes on to say that "may occur by sale, destruction, loss, or abandonment. Upon disposal, the net book value of the asset is removed from the accounts" — another possible variance during the course of the fiscal year.

Do the opposition members not understand these simple facets of financial management, accounting, and structure of budgets? Here's one that hopefully they will spend some time understanding: financial assets. The whole point for the Liberal leader is one where the Liberal leader is telling Yukoners this territory has blown its bank account; it's broke; nothing left.

That's what he said, and that's what the Liberal leader gleans out of the budget documents presented.

Yukoners deserve better. The Liberal leader is presenting himself and the Liberals as an alternative to the Yukon Party government. Frankly, they're nothing of the sort — not even close to being an alternative.

Financial assets: "Assets that could be used to discharge existing liabilities or finance future operations"

Now, I'll just stop there for a moment and reiterate the fact that the Liberal leader said we're broke, and the Leader of the Third Party was going to dig into why we're in deficit. Where are all the facts that prove those statements out? Where is the information that will corroborate these wild statements made by leaders who present themselves as an alternative to the Yukon Party government and our approach to financial management for this territory and its future?

I'm going to repeat this. Financial assets: "Assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operation — example: cash, investments, accounts receivable, loans receivable, land held for sale, et cetera." This is all critical to financial management of the Yukon.

In establishing the fiscal position this territory is in, the Yukon Party government — up to this point in the glossary — was very efficient in applying these and the basic accounting principles and following the guidelines that we must under public sector accounting requirements. The opposition, especially the leaders of both the Liberals and the NDP, have done nothing of the sort. Therefore, one can draw the conclusion that neither leader of either party is prepared for, or capable of, managing the finances of the territory and its financial future.

Liabilities: "Financial obligations to outside organizations and individuals arising as a result of past transactions and events..." — my goodness, another area that might create some variances in a fiscal year — "...example: accounts payable, long-term debt, deferred revenues and post-employment benefits." In this supplementary is exactly that: a variance in post-employment benefits, because we did not guess at those. We didn't put a guesstimate in the estimates; we used all available pertinent information and then waited for the most updated actuarial report.

It created a variance. The point is it's a liability and it's duly booked and it created a variance during the course of the fiscal year and it gives rise to the Liberal leader and the Leader of the NDP telling Yukoners we're broke and we're in deficit, and we're nothing but in the black. We're not only in good financial shape, we have a massive savings account and we have the ability to meet all these liabilities when they arise, such as an updated actuarial report on post-employment benefits.

Net book value — another area of financial management and accounting: "The cost of the tangible capital asset less both accumulated amortization and the amount of any writedown." Well, Mr. Speaker, those are accounting factors that are consistent with the budgeting that the Yukon Party government does. I have no idea what the Liberals or the NDP would do with something like this but what we hear from both leaders, and

their members, is obviously this is not understood and who knows what they may present to the Yukon public when it comes to net book value, because the value of this territory on its books is critical.

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

Debate on second reading of Bill No. 23 accordingly agreed

The House adjourned at 5:30 p.m.