

**Yukon Legislative Assembly  
Whitehorse, Yukon  
Monday, March 19, 2012 — 1:00 p.m.**

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

*Prayers*

**DAILY ROUTINE**

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

Tributes.

**TRIBUTES**

**In recognition of Canada Water Week**

**Hon. Mr. Dixon:** I rise in the House today on behalf of the Legislative Assembly to pay tribute to Canada Water Week and the many activities in Yukon that will take place from March 19 to 25. This coast-to-coast-to-coast campaign is intended to encourage good stewardship of Canada's valuable freshwater resources.

The Department of Energy, Mines and Resources and the Department of Environment are working with Yukon Energy, the Yukon River Inter-tribal Watershed Council and the Yukon Water Board to present a range of activities. These include a film night at the Beringia Centre, a photo contest, information displays in the main administration building and the Elijah Smith building, and a guided tour of the Whitehorse dam power-generation facility.

Canada Water Week is led by the Council of the Federation and involves all territories and provinces. The premiers recognize that a sustainable water supply is crucial to our social, environmental and economic well-being. To this end, the premiers established a water charter in 2010 and the first Canada Water Week was held in 2011 to promote the celebration and conservation of water across our country.

Our efforts complement the work of the Walter and Duncan Gordon Foundation, World Wildlife Fund Canada and Living Lakes Network Canada. These NGOs are working in collaboration with individuals, governments and organizations across the country to raise the profile and understanding of water throughout Canada Water Week. I encourage the members of this House and all Yukoners to take part in Canada Water Week events in order to learn about the good work being done throughout the territory on water protection, use and management.

In closing, I would note that the Government of Yukon is committed to maintaining and enhancing the quality of Yukon's natural resources, including our freshwater resources, for present and future generations.

**In recognition of 2012 Arctic Winter Games**

**Hon. Ms. Taylor:** I rise today to recognize the significant efforts that made for a tremendously successful 2012 Arctic Winter Games here in Whitehorse. As Minister of Community Services, I had the honour over the course of the games of personally thanking many of the individuals and groups who

groups who came together to make the 2012 Arctic Winter Games so very successful. Today I have the honour of paying tribute to their efforts here in the Yukon Legislative Assembly.

In particular, I wish to acknowledge the efforts of the 2012 Arctic Winter Games Host Society team and the international committee; the 2,000 athletes from across the circumpolar north; the generosity of Yukon's business community and sponsors; the City of Whitehorse as the host city; Kwanlin Dun First Nation for hosting the Arctic and Dene Games at the new cultural centre; the Government of Canada for their financial support; the countless parents, friends, families and fans, and the many individual efforts of Yukoners that made a difference every day at venues across the city, making these a truly unforgettable and positive experience for everyone involved.

I would like especially to take this opportunity to pay tribute to Team Yukon — all 345 of them.

Team Yukon, comprised of mission staff, coaches, chaperones, athletes and cultural participants, was at the centre of the games, cheered on by people from across the territory. Bar none, our sport and cultural participants embodied the spirit of fair play and made us all extremely proud.

Throughout the games, members of Team Yukon demonstrated sportsmanship, fostered friendships and came together as a team. I congratulate our team and commend their outstanding performance to all members of this House.

Likewise, I would also like to recognize and thank each of the volunteers — more than 2,000 individuals who, above and beyond the call of duty, came together in an amazing show of community support and spirit. Without their commitment, the games would simply not be possible.

Through many team and individual contributions, this year's Arctic Winter Games was well planned, well managed, well covered, reviewed and received. It was delivered with pride and ownership by Yukoners and our neighbours across the circumpolar north. The end result — priceless.

People came to the Yukon and wowed they were. Whether it was the incredible weather, the infrastructure or our hospitality, people vowed they would be back. The legacy of these games is the greater awareness of the north, its people, cultures and how we do business.

These games have confirmed Yukon's growing reputation as a major sport and cultural event destination. The economic impact of the games, both retail and service industry, is still adding up.

The 2012 Arctic Winter Games demonstrated what's so great about living here in the Yukon and highlights why this is truly the best place on earth for families to live and grow.

Energy, enthusiasm, fun and fair play, major games like these help to encourage healthy and active lifestyles and showcase our youth as ambassadors who all set a great example for us.

Many visitors were impressed by what Yukon has to offer. The legacy of the 2007 Canada Winter Games means that we have the Canada Games Centre, the athletes village at Yukon College, improved infrastructure at Mount Sima and the very confidence to host such incredible events such as the Arctic Winter Games, all of which have enriched and will continue to

enrich the experience for all participants while setting a very new standard.

Yukon is a premier destination for tourism, culture and sports, and the entire community went above and beyond to make the 2012 Arctic Winter Games the best ever.

Mr. Speaker, on behalf of the Government of Yukon, I want to congratulate everyone who generously devoted their time and energy to ensuring a very successful week of competition and cultural excellence, and made for a tremendously positive experience for everyone involved.

Mr. Speaker, I would just also like to say on a personal note that it is with great pride that I am here, not having to wear a Northwest Territories hockey jersey, because of a wager I had made with my ministerial counterpart from the Government of the Northwest Territories. I thought it was perhaps a great opportunity, but I was thinking later on, perhaps it was a fatal mistake. I am now very pleased that we did go ahead with the bet itself. I had said that should they happen to win the boys' midget hockey game — for gold, by the way — that in fact, I would go ahead and sport the Northwest Territories' hockey jersey on the day of presenting a tribute such as this.

You should have looked at the faces of our department staff — they were feeling a little uneasy. Luckily, of course, thanks to the hard work and the talent and the excellence of our sports performers of the hockey team, we won gold and here I am, not having to sport the Northwest Territories' hockey jersey.

Unfortunately for my colleague over in Northwest Territories, he is going to have to wear the hockey jersey, and I said, "I'll take it with a picture to be posted in the papers." We look forward to that — of the Yukon hockey jersey, that is.

I would just like, in closing, to recognize a few individuals — and there are many individuals here in the gallery today — and extend a warm welcome, and recognize their tireless hours and efforts over the course of the games, and there are many, many more. In particular, I'd like to recognize Chris Milner, the general manager of the Host Society; George Arcand, the president of the Host Society; Megan Freese from Sport Yukon; Sandra Soares from Sport Yukon. There are a number of individuals here from the Sport and Recreation branch. I just wrote down a few: Karen Thomson, Trevor Twardochleb, Charly Kelly, and Laurel Parry, of course, from Tourism and Culture. And there are many, many others — I see Lucy in the crowd, as well. I just wanted to say thank you so very much to all of you for making the games the incredible success it was and for raising the bar in terms of the next games to be hosted over in Fairbanks, Alaska. Thanks, everyone.

*Applause*

**Mr. Tredger:** Thank you to the minister opposite for her tribute. On behalf of the NDP Official Opposition, I would like to add a few words.

There were over 3,000 volunteers, athletes, coaches and support staff involved, and that doesn't even count the parents driving their young athletes to countless practices and events all winter long. Involvement of the whole community in such celebrations builds a strong, vibrant and caring community. An

investment in such celebrations pays dividends in so many ways: healthier populations, savings in health care costs. In school, we have seen increased academic success from those who are active. Our workplaces are happier and more productive when we see the engagement of our citizens.

Now we must spread the word and find ways to ensure all Yukoners have equal access to recreational facilities and events. An active community is a healthy community.

The Arctic Winter Games was an opportunity to share with people from around the world our wonderful facilities. I was lucky enough to be a security volunteer at Mount Sima, where I saw staff, volunteers, coaches, board members — all justifiably proud.

We stood and marvelled at the fabulous scenery — the white snow and the blue sky; the chairlift that worked — we crossed our fingers on that one. But, most of all, we marvelled at the huge grins — the huge grins flying down the hill, grins on skis, grins on boards and grins on the spectators. Oh, what a feeling — and Kevin says, "What a rush."

This justifiable pride was repeated at facilities around Whitehorse and the surrounding area. Way to go, Yukon.

I thank the organizing committee for ensuring the involvement of our rural communities and their residents. From the travelling Arctic Winter Games theme song to the last hurrah, it was great to see rural communities and residents involved. I worked with a volunteer from Dawson who arranged for a place to stay in Whitehorse. She was made to feel welcome and had volunteered for the week. I met parents from Haines Junction who had been driving to team practices two or three times a week all winter. I talked to young rural athletes and cultural representatives who were encouraged and ready to participate. Thank you.

I recognize all our athletes, who were and are wonderful ambassadors to our territory, and a special thanks to those young athletes who tried out for teams and positions, but weren't selected. You pushed and made our team better. Thank you.

I recognize and commend the Premier for actively volunteering and sharing the spirit. I also recognize the many businesses, the organizations and the individuals who contributed in so many ways to help us celebrate. A special nod to our media outlets that worked extra hours to gather the stories, pictures and sound bites, and shared these with all. Stories and memories of the games will stay with us always.

I would like to share one of mine. This is a story of a young girl from Greenland. While at Mount Sima I would kibitz with some of the athletes as they went in and out of the athletes tent. One was a young girl from Greenland. I asked her, "How was your day?" She stopped, her eyes got big, and with this look of utter incredulity, a smile grew from ear to ear. "I won," she said.

Stories like these abound and will be remembered by Yukoners forever. Like many Yukoners, I was fortunate indeed to be included.

This tribute is for all Yukoners who contributed in so many ways to making our community a better place. You have

done it, and you have made a positive difference in the lives of many. Thank you.

*Applause*

**Mr. Elias:** I also rise today on behalf of the Liberal caucus to pay tribute to the resounding success of the 2012 Arctic Winter Games that were recently hosted by our capital city from March 4 to 10. The Arctic Winter Games is a biannual, international celebration of northern sport, culture and friendship. The games have a proud tradition of offering our northern athletes the opportunity to participate in circumpolar sports competition, including the traditional northern Dene games and Arctic sports.

The Arctic Winter Games promote the benefit of sport, the sharing of cultural values and friendship by engaging northern youth from around the circumpolar world. Yukon athletes have participated in every Arctic Winter Games since their inception in 1970. The first time Yukon hosted the Arctic Winter Games was 40 years ago, in 1972. The games have continued to grow and expand over the years. In the earlier years of the games, many northern areas sent observers, but today they are sending contingents of athletes to participate.

These competitions bring together athletes, communities, northern culture and foster our true northern spirit and hospitality. We would like to thank the 2012 Arctic Winter Games Host Society, the international committee and the staff for an excellent job. You have showcased the vibrancy of our territory and the true spirit of our Yukon community. The success of the games was evident to me, and I also believe, along with the president of the Host Society, Mr. Arcand, simply by observing the smiles on the athletes' faces throughout the week of competition that it was absolutely phenomenal.

To the sponsors, funding partners and business community, we thank you on behalf of the athletes and all Yukoners, for without your sponsorship, these games would simply not be possible. To the thousands of Yukon volunteers, you are our ambassadors — a heartfelt thank you for giving your time, energy, heart and soul to make these games a success. Thank you to all the participating athletes, officials, coaches, dignitaries and visitors. The Arctic Winter Games is a proud tradition, uniting representatives from the circumpolar world through the passion, endurance and teamwork of sport and allowing us to showcase our vibrant living cultures throughout the Arctic. The games bring out the best in everyone and provide all of our solid northern citizens and future leaders with a sense of camaraderie that withstands the test of time. I myself will never forget my first Arctic Winter Games in 1986, participating in peewee hockey.

It was such a pleasure to once again visit and catch up with the many friends I have made over the years and to watch the excellent competition. This year was the first year for my eldest son, who also participated in his first Arctic Winter Games. It was a pleasure to watch him and the rest of his teammates represent the territory in bantam hockey.

I also would like to recognize the Premier for his role helping referee in many, many hockey games. I don't know about some of those off-side calls, Mr. Speaker. But, anyway, it was

good to see many members of the Legislative Assembly visiting and participating in the venues throughout the games. My youngest son, Johnny, got the privilege of participating with the Minister of Community Services to award the medals in the Arctic Sports venue one evening. That was such a thrill for him. Those are the types of experiences that the youth have the opportunity to participate in that build good, solid young citizens.

We all understand the value of sport and the positive influence that it can have on individuals and in bringing communities together. Our Yukon athletes achieved 122 medals in total, with 46 gold, 47 silver and 29 bronze.

More importantly, I know that all participants felt the true spirit of the games and have forged lifelong, lasting friendships. Congratulations to our Yukon athletes. You have made us proud — way to go. The Yukon looks forward to participating in the 23rd Arctic Winter Games being held in Fairbanks, Alaska in 2014.

**Speaker:** If there are no other tributes, introduction of visitors.

Tabling returns and documents.

## TABLING RETURNS AND DOCUMENTS

**Speaker:** Under tabling returns and documents, the Chair has for tabling, *Report from the Clerk of the Legislative Assembly on the Absence of Members from Sittings of the Legislative Assembly and its Committees*, dated March 15, 2012.

Are there any further returns or documents to be tabled at this time?

Are there any reports of committees?

## REPORTS OF COMMITTEES

**Mr. Hassard:** I have for presentation the first report of the Standing Committee on Appointments to Major Government Boards and Committees, dated January 25, 2012.

**Speaker:** Are there any other reports of committees?

Are there any petitions?

Are there any bills to be introduced?

Are there any notices of motion?

## NOTICES OF MOTION

**Ms. White:** I give notice of the following motion:

THAT this House urges the Minister of the Environment to lobby the Government of Canada to maintain the strong habitat protections under section 35 of the *Fisheries Act*.

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

THAT this House urges the Government of Yukon to proactively educate and enforce the Yukon *Employment Standards Act* so that Yukon workers are not inappropriately deprived of their employment status and protections, including rights to overtime pay as set out in the Fair Wage Schedule, and employer payment of Workers' Compensation Health and Safety Board premiums.

**Speaker:** Is there a statement by a minister?

This then brings us to Question Period.

## QUESTION PERIOD

### Question re: Oil and gas development, Whitehorse Trough

**Ms. Hanson:** Over the past month, hundreds of Yukoners have expressed deep concern over proposed oil and gas development in the Whitehorse Trough. Yukoners have said they don't have enough information to understand the impact of oil and gas development on their water, the wildlife and the land, especially if it includes fracking or coal-bed methane.

Yukoners are calling for land use planning in the Whitehorse Trough before we let the world's most powerful industry into our backyards. However, government representatives have said at those meetings that land use planning takes too long and we have to push ahead with industrial development.

Can the Premier tell this House if it is also his view that industrial development should precede land use planning regardless of the impact?

**Hon. Mr. Cathers:** Mr. Speaker, what I would like to clarify for the member opposite is in fact that this request — as I indicated and announced when announcing publicly that we had received the request for oil and gas postings in the Whitehorse area — this request came as a surprise. This has been something that has been allowed for quite some time. Since the *Yukon Oil and Gas Act* came into place in the late-1990s, no one has filed to request rights in the Whitehorse Trough until now.

For years, the process has been set out under the *Oil and Gas Act* regulations. The government allows companies to nominate parcels during two time periods each year and after the request for postings is received, we enter a 60-day public review. That review is ongoing right now. Again, as I indicated and announced when indicating that we had received this request, the government will have to decide following that public review whether to allow bids in all of the areas, some of the areas or none of the areas. That decision will be made after the public consultation is complete.

**Ms. Hanson:** Mr. Speaker, the current oil and gas disposition process is in fact, as the minister said, driven by the world's most powerful industry group. As he said, twice a year the oil and gas industry can pick and choose which lands in the territory it wants to try to open up to development. It is the oil and gas industry that decides which extraction methods it wants to use — conventional drilling, coal-bed methane mining, or hydraulic fracturing. There is an old adage that says you can invite an elephant into the room, but it decides when and if it will leave. These are our lands, our communities and our environment.

I would ask the Premier who is governing this territory — this Legislature or the oil and gas industry?

**Hon. Mr. Cathers:** What I have to point out for the member, that the member is either not understanding or not choosing to reflect in her comments, is the fact that the industry can request that government post bids. We are not obligated to put any of these parcels out. Once we have received this request, we enter a 60-day public period, as well as technical

review. Following that consultation, as I announced when announcing the government had received this request for postings, following this public review, government will need to make a decision whether to post and allow bids in all of the areas requested, some of the areas requested or none of the areas requested. That decision will be made after public consultation is concluded.

Again, we are following the process that is laid out under the law and the member is not reflecting the fact that government has the ability to choose whether or not to issue rights or not, and the fact that, contrary to the member's assertion, even if rights are issued, our staff at the Oil and Gas Resources branch have the ability to put restriction in place through permits, defining what activities companies can and cannot do. Every individual well, every individual project, if rights are issued, still has to go through a review by YESAB and still has to have a permit issued by our very capable regulators and staff in the Oil and Gas Resources branch.

**Ms. Hanson:** Mr. Speaker, I acknowledge that the Premier has refused to rise and the minister has actually gone around the question I was asking, so I will ask it very clearly. I understand the difference between the disposition process and the issuing of the permits to go ahead. There is faint comfort being given in the public meetings to the hundreds of people who have attended. So we are asking clearly: will the Premier stop the disposition process in the Whitehorse Trough until, at the very least, we have a land use plan in place for the Whitehorse Trough area, which includes four or five First Nations, a moratorium on fracking and coal-bed methane, full disclosure and discussion of proposed oil and gas amendments and regulations, until we have determined the potential impacts to human health, the environment, water and wildlife, and ensured that local energy needs are prioritized and met before any export of oil and gas, as per the Yukon's energy strategy?

**Hon. Mr. Cathers:** What I have to remind the member of, first of all, is that actually it was an NDP government that brought in the *Yukon Oil and Gas Act* and set up this structure. Again I have to remind the member that the NDP chose, although the technology existed at the time, to put in place a structure that allows companies to apply to do fracking and shallow fracking. This government is reviewing those practices and reviewing the regulations, as I have indicated in a previous session in this House. We want to ensure and we intend to ensure that the end outcome — that our structure, our regulations — reflects the very best practice within the industry. As I have indicated before, this includes reviewing practices around fracking. One early result from this review that I can announce is that we intend to place limitations in this area to prevent anyone from even applying for a permit to do shallow fracking, which the NDP left the door wide open to.

### Question re: Peel watershed land use plan

**Ms. White:** Last week, we heard from the Minister of Energy, Mines and Resources 14 times about his thoughts on land use planning in the Peel. Now I would like to hear from the Minister of Environment. In the *Environment Act*, the Minister of Environment is a trustee and steward and responsible for the protection of the environment for future generations.

Mr. Speaker, how can the minister reconcile the objectives of the *Environment Act* and his role with the oil and gas dispositions proceeding without a land use plan for the Whitehorse Trough and the wholesale reversal of the Peel land use plan?

**Hon. Mr. Cathers:** Again, what I must point out to the member — I know this member is new to the Legislative Assembly, but the member's question really does not reflect the facts. The facts are that, in fact, contrary to what the member is indicating, Yukon government has indicated — we believe — that the proposed Peel land use plan should be modified, not rejected as the member indicated.

The other thing that I would point out again is the structure allowing companies to nominate parcels within any area of the Yukon for potential oil and gas dispositions has been set out for quite some time under the oil and gas regulations. They are allowed to do that twice a year. Once we've received those requests, government then enters a technical review and a 60-day public review. Following that public review, we then need to make a decision whether to post all of the areas for bids, some of the areas, or none of the areas. That decision will be made following public consultation.

**Ms. White:** I'm relieved to know that I didn't get the same response as we did the last times. We are on answer 15 now. During our community meetings and during the oil and gas public meetings — which I have attended — we have heard from Yukoners that they are very concerned that this government hears corporate business interests before Yukoners' concerns and their concerns about the environment.

For example, at an oil and gas meeting, Yukoners are saying, "The Department of Environment should be here but they aren't," and "Where is the Minister of Environment during all of this?"

Will the Minister of Environment explain to this House his silence on key issues like the Peel and oil and gas development that will affect the environment for generations to come?

**Hon. Mr. Cathers:** Again, what the member is failing to understand or is choosing not to reflect in her comments is the fact that we do have ministerial responsibility and lead spokespeople on certain files. As the Premier has indicated in both his leadership election campaign and in the territorial election, he believes very strongly in a team approach and in fact, ministers take responsibility for matters that fall within their portfolio. That is what the Minister of Environment is doing. The Minister of Environment, as a member of Cabinet and caucus, is certainly very much involved in these matters. The Department of Environment and the department staff are, contrary to what the member is suggesting, involved appropriately within the process. If rights were to be issued, any request for a well — any attempt to do that would go through a full permitting process which would include a YESAB review and input from all involved departments and technical experts, including the Department of Environment, prior to a company being given permission to undertake such an activity.

As I have indicated to the member and will emphasize again, government was surprised by this request from industry for oil and gas rights within the Whitehorse area because that request has never been made since the Yukon's *Oil and Gas*

*Act* was put into place. We need to, following the public review, make a decision whether to post all of the areas, some of the areas, or none of the areas for bids for oil and gas rights. That decision will be made following the conclusion of the public consultation.

**Ms. White:** When I look across the way and I see eight ministers, and we have tried multiple times to get someone else to answer, this leads to the next point. Yukoners are telling us that they are deeply troubled that the Minister of Energy, Mines and Resources is acting both as promoter and as regulator of extractive industries. The Yukon Party government is demanding unfettered resource extraction; for example, free-entry staking that could have been stopped and oil and gas dispositions. They undermine the future of land use plans while recklessly pushing the Yukon forward toward a future with little regard to the environment or sustainable development.

Will the Minister of Environment stand up and assure Yukoners that all land and extractive policies of the Government of Yukon are evaluated and implemented in accordance with the objectives of the *Environment Act*?

**Hon. Mr. Pasloski:** I want to go back to last year, really all the way back to our leadership when I spoke to party faithful at that time about my vision in terms of a management style, in terms of how I would lead the party and how I would lead the government. We recruited a great group of candidates. We have an unbelievable caucus and a truly inspiring Cabinet. What I said was I believed in a collaborative approach about making collective decisions, about ministerial responsibility. For that, I certainly respect my ministers and the great job they've been doing. I respect and have full confidence in the Minister of Energy, Mines and Resources when it comes to this file. He has articulated very well the government's position on this, and I will continue to support this minister, as well as all the ministers here, in terms of fulfilling their obligations and their ministerial responsibilities.

#### Question re: Airline competition

**Mr. Silver:** Soon WestJet will be offering flights in and out of Whitehorse, and passengers will have three air carriers to choose from, instead of two. Our caucus believes that healthy competition is good for the territory overall, but we don't want to see a battle between two large airlines — WestJet and Air Canada — threaten the existence of a smaller local airline like Air North.

Our caucus recognizes the amazing contributions Air North continuously makes to the Yukon. It provides top-notch service, employs hundreds of Yukoners and consistently supports community activities and organizations. In a recent *Yukon News* article, the Minister of Economic Development said that he would lend a supportive voice at the table when Air North and the national couriers discuss the possibility of luggage transfers. Can the minister provide us with an update and let us know if his efforts are amounting to anything substantial at this point?

**Hon. Mr. Dixon:** Thank you to the member opposite for the question. It is indeed an excellent one and it's an issue that is very important to Yukoners. This government recognizes the importance that Air North provides to our communi-

ties and our local economy, as well as the importance of maintaining an air transportation hub in Yukon. The recent announcement by WestJet referred to by the member opposite means that the national competitive battle between two major airlines is extending north to Yukon. It is exceptionally important to Yukon's economy that our local airline and the infrastructure it provides not get caught in the crossfire between these two major airlines.

We have met with Air North officials and they have indicated that the most important challenge they face is developing a strategic partnership, as the member opposite mentioned, with either of the two mainline air carriers to allow easier transfers of baggage and passengers at gateway cities. We have offered Air North any assistance that we can provide to help facilitate such an agreement. It is this government's hope that the Yukon Legislative Assembly will convey Yukoners' support of our local airline and encourage the two major Canadian airlines to take a proactive approach to doing their business in the north.

As the member opposite indicated, those strategic partnerships come in a number of forms. Through the Department of Economic Development, we have offered whatever assistance we can to Air North to facilitate those kinds of agreements. As such, Air North has been pursuing that on a bilateral commercial basis, and we remain at the ready to provide whatever assistance we can.

**Mr. Silver:** While I appreciate the minister's willingness to assist Air North leading up to WestJet's arrival in the territory, I'm not convinced that the government is doing enough, or as much as it could, to alleviate the situation. In the same *Yukon News* article, the minister downplayed the government's ability to have much leverage with national air carriers when he said the government's travel only accounted for less than five percent of the total market. Air North disagreed, saying that government travel accounts for close to 10 percent of the total market and is actually very significant.

Based on Air North's figures, the government could be in a position to truly help facilitate discussion on this issue to help our small, local airline from being crushed between these two airline giants. But Yukoners feel the government's supportive voice sounds more like a whisper, when it could be so, so bold.

Will the minister commit to providing a louder government voice on this issue, and is he willing to make a more proactive stand when it comes to our local airline?

**Hon. Mr. Dixon:** As I mentioned before, we took the time to meet with officials in our local airline industry, and they made it very clear to us that the most important issue to them was developing a strategic partnership with either of the mainline air carriers.

There are a number of forms that that strategic partnership could assume — an interline baggage agreement, which would allow the easy transfer of baggage from one airline to another without the hassle of re-checking at the gateway cities; a true interline that would allow both baggage and passengers to link into other connecting flights without having to again go through security at the gateway cities; and finally, a code share agreement, which would allow the partner airlines to sell capacity on each other's flights — once again, for the ease and

benefit of the passenger. Now, while these would be helpful for Yukon passengers and Yukon's economy, they also make good business sense for the airlines. National airlines would gain access to Air North's share of what is already a very small market, and Air North would be able to maintain its transportation hub in Whitehorse, which provides jobs, infrastructure and convenience to Yukoners.

So, if I can reiterate, the number one issue, as articulated to us by the local airline, is that they need a strategic partnership and we have offered to lend whatever support they need in facilitating that agreement. As I understand, those negotiations are ongoing at a commercial level, and we remain at the ready to provide whatever assistance we can.

**Mr. Silver:** As I mentioned, I appreciate the government's willingness to provide help to Air North. I am wondering if more could be done to help the local company. The two most important factors to consider when buying a plane ticket are the cost of the ticket and the number of seats available on the plane.

It is in the best interest of Yukoners for us to have two airlines. Competition keeps prices regulated, but three airlines can be dangerous, especially if this threatens the survival of the local airline. If Air North disappears and one of the major companies decides to discontinue services, then we could be looking at one airline again, and therefore a monopoly. When it comes to government travel, I would expect that the government considers the cost of the ticket when determining which airline to go with, but if there is a tie among those offering the lowest rates, the government policy should be to fly Air North.

Has the government put into place this kind of policy? If not, will it be willing to explore this possibility?

**Hon. Mr. Dixon:** To the member's point, of course, Yukon government travel is a portion of the business in the Yukon, but I must reiterate that the most important issue, as articulated by the companies, is developing a strategic partnership with a mainline air carrier. So that is what we are focused on — how we can best assist, without being problematic for the companies. With certain negotiations like these, it is often best to let the commercial entities work together.

We believe that the corporate goals sought by large airlines like WestJet and Air Canada can be achieved by seeking partnerships with local air service providers. This would represent a proactive, cooperative approach that recognizes the importance of our local airline to our economy, while also achieving the regional and market access goals of the larger airlines. Mr. Speaker, just in closing, I would reiterate the tremendous impact that Air North has had on our communities and local economy. There are a significant number of jobs: over 160 direct full-time jobs; even more part-time and even more again, indirect jobs. Air North contributes about 1.5 percent of our GDP, which is a significant expenditure. All of that expenditure, or a vast majority of it, stays in the Yukon. So it's very important to us — as well as to the member opposite, it sounds like — that we ensure that Air North continues to be successful and reaches a strategic partnership with a mainline air carrier.

**Question re: Airline competition**

**Mr. Elias:** Same minister, same topic. In late January, WestJet announced plans to begin flying into Whitehorse, starting in May 2012. This announcement has precipitated renewed discussions concerning the impact of mainline air carrier competition in small northern air markets. During the past 20 years or so, northern air carriers have established themselves as the primary providers of air transportation within the north and also between the territorial capitals and southern gateway cities, and Air North is no exception.

The establishment of transportation infrastructure hubs in the north has greatly contributed to northern employment and northern gross domestic product. Northern air carrier gateway routes have also helped to ensure the provision of stable and cost-effective services to outlying communities. Many thousands of Yukoners out there would like to know what this Yukon Party government is prepared to do to help our local airline and minimize the impact of WestJet and Air Canada battling over the Yukon market.

**Hon. Mr. Dixon:** Mr. Speaker, this government is prepared to work with the companies to establish a strategic partnership between our local airline and/or either of the mainline air carriers in the south. We believe that the benefit of having a local transportation hub for air infrastructure in Whitehorse is a tremendous benefit to Yukon. It contributes to our economy and society in a massive way.

Air North in particular is a tremendous corporate citizen that participates in our society on a day-to-day basis in sporting events like Arctic Winter Games, which we addressed earlier today.

Mr. Speaker, they have indicated to us that their number one priority is developing a strategic partnership and that is what we are focused on.

**Mr. Elias:** Mr. Speaker, it is encouraging to hear that the minister has been briefed on this file and has something of value to contribute to the debate today.

I think the expectations are to encourage both WestJet and Air Canada to expand their presence in the north through interline and/or code share agreements with the northern carrier so that northern jobs and service to remote northern communities are not threatened, like Dawson and like Old Crow. Air North, Yukon's airline, is one of the largest private sector employees in the Yukon, with more than 200 Yukon employees and an annual Yukon payroll of more than \$9 million. Air North employees account for more than 1.5 percent of the private sector Yukon workforce, and more than 1.5 percent of the Yukon's gross domestic product. In addition, almost one in 15 Yukon residents, including the Vuntut Gwitchin First Nation, has an equity stake in the airline. The Yukon government says it recognizes the importance of our local airline to the Yukon economy. So I would like to hear again what the Economic Development minister has to say about ensuring that Air North survives this battle and there ends up being a win-win situation here.

**Speaker:** The member's time has elapsed.

**Hon. Mr. Dixon:** Again, to reiterate what I said before, the local airline has made clear to us that their number one

priority for, indeed, survival, is establishing a strategic partnership with either of the two mainline air carriers. That's what we're focused on. As a side bar, I'd say that we have made a tremendous investment in airport infrastructure across the territory and other infrastructure to allow the local airline carrier to thrive.

We're focused on working with the companies to develop a strategic partnership, whether it be an airline agreement or code share agreement, that's up to the companies. We're focused on facilitating that agreement to the benefit of the local airline.

**Mr. Elias:** There is an obvious win-win situation and that is one where the main airline carriers work with the northern carriers through interline and/or code share agreements, as mentioned today, such that northerners have access to mainline route networks without putting northern jobs or service to small northern communities at risk. Air North has suggested there is a good business case for it to partner with Air Canada and WestJet to this end. The Premier is on record saying that, "The continuing success of Air North is important for both the local economy and the health of a number of rural communities in Yukon." I couldn't agree more.

Can the Premier explain to Yukoners how he intends to assist Air North in creating a win-win situation during the imminent airline market share battle?

**Hon. Mr. Pasloski:** Certainly, I think everybody in this House recognizes the tremendous contribution that Air North makes to all the communities in Yukon. WestJet's announcement might really be part of a larger strategy in terms of their competition with Air Canada in trying to establish more feeder markets and increase their market share within the airline industry here in Canada.

Our concern is that Air North, Yukon's airline, can be caught in the crossfire of this really hyper-competitive battle that is being waged by these two major airlines here in Canada. The Government of Yukon is responding to Air North's request for assistance by helping to facilitate the development of a strategic partnership with one or both of these airlines. We as a government are offering our supportive presence, and we are encouraging negotiations for either interline or code share agreements as have been discussed. As the Minister of Economic Development has been saying, he has his department working to facilitate and work on such details.

We believe such an agreement would benefit all Yukoners who want to fly with Air North and access connecting flights in gateway cities without having to recheck baggage and go through airport security again. It would also benefit the larger air carriers by allowing them access to Air North's market share for connecting flights beyond our gateway cities. This arrangement and logic that supports it would apply equally in Nunavut and Northwest Territories, and we intend to have discussions with our counterparts in these respective jurisdictions about the potential benefits of these types of arrangements.

Ultimately, Canada's northern economy and northern air travel would be better served by fostering and facilitating local airline infrastructure and strategic alliances with larger trans-Canada service providers like Air North and WestJet.

**Question re: Oil and gas development, Whitehorse Trough**

**Mr. Barr:** For the past two decades, the people of the Southern Lakes have undertaken huge collective efforts to protect the Southern Lakes caribou herd and more recently, the declining moose population.

As part of the First Nations' final agreements, the Southern Lakes Wildlife Coordinating Committee was established and has worked tirelessly for the past three years. The Carcross-Tagish First Nation has implemented a very successful voluntary ban and the Government of Yukon has prohibited the hunting of caribou by residents. These collective efforts are showing great signs of success with the caribou populations slowly increasing.

Will the Minister of Environment tell this House how his department is going to protect and increase the caribou and moose populations in the Southern Lakes in the face of oil and gas development in the Whitehorse Trough?

**Hon. Mr. Cathers:** The member is jumping a bit far ahead of himself here. We're currently in a public review that will determine whether or not there are any oil and gas rights issued within the Whitehorse area. As I indicated to the member's colleagues in previous responses, the structure has been in place for quite some time, allowing companies, two times a year, to nominate areas in the Yukon where they'd like to see oil and gas development.

The government then takes that request, goes through a technical review and goes to public review of the proposal. Then, following that 60-day public consultation, it makes a decision whether to go to a call for bids in all of the areas, some of the areas or none of the areas. This process is similar to what exists in other Canadian jurisdictions.

Again, what I'd emphasize to the member is that we're currently in the public review phase. That is currently considering both the technical elements and public feedback, and following that, the decision will be made whether or not to issue any rights within the Whitehorse area for oil and gas, and if so, where those might be.

**Mr. Barr:** Mr. Speaker, I did not hear any acknowledgement of moose or caribou. Many residents and persons from First Nation local governments are concerned that oil and gas development in the Whitehorse Trough will undermine the collective efforts to protect the environment and wildlife populations. The cumulative impacts in this area include population, high habitat fragmentation, countless roads, increased mineral staking and development, and residential, commercial and agricultural development of the landscape.

Mr. Speaker, will the Minister of Environment assure this House that cumulative impacts on the environment will be taken into account in the decision regarding oil and gas dispositions in the Whitehorse Trough?

**Hon. Mr. Dixon:** Wildlife populations are obviously important to Yukoners, and the Department of Environment conducts a number of studies and activities to make sure that wildlife is protected despite ongoing economic development in the territory.

There are a few regions in the Yukon that we have focused on regarding particular resources as noted in the budget tabled last week. Those are the White Gold district and the Rakla belt in northern Yukon. The reason we focused resources there is that there is significant development going on in that area. We haven't devoted additional attention to the Southern Lakes as a result of oil and gas dispositions because we are not aware of any right now.

Mr. Speaker, if the member opposite would like additional information about the Southern Lakes and the wildlife population counts there, I'd be happy to provide any additional information at a later date. I have a little bit of information about the Southern Lakes, but I would be happy to follow up and provide additional information if he would like.

**Mr. Barr:** Thank you. It was great to hear the Minister of Environment answer my question.

Mr. Speaker, members of our caucus have been attending the oil and gas meetings and we have heard from an overwhelming majority of Yukoners involved in the public process. Residents, First Nation governments and business people are saying no to this disposition process and they are calling for land use planning.

Will the Minister of Environment advocate for a land use plan prior to allowing one of the world's most powerful industries — the oil and gas industry — into our homes and environment?

**Hon. Mr. Cathers:** First of all, what I would point out to the member opposite is that, in fact, if he had read the press release and paid attention to the maps as we indicated at the start, he would see that the very first thing we did was make it clear that if we issued any oil and gas rights through this process, there would not be any oil and gas rights issued under privately titled properties, under First Nation settlement lands, or within municipalities. For the member to suggest that oil and gas development is coming into people's homes and underneath them could unnecessarily lead to public concern. I think that would be a diplomatic way to phrase it.

Again, what I would point out to the member is that, in fact, the structure has been in place for quite some time, under which industry could have nominated in previous years areas within the Whitehorse Trough for possible oil and gas dispositions. This is the first time we've received it.

It came as a surprise to government, just as it did to many Yukoners. Upon receiving that, we entered this 60-day period of public review, which is currently underway. There are additional open houses, including one in Whitehorse on the 22<sup>nd</sup>, if memory serves. The information is up on the Energy, Mines and Resources website about times and locations.

There's an additional opportunity for people to make themselves aware of information and to provide their comments. Following the conclusion of public consultation, the decision will be made whether to issue any rights within this area and, if so, identify where those might be.

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



## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### Bill No. 6:— *First Appropriation Act, 2012-13* — Second Reading — adjourned debate

**Clerk:** Second reading, Bill No. 6, standing in the name of the Hon. Mr. Pasloski; adjourned debate, Ms. Hanson.

**Ms. Hanson:** It's an honour to stand in my place as a member of this Legislative Assembly for Whitehorse Centre and as Leader of the Official Opposition to speak to the 2012-13 Budget Address.

My riding is one of the most diverse in the territory, populated with small businesses, government offices, key NGOs, artists, et cetera. I've said this before in this Legislature: it is really the heart of the Yukon. I know that everybody believes that about their riding, but I can say that because I'm Whitehorse Centre, so there you go.

Although the Official Opposition can identify with many expenditures in the budget that are good and that we support — the many contributions to community groups, the building of important community infrastructure, such as the Ross River rec centre — we can't support this budget as we feel this budget misses the mark on several counts.

We can't support this budget because it fails to reflect the public's priorities. We can't support this budget because it fails to provide an economic vision in keeping with the potential of the territory and its people. We can't support this budget because of the quite frankly unbelievable financial numbers contained within it.

I will now touch on how this budget fails to reflect the public priorities. Over the course of the past months, along with my NDP caucus colleagues in the Official Opposition, I have had an opportunity to talk with many Yukoners about the issues that matter most to them, that give them pride as Yukoners, that excite them about the potential for this beautiful territory and about those matters that worry them deeply.

Between the sittings, the Official Opposition travelled throughout the Yukon, talking to citizens about their communities, their issues and their priorities. We called these public meetings "Have Your Say". I would encourage the government to spend more time listening to Yukoners about their priorities as they develop the budget.

You know, previous Yukon governments — Yukon Party governments — used to hold community budget meetings. Sadly, this practice seems to have been discontinued. Over the winter, the NDP caucus travelled to Watson Lake, to Teslin, to Tagish, to Carcross, to my own home riding of downtown Whitehorse, to Mayo and Haines Junction. Further meetings are scheduled to take place in Marsh Lake, Mount Lorne and other parts of Whitehorse, and we will get up to Dawson after this sitting.

What Yukoners told us was their concerns — their concerns about the pace of extractive resource development, about the impacts on water and wildlife; their concerns that the benefits of this development are not flowing back to the Yukon public; their concerns about democracy and how citizens can't

make meaningful contributions or if they do, the perception that they're not being heard; concerns that the land use planning process — the culmination of the work of a generation of Yukoners — has been hijacked; concerns that community infrastructure needs are not being addressed; concerns that the housing crisis shows no sign of being addressed by this government.

I see the member opposite shaking his head. These are not my words; these are the words of the citizens of the Yukon. They reflect what we heard when we were listening to Yukoners in their communities, in their own homes. This is what we heard from Yukoners. We don't see this reality reflected in the budget.

In his address last week, the Premier said, "Housing and land availability have emerged as a major challenge..." but this is —

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

#### Point of order

**Speaker:** The Member for Copperbelt South, on a point of order.

**Ms. Moorcroft:** Mr. Speaker, I observe that the Government House Leader is standing with his back to the member who is speaking. In many cultures this is a sign of great disrespect. I would like to ask you to rule that the members opposite act respectfully in this Chamber and do not stand with their backs to members when they are speaking.

**Speaker:** The Government House Leader, on the point of order.

**Hon. Mr. Cathers:** On the point of order, I would point out to the members opposite that their own House Leader and their own leader and even the member herself have stood and talked to their colleagues in the back row. That is part of what House Leaders have to do in discussing order of debate.

#### Speaker's ruling

**Speaker:** On the point of order, the Government House Leader has the opportunity, as do all House Leaders and all members, to discuss the goings-on of the sitting and, in particular, the House Leaders may give direction to their members. You are right, about turning your back in some cultures. Unfortunately, with the members sitting behind him, he does not have much opportunity, and it is the same as on the opposition side.

I would caution members that we have not set the bar very high. We have set it at a reasonable height — mutual respect on both sides of the House as well as in the gallery. I will point out that members tweeting and different things are not acceptable here, as they're not respectful of the members during their debate.

I'm asking for respect on all sides. I recognize the need to talk to members, but keep it to a minimum.

The Leader of the Official Opposition has the floor.

**Ms. Hanson:** All right. As I was saying, in his address last week the Premier said housing and land availability have emerged as a major challenge. This is a key public priority, but is this key public priority — tackling the housing crisis — re-

flected in this budget? The housing crisis is dealt with in a brief 23 sentences that touch on housing-related thoughts out of a 38-page speech. We hear nothing about a housing strategy; no reference to the more than a dozen housing studies completed in Yukon in the past six years — just a vague reference to an even vaguer request for proposals that was supposed to generate interest in the private sector in developing affordable rental units.

It is no longer breaking news that the lack of housing is at a critical state. The Premier boasts in the Budget Address about the low unemployment rate and the influx of people to Yukon. The downside to this for individuals and employers alike is that there is no housing available. Just ask the many small and medium local employers who face daily challenges in locating qualified people wanting to move to Yukon, only to turn down the job because there is no housing available.

Yukon, as land developer, should not be further adding to the affordability question by making lots available only at market value. On all aspects of housing, from availability of lots to building of social housing, the Yukon Party took no action until too late, and only then because of the availability of federal stimulus dollars. The need for affordable housing continues unabated, and yet this budget allocates less money to Yukon Housing Corporation than is forecast to have been spent this past year.

This government still sits on over \$13 million in affordable housing money from the federal government. How can this be? How can this government be so oblivious to the priorities and realities of the Yukon people? Again, in 2012-13, the Yukon Party makes no mention of housing for the homeless, the hard-to-house, youth at risk and the struggling family trying to find affordable rental or entry-level housing. Despite the collaborative efforts of many not-for-profit agencies working together — for example, on the Northern City Supportive Housing Coalition — there is no mention in this budget of how we as a community will address the pressing need of society's most vulnerable. The provision of a few extra mats to the Salvation Army for the homeless to sleep on is simply insulting. There is no mention in this budget of a real and sustained initiative to address the situation of homeless youth.

As I read through the budget documents and listened to the Budget Address, I had a sinking feeling — a sinking realization that nowhere in this budget is there a real sense of how this government is going to address the gap between the rich and poor and really begin to implement the much vaunted and much discussed social inclusion strategy that this Yukon Party rolled out several years ago.

As you will recall, this was an initiative the NDP championed and supported. We were pleased to support the social inclusion strategy because we know that all the studies and the evidence-based research shows that when we begin to address inequality in a real way, we begin to build a socially and economically inclusive society.

If this government were listening and reflecting Yukoners' priorities, it would know that climate change is of significant concern to Yukoners across this territory — significant concern beyond simply the commercialization aspects of industry, in

terms of climate change. That is an important piece, and we applaud the government for that, but it is more than that. We see little of the real concerns with respect to climate change reflected in this budget. Where are the measures to maintain our focus as a government on climate change and address the main greenhouse gas emitters, which is the transportation of goods? Where are the plans and resources for food security in Yukon?

You know, Mr. Speaker, I got confused a little bit when I heard the Premier speaking last week and I was momentarily quite excited to see mention of a cold storage facility. I thought, "Finally, recognition of the need to provide local farmers with a secure place to store produce." Then I heard that it was actually for archival material. I acknowledge the importance of archival material, but wouldn't it make sense to also plan for the future of a growing agricultural sector?

Similarly, where is the investment in public transit? As fuel prices get higher and higher, one of the things that we heard in talking to people in the communities is that this is not just an energy conservation issue, but like many good policy initiatives, a public transit policy addresses the real needs of people who cannot afford to travel to Whitehorse for medical and other appointments. Yukoners in several rural communities have great ideas for simple, modest, but effective public transport options. We encourage this government to listen to them and implement them.

This budget doesn't reflect Yukoners' concerns about the extractive resource development. This budget doesn't reflect the real balance that Yukoners want to see, that we can have a prosperous economy that all can benefit from and have a protected environment.

On Thursday, hundreds of Yukoners attended the opening of the Legislature. We have seen over the past few weeks the numbers of letters to the editor, to the Premier, to the ministers of the government, and indeed, to all MLAs, in the creative use of print and social media. People have not only noticed, they have become angry.

When hundreds of Yukoners and other Canadians provide input to a treaty-mandated land-use planning process, only to find that the Yukon Party government does not intend to respect the process or the input, people begin to question the integrity of the government. When hundreds of people attend hastily convened meetings to try to gain an understanding of the government's intentions with respect to moving ahead with oil and gas development in the most populated region of the Yukon, prior to the completion of land use plans in the region and are told that industry won't wait for land use planning, so "just trust us", people do start to get angry. The public wants to see leadership from their government. They want their government to be proactive.

Since the last sitting, Yukoners were shocked with the tragic death of five Yukon citizens, including two children, which was revealed to have been caused by carbon monoxide poisoning. For years industry experts have called for changes to regulatory framework for oil-fired furnaces. Members of the public and this Legislative Assembly have invested time and energy in discussing the necessary changes to the 40-year-old

*Landlord and Tenant Act*, and this government refuses to call a public inquiry to examine what changes are necessary to ensure this preventable tragedy is not repeated. This budget shows no indication of movement on this matter either.

I will now touch on how this budget fails the test of an economic vision for the territory. We believe that Yukon can have a prosperous economy and a protected environment where everyone benefits. We believe that the first return on our investment on our resources should be to Yukoners. We believe that our number one asset is our people and that their talents and insights should be harnessed to create a more just, a more fair economy without despoiling our environment. As an economic vision, the budget that we heard unveiled last week is a failure. It is heavily skewed toward extractive industries without the means to derive more of a return to Yukoners through royalties, through jobs, through spinoffs, et cetera. It charts no course for lessening dependency on federal transfers. In fact federal transfers are overwhelmingly increased.

Last week the Premier set out his vision for the Yukon. He repeated it several times in several ways, but the words were, “so goes mining, so goes Yukon”. Did the Premier really mean what he said? Did he have occasion to think through the implications of that phrase? Let’s rephrase it: so mining goes, where does Yukon go? The Premier himself said that the territory has had several boom-and-bust cycles over the years. That’s okay, good. It’s good to know that he acknowledges that historic and economic reality.

The federal core transfer to Yukon has grown from roughly \$550 million when the Yukon Party was elected almost 10 years ago, to approximately \$776 million. Despite the much wanted economic explosion in Yukon, our projected own-source revenue is still roughly the same as it was three years ago.

So where are all the new workers paying income tax? Why is this government not looking to the good example set by our sister territory to the east, which also has a large number of fly-in/fly-out workers? They recognized some time ago that Northwest Territories was effectively subsidizing both the workers and the companies, so they implemented a measure to capture a portion of the tax paid by workers who normally reside outside the territory and do not pay income tax in the Northwest Territories. Workers from Northwest Territories are not affected, but the Northwest Territories benefits.

So where in the Budget Address do we find any provision for a future for Yukon that builds in resiliency to whether the periodic, temporary or prolonged commodity price shifts? I’ve said this before and I believe it in my heart of hearts and we’ve demonstrated it time and time again: Yukon New Democrats have a proud history of supporting responsible mining in Yukon, and we will continue to do so because we believe all Yukoners deserve to benefit from the resource riches that lie within our territory. But I also believe that Yukoners — and I’ve heard this time and again from Yukoners — expect to see a real and lasting return on the access granted to resource extraction industries.

When the Premier tells us, as he did last week, that the mineral production value of the three operating mines in Yukon

is estimated to be approximately \$420 million this year, we rightly look to the revenue section of the budget to see how much of that will be retained in the Yukon for use by Yukon to further improve the socio-economic fabric of our community. Yukoners have been shocked to see that there are no projected revenues from these operating mines.

Despite the significant investments by Yukon taxpayers for everything from new roads, infrastructure, grid extensions, et cetera, the current royalty regime under the *Quartz Mining Act* works against the likelihood of a real return to Yukon in the near future. As government, the Yukon Party must ensure that benefits flow to the Yukon public, not just to shareholders. To put it another way, Yukoners are the primary shareholders in Yukon resources. The first draw on any revenue generated from any mining operation should be Yukoners’, now and into the future.

We need to decide what those benefits should be, and we need political leadership that is prepared to lead the discussion in a respectful way to avoid the fear-mongering that is often attached to any suggestion that the status quo regarding mining is open for question.

Political leaders as diverse as Danny Williams in Newfoundland or Julia Gillard, Prime Minister of Australia, have found the wherewithal to stand up and say their citizens deserve and will get lasting economic benefits from the finite, non-renewable resources within their jurisdictions.

You know, Mr. Speaker, the resource extraction industries — they huffed and they puffed and they threatened to leave, but in the end, they accepted that these leaders controlled access to the resources they want.

Yukon deserves leadership of no lesser quality on this important matter. We need to assert that we are indeed masters in our own home — *maîtres chez nous* — and decide how we as a community, modernize the non-renewable resource sectors in Yukon to ensure that the return on our non-renewable resources is significant and lasting, to determine what portion of any future resource rent is socked away for a rainy day for future generations.

If resource extraction, whether it is mining or oil and gas, is a centrepiece of Yukon economic planning, decisions taken to support resource extractive industries over all other elements of the economy can and will have serious negative impacts. With the skewed focus on extractive industries, it is clear that the Premier has not given real thought to the other aspects of the economy, other key drivers. Where is the tourism industry within the discussion of economic vision? Tourism, wilderness tourism and outfitters have built a solid international reputation based on the Yukon product: the wilderness, relatively untouched — our beauty.

The economic statements in last week’s Budget Address do not speak of a balanced approach to our economic future and have overlooked another current and future potential contributor to Yukon’s gross domestic product. This is a stark difference between us. As the New Democrats, we do believe that Yukoners have much to offer in developing a new vision for the Yukon of the 21<sup>st</sup> century. New Democrats believe it is time to engage in real conversations within and across the Yukon

community, to imagine a Yukon that reflects and acknowledges the fundamental building blocks, that those building blocks have changed — particularly those building blocks have changed with the settlement of most land claims and what we had assumed would be the assumption of more provincial-like responsibility for the Yukon under devolution.

Despite the actions of this government over the last nine years, we need to remind ourselves that the 11 First Nation final and self-government agreements are not optional accessories or window dressing. I've mentioned this before in this Legislature, but I think it's important in terms of context and why I feel so passionately about this. I spent over 20 years of my professional life working through the complex world of the Yukon negotiations, primarily garnering support within the federal system at all levels for these complex agreements. As Yukoners, we have a right to be proud of what we have achieved through these agreements: the potential to do things differently, to make our government systems work more effectively for all Yukoners. At the same time, we have a right to be dismayed by the lack of political will demonstrated by this government to truly breathe life into the negotiated agreements.

For example, in this budget the Premier signals that the Yukon Party has already decided how to deal with the serious question of land-based treatment programs. Despite a token nod to talking with First Nation leadership, the Yukon Party states that the Kwanlin Dun First Nation Jackson Lake land-based treatment program would be the natural choice. Perhaps. But absent a comprehensive alcohol and drug treatment strategy for Yukon, absent any evaluation framework for the pilot project at Jackson Lake, absent meaningful consultation and not simply a phone call in the days before the budget speech with First Nation governments, and absent any evidence-based assessment of other First Nation treatment initiatives, such as those in Watson Lake, Pelly Crossing, Mayo or Carcross — many First Nations have attempted in good faith to set up land-based treatment centres — it is difficult to express any confidence in the assertion that this is the best option.

When I hear the Premier take credit, as did his predecessor, for designating land for territorial parks or for habitat protection areas or worse yet, for the *North Yukon Regional Land Use Plan*, I am compelled to say that it was not you and it was not the Yukon Party. If you check the records, you will find that the hard work of negotiating the majority of First Nation final agreements was done by NDP governments, with a notable contribution by Liberals during their brief tenure in government. The Yukon Party track record for completion of land use plans is abysmal. To boast about completing the *North Yukon Regional Land Use Plan* 14 years after the *Vuntut Gwitchin First Nation Final Agreement* came into effect is really to say this shows how low on the Yukon Party priority list land use planning really is. At this rate, the remaining land use plans mandated by the constitutionally protected land claims agreement will take well into the next century to complete. In the meantime, Yukon will stumble along bumping into land use conflict after land use conflict, quite contrary to what First Nations, industry and the public thought would be the case when land claims agreements were concluded.

We heard earlier that the land disposition process for oil and gas would be completed, and that legislation goes back to 1997. I would argue that in 1997 all parties fervently believed that we would seriously work to get land use plans completed in a timely manner, and that we wouldn't have one completed, one in dispute and one just started 17 years after the land use planning process should have been done.

As we get into detailed debate on the budget over the coming days, we will look forward to in-depth discussions with the Premier and his Cabinet colleagues on a number of matters that arise in the budget. We also want to discuss with them those matters not addressed. The Premier asked last week, "Where will the territory be five to 10 years from now should these trends continue?" It's a sobering question.

Feeling the realization of our obligations under land claims to complete land use planning, we may well become, as many fear, Alberta north, where income disparity and inequality are the norm, where the province has only recently completed a framework for land use planning, 60 years plus after the oil and gas boom began and after expansion of cities like Calgary was threatened because of lack of water.

I'll now touch a little bit on how this budget is, quite frankly, unbelievable given past performance by Yukon Party governments. Last week the Premier trumpeted a projected \$80-million surplus, but we know this government likes to — well, I guess the polite word would be to "fudge" those numbers at budget time — to get a good sound clip and then manage them later to reflect financial realities.

In 2009-10, they projected a \$19-million surplus—

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

#### Point of order

**Speaker:** Government House Leader, on a point of order.

**Hon. Mr. Cathers:** To accuse the government and to accuse officials of fudging budget numbers I think is contrary to the standards of this House, and those types of terminology have been ruled out of order in the past. I would urge you to do the same today.

Sorry, I should have cited Standing Order 19(h).

#### Speaker's ruling

**Speaker:** Thank you. On the point of order, I'd ask the Leader of the Official Opposition to be careful with her choice of words, not insinuate that there would be lying or purposeful falsehoods. So, in the future, I ask the member to be careful of her choice of words. The member may continue.

**Ms. Hanson:** I will accept your advice, of course. I will only point out that in 2009-10, the Yukon Party Minister of Finance projected a \$19-million surplus and delivered a \$23-million deficit, off by \$41 million.

Whatever words we want to apply to that, the facts are those facts. In 2010-11, the Minister of Finance projected a \$3-million surplus and delivered nearly a \$7-million deficit, off by \$10 million. In 2011-12, it got better, though. He projected a \$30-million surplus and delivered a \$29-million surplus — good work, off by only \$9 million.

As I said, it's difficult to accept, but it sounds good on the clips, when you make the numbers. The Yukon Party made many big commitments when they were on the campaign trail that are not reflected in this budget. We know the surplus will be whittled down by the end of the fiscal year. There are very many unrealistic budget amounts in departments that are bound to rise. We'll explore some of those as we get the opportunity to meet and talk with ministers across the floor.

This government has a history of poor project management, where we have seen costs go up. We heard a lot in the December sitting of this Legislature about the rather novel approach to capital projects, which is the design/build concept, which we have seen most recently — the cost of the Whitehorse Correctional Centre went from \$30 million to \$70 million by designing and building as you go along. We know too well the history of that same approach and other aspects of that, with the history of the Watson Lake hospital and the escalating costs there.

Similarly, we have seen the government make announcements prior to an election — for example, F.H. Collins which was going to be completed — *fait accompli* — and then we drop it. So really, the Yukon Party government has demonstrated it simply isn't good at managing money and that doesn't change with this budget.

You know, in an attempt to give all of us, as legislators in this Assembly, an opportunity to be more actively engaged and more realistically engaged in the management of the fiscal resources of this territory — because really, that is what we're elected to do — we're elected to make sure that the \$1-billion-plus is spent effectively on behalf of all Yukoners. I have made suggestions to the Finance minister, based on experiences elsewhere in other jurisdictions, on how we as legislators can do our job better and provide greater financial transparency, by providing accurate, timely information on capital and operational plans. This could assist us all in helping this government to be better money managers. Unfortunately, my suggestions, or my ideas, have been basically put in "File 13," I would suggest, and we're still waiting.

So Mr. Speaker, notwithstanding the many positive expenditures found in this billion-dollar-plus budget, the New Democratic Party Official Opposition cannot provide our support. The Yukon Party government's budget for 2012-13 lacks long-term vision for the future of the territory and falls short on key issues, including the ongoing housing crisis, economic diversification and government financial transparency. We also question the validity of the government's projected surplus. Despite its record size, this is a disappointing budget from a government that seems to lack a long-term vision on many of the issues that matter most to Yukoners and their families. The government is still sitting on \$13 million of federal funds designated for housing. Despite this, the Yukon Housing Corporation's budget is \$9 million less than it was in 2011-12. Housing availability and affordability continue to be two of the biggest challenges we face. Yet, as I said earlier, the Premier's 38-page budget speech contained only 23 sentences on the subject.

The budget contains a number of one-off projects, but the territory still doesn't have a comprehensive housing strategy.

Yukon Housing Corporation will be spending less to build affordable housing than it did last year. We believe that Yukoners deserve better. Funding from Canada continues to account for the lion's share of Yukon government revenue. Revenue from mining leases and royalties continues to be far less than the amount collected in campground fees. For Yukon to continue to grow as a territory we must develop long-term strategies to expand our own revenue generation and reduce dependence on Ottawa. This budget does nothing to help diversify and strengthen our economy. We will once again collect more money from campers this year, as I said, than we do from mining companies.

The \$2-million cut to the Economic Development budget is especially short-sighted at a time when we should be looking ahead to the activities that will sustain us when the mining bubble inevitably bursts. The Official Opposition has also received the government's fiscal surplus projections with suspicion. I talked about that, and we will continue to monitor those effectively and carefully over the coming year.

Other important issues, as I've said and as I summarize, not addressed in the 2012-13 budget include collaborative health care. The Premier's Budget Address last week spoke one line to the rising health care costs — not one line about how we're going to address that, despite the Auditor General's report last January, which was scathing in the fact that this territory does not know what it's spending money on; it just knows that it's spending more money.

This budget does not include any discussion about poverty reduction, nor a comprehensive skills training plan so Yukoners can take full advantage of all job opportunities in the territory. There were small mentions of small projects for training — those are good.

How that fits into a comprehensive strategy? Still unclear from this government. We cannot support this budget because it fails to reflect the public's priorities. We cannot support this budget because it fails to provide an economic vision in keeping with the potential of this territory and its people.

Thank you, Mr. Speaker.

**Mr. Hassard:** It's an honour and a privilege for me to rise at second reading in response to Bill No. 6, *First Appropriation Act, 2012-13*. This is the first budget of the 33rd Yukon Legislative Assembly. It's the largest budget ever tabled in this House — a surplus budget that will stimulate private sector economy while enabling the Yukon government to meet the challenges of a growing, prosperous economy.

I'd like to start by thanking my constituents, the fine people of the Pelly-Nisutlin riding, for affording me the privilege of representing their interests in this House, and I pledge to serve them to the best of my ability.

The Pelly-Nisutlin riding is a large, diverse riding consisting of three communities — Teslin, Faro and Ross River — two Yukon First Nations — the Teslin Tlingit Council and the Ross River Dena Council.

Each community is distinctive and each community is unique. So, too, are the two Yukon First Nations. The Teslin First Nation people are Tlingit. They are one of the first four

Yukon First Nations to sign their land claims agreement back in 1993. They've been a self-governing First Nation ever since that time. The Ross River Dena are Kaska. They are one of only three Yukon First Nations who have not signed off on their land claims agreement. They remain under the *Indian Act* and the authority of the Department of Aboriginal Affairs and Northern Development. The Pelly-Nisutlin riding is a very rich riding in natural resources.

From the 1970s to the 1980s, the Faro mine was the flagship of the Yukon economy and the largest open-pit lead-zinc-silver mining operation in Canada. Much of the energy and transportation infrastructure we have today can be attributed to the Faro mine. In its three decades of operation, it brought many benefits to the people of Faro and to the territory as a whole. Yukon's entire economy was largely dependent on this one mine. These benefits, however, were tempered by its considerable socio-economic and environmental costs.

The social impact on the Kaska people of Ross River was considerable and the Yukon ratepayers were saddled for many years — long after the mine was closed down — with the cost of paying for the hydro dam infrastructure that was constructed to operate the mine. Perhaps the greatest impact was on the environment. One of the estimates I have heard for the cleanup costs over 30 years was estimated to be in the \$600-million range.

In this budget, I note that the remediation costs for Faro and Mount Nansen in the 2012-13 year is just short of \$50 million. But Mr. Speaker, that was then and this is now. Both government and industry have learned from the past. The mining practices of yesterday have been replaced by the modern environmental standards and practices of today. This is important because, once again, I believe, the Pelly-Nisutlin riding is going to become one of the most prosperous regions in the territory. It has the potential once again to become the largest mining region in the territory, if not the whole world.

Yukon Zinc's Wolverine mine will soon be in production, producing approximately 1,700 tonnes per day. Wolverine mine has a life expectancy of approximately nine and a half years and will employ 160 workers. Over \$230 million has been spent to complete the development to be ready for production, and a further \$5 million was spent in 2011 on exploration to identify future mineralization on the property, which could lead to an extended mine life.

In July 2005, Yukon Zinc completed a socio-economic participation agreement with the Ross River Dena Council on behalf of the Kaska, its bands and members. The agreement addresses the concerns within Kaska traditional territory, where the Wolverine deposit is located, and provides for their participation in the economic and social benefits of the development and operation of the Wolverine mine.

The Selwyn project is a giant in the making. It has the potential to become the mother of all mines, the largest mine in the world. The Selwyn deposit, located in southeast Yukon, straddling the border with the Northwest Territories, is recognized as one of the largest undeveloped zinc-lead deposits in the entire world. The project includes more than 180-million tonnes of indicated resources and 216-million tonnes of infra-

red resources in one giant mineral deposit that is at least 38 kilometres in length.

The development plan indicates the project will require more than 600 direct-skilled and semi-skilled jobs and approximately 2,000 indirect and induced jobs. The Selwyn project will have a major impact on services in the Yukon in relation to the provision of housing, training, health and education services. Selwyn has been meeting with the Kaska to complete an interim-measures agreement in order to establish the basis for a socio-economic and participation agreement to address environmental concerns and provide capacity and benefits from participation and project activities.

Overland Resources' Andrew Zinc property is located due north of Faro, off the Canol Road. It was discovered in 1996 and first drilled by Noranda in 2001. An economic mining study in May 2009 indicated that the establishment of an open pit and underground mine would be economically feasible. The company is targeting submission of a mine proposal application into YESAB early in 2012, with the construction anticipated in mid-to-late 2013 or early 2014. HudBay Minerals Inc.'s Tom property, a lead-zinc-silver property, is located 13 kilometres southeast of Macmillan Pass on the Yukon-Northwest Territories border. It is also accessible via the North Canol Road. The 700-metre airstrip is situated between the Tom and Jason properties. Extensive work has been carried out on the Tom property since it was staked by Hudson Bay Mining & Smelting in 1951. It was explored from 1951 to 1953 and again in 1966 to 1979. Hudson Bay Mining & Smelting completed part of a major feasibility study between 1980 and 1982, including additional underground work, engineering and environmental studies.

Cominco Ltd optioned the Tom property in 1988 and conducted a four-year drilling program until dropping its option in 1992. A new estimate of the mineral resources for the Tom property was carried out in 2007 and produced results of 4.98 million tonnes of indicated resources and 13.55 tonnes of infra-red resources.

Strategic Metals Ltd's Silver Range project, a bulk tonnage — silver, zinc, lead, copper — project, is located just 20 kilometres from Faro. Drilling associated with the keg zone indicates a target area of about four kilometres long and several hundred metres wide. Four more large-scale zones of silver, zinc, lead, and copper mineralization have been identified on the project, which is being expanded to cover 350 square kilometres. The Conference Board of Canada recently announced that the north's natural resources are going to be in demand over the course of the next decade.

Looking 20 to 30 years down the road, Yukon's current pathway to prosperity could be turned into a four-lane, paved highway. There is no doubt in my mind that the Pelly-Nisutlin riding is going to play a key role in the future growth and development of the territory.

The Premier, in his Budget Address, noted that a growing, prosperous economy creates challenges. I believe every member of this House has heard about these challenges in the last election on the doorstep, talking with their constituents: housing, land availability, the need for transportation infrastructure

— particularly highways and resource roads — and the demand for clean, affordable energy.

The Yukon Party proposed solutions to these challenges in its 2000 election platform, “Moving Forward Together”. The 2012-13 budget is addressing these challenges. Many of them cannot be accomplished by one budget, especially as the population continues to increase and the economy continues to grow. The root cause of the lack of affordable housing is the lack of available land and affordable lots.

I am pleased to see the 2012-13 budget providing just under \$35 million for land development territory-wide. Further, our multi-year plan reflects future investments of \$42 million for 2013-14, \$47 million for 2014-15, and another \$35 million for 2015-16.

Another challenge is transportation. I live in Teslin and I do a lot of travelling. To visit my constituents in Faro and Ross River, I have to drive the Alaska Highway, the Klondike Highway, the Campbell Highway and the Canol Road. Roads are very important to me and my constituents.

I am pleased to see the 2012-13 budget includes just over \$53 million for transportation-related expenditures — in particular, \$8.75 million for reconstruction and surface repairs on the Campbell Highway.

With all of the mining activity going on in my riding, I see the North Canol becoming an increasingly important resource road. More and more truck traffic is occurring on the North Canol to support this increasing mining activity.

I’m pleased to see that \$1.45 million has been allocated in the 2012-13 budget to improve safety and road conditions of the North Canol. It is a good start, but I believe that a business case can be made to Canada for federal participation with the Yukon government and the mining industry to undertake a major reconstruction and upgrading of this important resource access road. Canada is the major benefactor of resource development in the Yukon and an investment in the North Canol would pay them many dividends.

One of the greatest challenges we face is the increasing demand for clean, affordable energy. We were fortunate to receive federal funding to increase the capability of the Mayo dam through the Mayo B project, as well as to install the third turbine at Aishihik Lake. These two projects have certainly helped meet our short-term needs; however, our hydroelectric capacity will be exceeded by the development of Whistle Bend in Whitehorse alone. I agree with the Premier that the best interim solution is development of an LNG industry in the territory to meet our near- to medium-term needs.

I also agree with the Premier that the Yukon acting alone cannot meet these needs. We need partnerships with the mining industry, the oil and gas industry, First Nations and private sector companies, as well as the federal government. I believe the Government of Canada still has a major role to play in developing energy infrastructure in the north, irrespective of the fact that they developed a mandate of the Northern Canada Power Commission to the Yukon and Northwest Territories back in 1987.

For the longer term, there are potential hydroelectric sites in the Pelly-Nisutlin riding that could be developed into longer

term. Any major hydroelectric dam that was developed in the future would have to be tied to a Yukon grid expansion to B.C. or Alaska and have the Yukon as a net exporter of hydroelectricity.

I’m pleased to see that the 2012-13 budget recognizes the importance of municipal infrastructure and provides \$65.282 million to meet community needs, whether these needs be for the community water, sewer, waste-water, road infrastructure or recreational facilities.

Teslin will be receiving just shy of \$3 million overall. It will include funding for two projects: \$1.6 million for improvements to waste water and water systems, including arsenic treatment; and \$1.276 million to undertake road and drainage upgrades. Faro will be receiving \$1.37 million, with \$1.02 million to replace water and sewer pipe systems. Ross River will be receiving \$4.106 million with the following funding for three projects: \$1.776 million for a public works building; \$1.18 million to continue the water system and arsenic treatment upgrades; and \$1 million for community road upgrades.

I have definitely saved the best for the last. Our Yukon Party government is providing \$7 million to replace the Ross River recreation centre that was destroyed by fire in March of 2011. We made a commitment to rebuild the recreation centre in our 2011 election platform, “Moving Forward Together” and the 2012-13 budget is fulfilling that commitment.

The 2012-13 budget is a good budget for Teslin; it is a good budget for Faro and it is a good budget for Ross River — all the communities in the riding that I have the pleasure of representing. Moreover, this is a good budget for the Yukon.

I recommend this 2012-13 budget to all members of this House and I will be watching how they vote. Will they vote for the best interests of their constituents or will they vote for political partisanship? The choice is theirs, Mr. Speaker. Thank you.

**Mr. Elias:** It’s an honour for me to once again stand in the Legislative Assembly as representative for my constituents of Old Crow. Before I start, I’d just like to thank outgoing Chief Kassi for her time she committed as Chief of the Vuntut Gwitchin First Nation and to congratulate, once again, Chief Linklater on becoming the new leader of our First Nation in the recent election process.

I’d also like to recognize Ms. Bingham, Mr. Kyikavichik, Mr. Josie and Ms. Lord, for taking on the new leadership role as chief and council in Old Crow. The new chief and council are going to be sworn in tomorrow. I wish them all the best and look forward to working with them in the months and years ahead.

An annual budget is more than just facts and figures. A budget should tell the story of where the government’s priorities have been, where they are now and where they plan to take the territory in the future. The budget should highlight a government’s successes as well as its shortcomings, because governments are made up of people who, like all of us, need to learn from what has worked and what hasn’t.

A good government learns from its mistakes and the mistakes of its predecessors. It will listen to its officials and the

people it serves when they indicate that things aren't working properly. I want this current government to be a good one; I want it to be able to function properly and to serve the needs of Yukoners, as it's supposed to do. I have some major concerns about this current government's approach to a number of things, but I believe that it still has the potential to become a good government, if it starts listening to the people it was elected to serve. To do this, it needs to start listening to the voices of all Yukoners, not just those who voted for the Yukon Party.

It's important to see the forest through the trees, Mr. Speaker. When people keep staring at the trees directly in front of them, they tend to lose perspective and that's how people and governments get lost in the woods. It's this pattern of focusing solely on the short term and not the long term that has been one of the biggest downfalls of Yukon Party governments up to now.

I want to help this government to be successful, and I need to be an effective force for positive change in the Yukon, but in order to do this, it needs to have a long-term vision and it needs to have the modesty and foresight to be willing to fix the poor decisions it makes in the short term. I want this government to be responsible with our finances and for it to engage, encourage and develop better ways of doing business with the private sector and industry. Government contracts should be awarded based on who is going to do the best job and for the best price. The same can be said for the way that the government does business with major investors like mining companies. Good business relationships run on two-way streets; they involve a good balance of give-and-take: not all give and not all take. A government wants to truly maximize its resources and give its citizens the best bang for their buck. It should treat mineral exploration rights as a negotiation. If mining companies are hoping to extract resources, especially non-renewable resources from Yukon communities, the question should be: what are the communities getting back in return? It's up to the government to facilitate these kinds of conversations between all parties involved, to ensure that Yukon as a whole is getting its fair share of the pie.

There has been a lot of talk about how great the mining boom has been for the territory, but we need to take steps to sustain the boom. A big piece of this puzzle is to ensure that mining companies make meaningful investments in our community that will allow our towns and villages to be sustainable regardless of commodity prices or how many new claims have been discovered. I want this government to be respectful to our First Nations, NGOs and municipal governments, to listen to what they have to say and to work with them as partners, not because they have to, but because they recognize the wisdom of these group processes. I want this government to be compassionate in the way that it cares for those with financial challenges, health problems, mental health and/or emotional hardships and troubles with addictions. We need to look out for our youth and our seniors by giving them the resources they need and by keeping them engaged. We need to ensure that our minority groups are recognized for everything they bring to our territory and that they are given the assistance they need when

it comes to issues like language barriers and employment. We need to make sure that Yukon workers are being treated fairly and are provided with safe working conditions and that Yukoners have a strong sense of community. We see that day in and day out.

But our community is only as strong as our weakest link. We can't allow anyone in our territory to fall through the cracks. Yukoners are quick to jump into action to raise money for a family that has fallen on hard times, or to provide support for individuals in desperate circumstances. It makes me proud to be a part of a community that has such a strong social conscience and spirit of good will.

Yukoners set a high standard, but they can't be expected to carry the puck up the ice all by themselves. It's up to the government to make sure that those members of the community who find themselves in desperate situations are well cared for.

Finally, I want this government to be innovative in the way that it thinks and to be proactive in the way it addresses the territory's needs. We need to put in place some solid policies and make some major investments that come as a result of anticipating what Yukoners will need tomorrow as opposed to scrambling to implement band-aid solutions for the short term.

I'm happy to see the government putting money into the Cold Climate Innovation Centre and the business training fund. These kinds of initiatives are a step in the right direction, as far as I'm concerned.

The government introduced the largest budget in the history of the Yukon. While it's good to see the Yukon government making investments in the territory, it's important to realize that 88 percent of the territory's revenue still comes from Ottawa in one way or another. Despite the fact that the territory has enjoyed years of economic growth, we're still as dependent on Ottawa as we have ever been.

Yukon Party governments have had almost 10 years to create a more self-sufficient Yukon, but continue to fall short of the mark. It's hard to have a truly secure financial footing when so much relies on the federal government's willingness to keep the lights on. What happens if the feds decide to slow down the flow of funding? The fact is, Yukon Party governments like to talk about the need to diversify the economy, but the reality is that they either don't understand the concept, or they don't have the willpower to actually put their money where their mouth is.

While mining is obviously very important to the territory, it's unwise for the government to pile all of its eggs in one basket, as referenced in the Premier's speech, and to leave nothing but eggshells in the other basket. In a situation like this, if commodity prices drop — as they did in 2000 — the Yukon's economy will be left cracked and broken. Case in point, just last week the Minister of Energy, Mines and Resources told us that protecting the Peel would, "bankrupt the territory." The whole idea behind a diversified economy is about having many strong areas in order to distribute financial pressures so that no one sector can collapse the entire economy. Either the minister was using alarmist language to scare Yukoners into buying into his Peel principles, or this Yukon Party government and its



predecessors really haven't done anything to diversify the economy over the past 10 years.

While mining is obviously important to the territory, it is not the only sector responsible for the territory's economy. If we are going to get serious about diversifying our economy, we need to take a serious look at three main areas in particular: responding to the growing need for training and skills, trades and technology in the territory; increasing investment and tourism and housing; investing more in science and research, especially in regard to energy and infrastructure in our territory.

Let me start by explaining just how important having quality access to skills, trades and technology training is to the future of our territory. Right now there are a lot of Yukoners who are missing out on the opportunities that are coming out of the mining boom that is underway. This is because they don't have the necessary skills that are needed for the jobs being offered. Most of the jobs that are going to Yukoners are entry-level positions that require less skill and that pay much less as a result. A lot of the higher paying jobs are going to workers with higher skill sets who are brought in from outside the territory. Every couple of weeks after making among some of the highest paycheques in the industry, the majority of workers take their earnings back to their home provinces. This is money that is leaving the territory and that is bad for our businesses. Even though most of these transient workers rely on our health services while they're here in the territory, they aren't paying — they aren't required to pay taxes here, leaving Yukoners to foot the bill.

As far as our economy goes, the lack of training available to Yukoners makes it so that well paying jobs aren't going to Yukoners. This is bad for our economy overall, but also for Yukon families. For Yukon youth who hope to one day work in the mining sector, their opportunities for advancement will be greatly limited by the limited programming in place. Consider this, though. If this government were able to put in place quality programming for skills, trades and technology at Yukon College and our rural campuses, we could have some of the most qualified workers in the country. Not only that, but if we market this properly and gain recognition for this, we could actually attract people from all over Canada to come to the Yukon for training. Right now, there is a lot of development happening north of 60, but a lot of the training programs in the south don't specifically address how trades like welding might differ in the far north. With factors like extreme temperatures and permafrost, tradespeople have to learn to adapt their skills to northern climates. Imagine if the Yukon could be a leader in this area, offering quality red seal training that would incorporate skills specific to working in the north. Yukon workers would then be in high demand, earning top dollar, and the territory would earn the reputation of being a hub for training in this area.

The amount of income the territory could expect to bring in from an initiative like this is potentially staggering. Businesses would no longer have to scramble to try to find qualified workers. Rural areas like Dawson City could provide the necessary training for Yukoners, right in the middle of where all

the action is happening, providing an economic stimulus at the local level. This would make for a win-win situation.

Now let's take a look at tourism. We live in one of the most amazing places in the world. The natural beauty of the Yukon blows away everyone who comes to visit here. Yet for the last number of years, the government hasn't invested nearly as much as it could to promote the territory as a world tourist attraction, especially in the multitude of niche areas that we have to market worldwide. There seems to be an ongoing tug-of-war between the mining sector and the tourism sector, but a diverse economy needs both. Rather than exacerbating these tensions, the government should realize that by encouraging responsible mining, the tourism sector can thrive. Both sides can win, but only if the government conducts itself in a manner that doesn't pit one side against the other and facilitates discussion in an objective and diplomatic way.

Once upon a time, Newfoundland and Labrador depended heavily on its cod fishery, for instance. Eventually, Newfoundlanders realized that this resource wasn't sustainable at the pace they were using it. They needed something else to provide balance in their economy. They looked around and realized the beauty of where they lived. They made the decision to make huge investments to promote their province, betting on the fact that people would be drawn to the warm culture and the rugged landscape that Newfoundlanders proudly called home, and they were right. Now Newfoundland and Labrador's tourism industry is booming.

The government should be increasing the amount that it puts into tourism and working harder to ensure that all of the territory's communities benefit from this investment. As many prudent business people have said, the Yukon's rich culture, beauty and history is a package that sells itself. There are also so many niche markets, as I mentioned earlier, in our territory that can be marketed around the world.

As far as science and research for new innovations in areas like energy and infrastructure, I see a real opportunity for the government to make inroads in these areas. Over the last few years, the Yukon government has started to look at things like green technology, for example, but I think it has only hit the tip of the iceberg.

Let's hire more scientists and researchers to look into cutting-edge technology that's specific to our geographic location — how we can design better roads and buildings that last longer in a region so heavily affected by permafrost and how we can maximize the use of solar, geothermal, wind, liquefied natural gas and hydro energy so very important for this territory.

One of the most important things I would like to focus on is geothermal energy. Many experts with whom I have spoken have told me about the potential for geothermal energy in the Yukon. Even though it would likely be expensive to implement at first, estimates show that this clean, natural energy would save the territory money in the long term. Countries like Iceland are making great headway with this kind of technology, and I think that we have a real opportunity to be a leader in this area in our own country. Obviously, more studies need to be done to see how feasible this would be by investing money in

the exploration of such technology now. This government could really start getting the ball rolling.

Coming back to the budget, the Premier has boasted that we now have enough money left in the territory's piggy bank for a rainy day. It is encouraging to see that the government's savings account has grown since last year, but the fact that the Yukon Party government has predicted surpluses for the past three years and consistently delivered deficits, raises a few flags for me. Fiscal prudence means that you actually have to deliver what you say you are going to deliver. The Yukon Party governments have "cried wolf" so often when it comes to surpluses that the Premier's rosy picture can't be taken at face value until he proves himself.

In 2010-11, the government had to introduce supplementary budgets in order to make ends meet. This doesn't give Yukon taxpayers much reassurance of the government's ability to properly handle their money. The fact that the government's debt ceiling was raised from \$300 million to \$400 million should also raise a few alarms for Yukoners. With an additional \$62 million coming from Ottawa this year, why does the government need to put in place a contingency plan for borrowing even more money? If this is a pay-as-you-go government, why do we need a higher debt ceiling?

As I mentioned earlier, I want what is best for Yukoners, so I have no reservations about commending the government on a few of the things that I've seen in the budget. The fact that there is funding put toward the Yukon Police Council is a good thing and it's also good to see rural representatives being appointed to the Police Council. I also think that the government's investment in liquefied natural gas as a possible medium-term energy source is a big plus for the territory. Also, in my home riding, the investment in the upgrading of a new drinking water well. As well, the on-the-land treatment centres, at a conceptual level, seems to be something that could be a workable situation for the entire territory. It's also important for me to recognize that I also see in the budget a continued commitment of \$50,000 to help the Vuntut Gwitchin First Nation in their educational effort to protect the calving grounds of the Porcupine caribou herd within the Arctic National Wildlife Refuge.

I thank the Finance minister and his Cabinet for that continued commitment. I cannot put in English words how important that educational effort has been over the years. On behalf of my constituents, I send my appreciation for that.

Let me be clear — I was just as interested in what I didn't see in the budget as what I did see in it. I see the F.H. Collins project, which was originally supposed to have construction begun by now, is once again put off for another year. During the recent election campaign, the Yukon Party unveiled a sign put up at the construction fence and hired construction workers to move some earth for a couple of weeks to make people believe that construction was actually imminent and that they were following through with their commitment. Now the budget is proof that all that was just for show for the election.

Another campaign promise the Yukon Party made was in the Klondike, where it said a new recreation centre would be built.

Now we see in the budget that it isn't the case at all. So there's no new recreation centre planned for the Dawson City area and Yukon government has decided to spend a fraction of what it promised to renovate the old rec centre instead of building a new one. That's another commitment, to me, that's unfulfilled by this government, because I think I remember some photo ops with, again, some dirt being moved. The public considers construction to be imminent once that happens. I don't see a long-term capital plan for the Dawson City rec centre to be built and that's something that's going to be brought up in this Legislature again.

This one is the one that really bugs me. I've been following this pot of money, and I believe it was \$17.5 million that has been on the public's books for affordable housing in this territory for a number of years now. It has bounced around between at least three departments and there have been announcements in several different departments. In the budget briefing the other day, Finance officials said that there's still \$13.5 million in that federal funding money that's earmarked for affordable housing projects still sitting in the bank. I don't even know what to say.

This money could have been allocated a long time ago and it wasn't. When it was revealed almost one year ago that the government was sitting on this money, the public was pretty furious, but it seems it wasn't enough to spur the government into action. We have a major shortage of housing here in the territory. This is something that everyone is talking about. It's an issue that is now affecting almost everyone who lives in the territory or who would like to live in the territory. Potential first-time homebuyers can't find anything affordable to buy. Homeless people have no way to put a roof over their heads for more than 24 hours. Businesses and industry — you can't find anywhere to house their employees. There are professionals who would love to move to the Yukon and contribute to our community, but who can't find any available housing that won't cost an arm and a leg. Yes, this is something that we're going to be watching again very closely.

This budget is designed to give Yukoners the impression that the government is further ahead than it actually is. It highlights its goals as though they have already been achieved, but this has yet to be proven. Many of the government's previous promises have been broken by this budget. The few good things in this budget that I have mentioned are starting points, but this government still has a long way to go.

During this sitting, I will be supporting the government on initiatives it brings forward that will benefit Yukoners, and I hope to be afforded the same opportunity, as well as our caucus and the Member for Klondike — but make no mistake, I'll be holding this government's feet to the fire when it puts its own interests ahead of the people it serves, as it recently did with the Peel process, for example. How we work together has yet to be determined, and the ball is now in the government's court. We need to stand strong on energy-related issues. We need to stand strong on health care-related issues. We need to stand strong on infrastructure and housing issues. We need to stand strong on innovation and technology issues in our territory. We need to stand strong on education, and we also need to stand

strong on poverty reduction in our territory. Those are my comments in response to this year's budget. I thank you for your indulgence.

**Hon. Mr. Nixon:** I am both honoured and humbled to have the opportunity to speak in favour of the 2012-13 budget here in the Legislature today. I would like to take this opportunity to thank my colleagues on both sides of this Assembly for also providing their thoughts on the budget. I would also like to extend my thanks to my constituents in Porter Creek South for providing me with the opportunity to represent them here in this Assembly. During the election last fall, I committed to work hard on behalf of everyone in my riding and I stand proud of that commitment.

I sincerely appreciate the support of my constituents and I look forward to building on those relationships and the new friendships that I've established.

I'd also like to take this opportunity to thank my wife, Danielle, for her continued encouragement and support. As you know, Danielle stands by my side through it all and I sincerely appreciate everything she does for me.

This is the tenth consecutive spring budget brought in by a Yukon Party government. This budget is very significant to me, as it represents both stability and change. It represents stability in that, like the previous Yukon Party budgets, it is fiscally responsible. Like the budgets before, it reflects the commitment of working together so we can do better and the commitment to offer Yukoners a clear vision for a bright future.

Without speaking of where we've come from as a territory, it's difficult to appreciate what we have today. We need to reflect on the challenges Yukon has overcome. In 2002, prior to Yukon Party taking office, Yukon had experienced seven years of economic recession. Yukon's population had been in decline for six consecutive years, following the closure of the Faro mine in 1997. Yukon's unemployment rate was in the double-digit range for years.

Yukon's mining industry was nearly defunct, with exploration and development spending in the territory being less than \$10 million. Almost 3,000 Yukoners — our young people and our prime labour force — left the Yukon to find work outside. Rebuilding Yukon's private sector economy was job one for the two consecutive Yukon Party governments elected in 2002 and re-elected in 2006 and what an incredible job they did at creating a growing, prosperous economy.

They put Yukon on the pathway to prosperity, and I'm grateful for the contribution of our Yukon Party predecessors. I believe that a decade's worth of population, economic, social and many other indicators prove that they have left the Yukon a better place than they found it when they took office in 2002. Now, our Yukon Party government elected in the fall of 2011 and our vision for "Moving Forward Together" continues to build upon the previous four pillars — better quality of life, the environment, the economy and good government. We committed to deal with the challenges that a growing, prosperous economy creates.

Earlier we spoke about the winter games that were just hosted here. I have a little bit of information to add. A group of

athletes went south recently. We have curlers who took a gold, a figure skater who took a gold. My little buddy Michael Sumner took a gold in figure skating. In cross country skiing we got a bronze and silver, so a big thanks to the Yukon Special Olympians.

I'd like to take a few minutes to talk about some very unique families — specifically, families of children and adults with disabilities. As I stated in the fall and during the campaign, many Yukoners shared with me the challenges they experience with respect to issues they or a loved one face. There were challenges regarding access to tests, treatment and therapies. There were challenges accessing initiatives to make adaptations to their home to accommodate a family member with a physical disability. As many of the members in this House already know, my youngest son, Jack, has autism. As a parent, I know first-hand the challenges that we face, and I know that helpless feeling that a parent with a child with a disability can have. I have to say "thanks" to this Yukon Party government, because our family is very fortunate to have had the supports that we've had over the years. My drive as a father always ensuring the best for my child, along with the support of the previous Yukon Party government, our son and our family put together an incredible team of professionals who have helped in more ways than can be described. Keeping our options open is key. A family-centred approach to support for children and adults with disabilities is absolutely essential.

I stated before and I'm certain I will state again that each child is unique and each family is unique. Families need to have the option of therapists, whether government-provided or an independent therapist sought out by the family. My son Jack has been going to Christ the King Elementary from kindergarten, and now he's in grade 5. I'd like to extend my utmost appreciation to the principal and dedicated teaching staff of that school in particular, and a special thanks to his EA, Mrs. Kopf, who has been by Jack's side since he was three years old.

I'd like to thank our Minister of Energy, Mines and Resources for the work he did during the previous Yukon Party mandate on these social files. His dedication to families does not go unnoticed. I also commend the minister for the current work he is undertaking with Energy, Mines and Resources. All sectors of the economy can benefit from a balanced approach to land use planning.

I'd also like to commend the current Minister of Education for his work that will ensure a smooth transition from home to the classroom when it comes to specialized programs for children with disabilities. This approach between the home team and the school team cooperating when specific supports are needed at home and school is essential. I am convinced that this is an area that I can play a part in making our territory's response even better.

Mr. Speaker, I continue to take great pride in the fact this government, under the leadership of Premier Pasloski, remains committed to providing and expanding support services for children and adults with disabilities. Having seen first-hand how effective support can improve the life of a child with autism, I am pleased to support these services being extended to families with other disabilities. I feel very fortunate and hon-

oured, not only to have the support from this Yukon Party government, but now to be part of this great team.

This budget also represents change in that the Yukon Party has a new leader and the Yukon has a new Premier since our last main budget. I commend our new Premier and Finance minister for the work that he has accomplished to bring this budget forth. Change is good.

Our platform and commitments deal with the challenges that a growing, prosperous economy creates: housing, land availability; the increasing demand for clean energy; the increasing demand for transportation and communications infrastructure; increased pressures on our health and social service safety net; the increased demand for more education and training facilities and programs, as well as the increased pressures on our land resources management systems designed to protect Yukon's environment.

Mr. Speaker, our budget reflects our vision and our commitments. I want to talk about what this budget means for me and the constituents of my riding in Porter Creek South. This budget provides resources to Yukoners. Whether it is health resources, economic resources, commercial resources, industry resources, or environmental resources, this budget supports our growing economy. Our Yukon boasts one of the best economies in Canada.

Related to tourism, major investments will be made in Yukon's transportation infrastructure. There will be \$15 million under the Shawkak project for the Haines Road and north Alaska Highway and a further \$1 million from the Yukon government to north Alaska Highway. This government will provide \$7.25 million for the reconstruction of the Campbell Highway from kilometre 10 to 190 and a further \$1.5 million for surfacing.

\$1.6 million will allow us to replace culverts at Too Much Gold and Allgold creeks on the Klondike Highway as well, but it doesn't stop there. We will make the investments of \$1.45 million to improve safety and road conditions on the North Canol Road and \$2.6 million for reconstruction, BST and revegetation work on the Atlin Road. This government will make a \$2-million investment for the Takhini Hot Springs Road reconstruction and a \$500,000 investment for rehabilitation and servicing of the Silver Trail. I'd like to thank our Minister of Highways and Public Works for his efforts and his vision on our highways and roads.

In this budget, there is \$900,000 for surfacing, spot repairs and erosion control for the Dempster Highway; \$500,000 for the resource access road program; and \$1 million for surfacing and safety improvements on various secondary roads throughout the territory. These roads help our tourists explore and enjoy all that Yukon has to offer.

\$1.875 million will be provided for improvement projects for the Whitehorse International Airport, including taxiway improvements, rehabilitation and the installation of a second bridge or jetway. \$7.406 million will be invested over two years to extend water and sewer services to the south commercial area at the Whitehorse International Airport. Our government is also investing \$590,000 from CanNor to continue

the campaign to promote Yukon to overseas, international travel trade media and consumer markets.

There is an \$800,000 investment from CanNor to fund Canada's North marketing campaign, promoting Yukon, the Northwest Territories and Nunavut as travel destinations to southern Canadians. In May, Yukon will host the 2012 Canadian Tourism Commission's GoMedia Marketplace right here in Whitehorse. This is the first time GoMedia has been north of 60. This event will bring 150 of the top travel media from around the globe to our world-class Yukon. Campers will benefit from this government maintaining the park officer program which enhances the quality of visitors' experiences in the Yukon campgrounds, and we will explore physical upgrades to Yukon campgrounds that could enhance the accessibility for and amenities available to visitors and users. I'm particularly fond of this government's commitment to identify potential sites for new campgrounds and examine the potential for expanding the capacity of existing sites.

Let's not overlook the culture in Tourism and Culture — specifically the First Nations culture that's becoming centre stage in European markets such as Germany. Conferences, such as Adäka, or "Coming into the Light", that have been held in Yukon, supported by Tourism, promote Yukon First Nations to showcase their incredible culture through the expressions of dance, regalia, arts and carvings.

Before I move on from this, I would like to let my colleagues in this House know what a terrific group of professionals we have working in Tourism and Culture. From archives to archeology and paleontology, marketing to the visitor information centre staff, heritage to maintaining stakeholder agreements with NGOs, such as TIA and Sourdough Rendezvous, I'm truly honoured to work with all the staff and management of Tourism and Culture.

This government also committed to establish Culture Quest as a permanent fund and we will continue to support the arts fund and arts operating fund, which support groups such as Yukon Art Society and the Yukon Film Society. We will continue funding programs, such as the touring artists program and the advanced artist award, to provide assistance to visual and performing artists to enable them to conduct tours and compete in southern markets.

This government recognizes the important role that artists and culture play in contributing to the social and economic life of the Yukon, by providing assistance to arts and culture organizations and Yukon artisans by promoting exhibits, concerts, festivals and multicultural events and programs.

A week ago, I had the opportunity to visit the breathtaking community of Haines Junction. While I was in the Junction, I visited the new Champagne and Aishihik cultural centre. They are so close to being finished that project, but what an incredibly gorgeous facility they have.

This government works with industry, communities and First Nations to promote the Yukon tourism brand that markets Yukon as an attractive, year-round destination. We enhance the marketing of Yukon as a quality travel destination through general awareness campaigns, especially in relation to Yukon's traditional markets in the United States, Canada and Europe.

The Asian market is growing strong for Yukon as well. These are exciting times. This government will continue to work with the Yukon Convention Bureau, industry and Yukon communities to further promote the Yukon as a choice destination for hosting meetings, conventions and sporting events. We will utilize the tourism marketing fund to build partnerships with industry that improves marketing efforts for both government and industry, and we will create a product-development program to assist tourism operators in developing and enhancing the quality of their product. I highly recommend that all of my colleagues, staff and friends tour the paleontology and archeology lab on Industrial Road. We are committing to continue funding of \$310,000 for a paleontology program.

Part of this funding includes \$150,000 to study the feasibility of a Dawson paleontology facility that would research and celebrate Yukon's rich fossil heritage and \$110,000 for summer positions in the paleontology program to allow the program to have a full-time presence in Dawson during the placer mining season. This will allow close cooperation with the placer mining community and ensure proper management of fossils uncovered in the mining process. The relationship between our department and the mining sector is something that we want to foster so that it will continue to flourish.

In our platform we speak to many areas related to arts and culture. I'm pleased that this budget continues the support for this important segment of our economy. Earlier this month we issued a media release concerning the touring artist program and the advanced artist award to provide assistance to visual and performing artists to enable them to conduct tours and compete in southern markets.

As a minister, I've been working with many great organizations to recognize the important role that arts and culture play in contributing to the social and economic life of Yukon by providing assistance to arts and culture organizations and Yukon artisans, and by promoting exhibits, concerts, festivals and multicultural events and programs.

For a relatively small portion of the overall budget, there is a lot of "bang for the buck" in Tourism and Culture.

## INTRODUCTION OF VISITORS

**Hon. Mr. Nixon:** If I could take a moment just to bring this Assembly's attention to the gallery, I would like to introduce my son, Kyle.

*Applause*

During the 2011 election campaign, we committed to continue to make land available to Yukoners for community, residential, recreational, agricultural, commercial and industrial purposes. Respecting the interest of existing landholders, along with new development and stakeholders involved in those processes, is one of the highest Yukon government priorities. We will begin by streamlining the land application process and ensuring that appropriate policies and administrative structures are put in place to manage Crown land in the territory.

In fact, a Yukon Party platform commitment during the election was to do just that. We will modernize the legislation

related to the land titles process, to utilize technology and to improve the timeliness of the transferring of lands.

As the Minister of Justice, I've initiated the process to modernize land titles. Recently, I appointed a third-party independent inspector from out of the territory to scrutinize our land titles processes. Two weeks ago, the inspector was on the ground in Yukon, talking to staff and stakeholders, and I expect a report to follow in the coming weeks. From there, we can lay out the groundwork to move forward to a revitalized, modern land titles system. I will share a few statistics. We are expecting to register approximately 1,500 land titles and 330 condominium titles. We are estimating to register 1,850 mortgages. In 2010-11, we had 27,978 current active files. This year, we are estimating almost 30,000. In 2010-11, 83,854 documents were photocopied at land titles. This year, we are estimating over 100,000 — an increase of about 25 percent. In other words, our land titles office has been and will continue to be very, very busy.

During the past two mandates, the Department of Justice, under a Yukon Party government, made incredible gains. The *Substance Abuse Action Plan* was both developed and implemented. Safer communities and neighbourhoods legislation was developed and implemented. The street crime reduction team was developed and implemented and then expanded throughout various shift patterns with the RCMP.

The corrections consultation took place, permitting stakeholders throughout the territory to provide input and, as a result, we now see a new correctional facility, a safer place for inmates to live, a safer place for staff to work, a new vision and a new approach to working with inmates.

This Yukon Party government made a commitment and another promise was fulfilled. I'm so proud of the Department of Justice management and staff who completed the transfer of prisoners from the old to the new facility just last Thursday. I was at the correctional facility last Thursday morning to watch a number of the inmates being transferred from the old building to the new. The WCC team created a plan and had a practice process in place to move the prisoners from the old to the new. The transition went very smoothly. Watching the staff and the facility operate is very incredible.

In this budget is \$2.385 million for the arrest processing unit, formerly known as a secure assessment centre, to replace the RCMP detachment cells and provide a more humane way of processing prisoners who will have access to 24-hour nursing and specially trained correctional staff.

We have established a Yukon police council, a recommendation from the *Sharing Common Ground* report. The government is working on a proposed development of a major, certified, land-based treatment program in Yukon at Jackson Lake in collaboration with the Kwanlin Dun First Nation and the other 13 Yukon First Nations with a contribution of \$1 million coming from the Government of Yukon over the course of its mandate.

I am proud of this government's promises, and I am proud of this government's extraordinary and strategic approach to planning for this 2012-13 budget. Reflecting on the commitments and accomplishments of the two previous Yukon Party

mandates, I am elated to be part of such a committed team. I would like to congratulate my colleague in Community Services for the recent announcement of \$4.5 million for a second-stage housing facility in Whitehorse in conjunction with Kaushee's.

Another commitment that we made was to address substance abuse. This government pledged to continue to implement the *Substance Abuse Action Plan* that focuses on education and prevention, harm reduction, enforcement and treatment. We have committed to provide resources directly to NGOs assisting Yukoners with substance abuse and addictions abuse. We support an alcohol and drug services addiction counsellor for the Community Wellness Court.

Speaking of the Community Wellness Court, we will provide funding to address specific areas of need in the north, such as substance abuse, by emphasizing individualized court-ordered and supervised treatment. During the recent FPT meeting for the ministers of justice in P.E.I., I spoke about the work Yukon is doing for people with FASD. I was pleased to be able to speak to both federal ministers of justice and the Minister of Public Safety about addressing issues related to FASD in the north. In this budget, we have funding to support our efforts in addressing just that. In fact, our budget will fund a multi-agency approach to developing individualized plans for and to provide appropriate supports to people with FASD to assist them in participating fully in society. We have funding to support FASD-specific training through the Northern Institute of Social Justice to front-line staff in the Yukon government. We will continue to work with the Government of Canada on initiatives related to health and justice to address FASD.

I have to commend both my colleague, the Minister of Health and Social Services, and his federal counterpart for the work they are doing in this area. Their dedication and determination are noted and very much appreciated.

We are committed to creating safer communities. We will implement the new philosophy of corrections that emphasizes the protection of the public, holds offenders accountable and provides appropriate opportunities for rehabilitation. We will implement the *Victims of Crime Strategy* and the new *Victims of Crime Act*. We will continue to invest in corrections infrastructure that supports the principles of public safety and offender accountability, such as the replacement facility to the Whitehorse Correctional Centre. We will implement the recommendations of the Internet Safety Advisory Committee to ensure Yukoners are protected from cyber crime and Internet predators.

This government will engage First Nations and public in the oversight of the police force by the Yukon Police Council that has been created and I'm pleased to report that the Police Council will be meeting for their very first time later this week. This government has also committed to utilizing an independent civilian agency to investigate serious incidents involving RCMP and we will continue to work with the RCMP to explore options to create safer communities. This Yukon Party government supports the safer communities and neighbourhoods team and we will work with the RCMP to address street crime. We will work with the governments of Northwest Territories,

Nunavut and Canada to respond to the unique challenges of policing in the north.

My northern Justice colleagues are eager to come to Yukon to see the work we are doing here with the new correctional facilities, the programming for people with FASD and the Community Wellness Court and the community wellness centre. I might add that this coming fall the Yukon will host a conference that will examine the challenges of policing in the northern context. We're expecting good participation from across the country.

In addressing violence, we will work together with the Government of Canada to continue counselling services to children in homes where there have been incidents of violence, and we will continue to work with the Northwest Territories and Nunavut to develop a pan-northern or made-in-the-north solution to domestic violence.

This government will continue to engage the Government of Canada in exploring creative solutions to respond to violence against women in the north. I'll move now to our Yukon economy, which has been growing strong since 2002, and our vision for a prosperous, diversified Yukon economy.

We must continue to expand our Yukon economy by promoting our economic mainstays, such as mining, both hard rock and placer, tourism, and oil and gas. We must continue to promote the diversification of Yukon's economy in other sectors, such as arts and culture, film and sound, forestry, agriculture, outfitting, trapping, research and development, and knowledge-based industries.

We have the right person on board for these initiatives. I would like to thank our Minister of Economic Development for his work, ensuring that we have every opportunity for our economy to keep growing and moving forward.

We must maintain Yukon's extremely favourable general tax environment that promotes investment in the territory. We must promote Yukon products and services locally, nationally and internationally through such programs as the enterprise trade program. Practising open, accountable, fiscally responsible government is something that this side of the House takes very seriously. Reflecting on the past decade of Yukon Party government, this great territory of ours has certainly come a long way. This government continues to promote initiatives like working with industry to expand Yukon's communications network capacity. When we hear about initiatives that allow us to continue to explore options to utilize technology to make more government services available on-line or to improve existing services, we think Yukon Party government. This government continues to stimulate the private sector economy and promotes the development of balanced budgets for the future and it clearly doesn't get any better than that. Thank you.

*Applause*

**Ms. Stick:** I'm pleased to stand here representing the constituents of Riverdale South. My colleague, the Member for Whitehorse Centre, touched on the Official Opposition's problems with this budget. It is a large amount of money. It is a record and there are good expenditures found within it, but it is lacking in key areas. It lacks the long-term vision for the terri-

tory. It misses the mark in terms of reflecting what Yukon citizens are telling us are their priorities. In my response to the budget, I want to touch on a number of issues within my critic areas and issues that have been brought up by constituents. I will try to keep my comments at this time to a minimum, saving questions and time for budget debate in Committee of the Whole.

I want to begin by looking at Health and Social Services, focusing primarily on the social services side. The whole of the Health and Social Services department makes up one of the largest budget areas for this government, approximately one quarter of the Yukon government budget.

The Premier's speech spoke of the rosy and glowing economic outlook for all Yukoners, and talked a lot about mining and resource extraction. All of this economic prosperity, however, is not translating to jobs or better prospects for many in our communities. Money, jobs and benefits are not flowing through to a significant number of citizens. They are not seeing the benefits of this economic boom. We are not getting our fair share with this fly-in-and-fly-out economy. Too many workers are coming from the provinces and taking their paycheques and their taxes away with them. Nor have we seen adequate resources being put into skilled training so that a variety of our citizens have more opportunities for jobs in this sector. This budget doesn't address these issues. It doesn't contain a plan to fairly distribute the benefits of this prosperity to all Yukoners. Let's look at this concept of prosperity for all. Despite the talk of this great time of prosperity, too many Yukoners are experiencing difficulty with making their paycheques stretch to cover rent and food. It doesn't seem to matter how hard they work, they have to resort to the local Whitehorse Food Bank and church-run soup kitchens. These are not prosperous times for these Yukoners. I did not see sufficient funding anywhere in the budget for these programs, run mostly by volunteers and reliant on the generosity of Yukoners. Yet the food bank has seen a constant and steady increase in their numbers. More individuals and more families have to resort to this service to put food on their tables. Even recipients of social assistance are not able to make their budget stretch through the month without their food supplement from the Whitehorse Food Bank.

These prosperous times look much different to these Yukoners, who are spending more and more of their family budget on housing while the Yukon government does nothing to address the housing crisis. The government finds in its heart to give the Yukon Gold Mining Alliance tens of thousands of dollars. This group is a marketing consortium of qualified Yukon exploration development and mining companies. Surely in this booming economy, this group can afford to do their own marketing. How much more public funding and breaks do they need?

I did not find anywhere in this budget many of the housing promises we heard in the Speech from the Throne. Where is the planning for a youth shelter — a youth shelter with supportive programming, including life skills training and counselling? This type of resource would no doubt divert youth from our justice system.

We already know that recent changes coming down from Bill C-10 will likely increase the numbers coming through our youth courts. Let's not have the young offenders facility become the youth shelter of convenience. The Salvation Army received funding for 10 new floor mats this winter. Where is the housing strategy for the homeless? What is the plan? Ten new floor mats are just not good enough. The homeless in our territory are still homeless and further away from finding affordable housing than they were a year ago. We have seen the reports, the plans and the numerous options that groups and individuals have put forward after hard work and public consultation. What has happened to those plans, those recommendations? I don't find them in the budget. There are elements of the budget that I can support, despite its lack of vision. I welcome the announcement for funding for second-stage housing, but why are we starting at square one for second-stage housing for women and children? Many people — dedicated individuals — have already been involved in the planning and the consultation to the point that there already are architectural plans in place. Money and resources were used to come up with this plan. Why are we reinventing the wheel? This is not good fiscal planning or spending.

To further add to housing difficulties is the rental market shortage. With the average cost of rent going up, the rental market remains close to nil. Developments designed to be rentals are being sold to individuals as condos. We are not seeing any increase in rental housing developments. We see little in this budget to solve the housing crisis.

The government has shared some tentative plans for lot 262. Unfortunately, the time from the announcements to actually being able to move ahead is months and months away. There is the process of planning, tendering, land transfers, rezoning applications and public hearings. We will not be seeing too much activity on the ground for months and that's assuming all of the above goes well.

We see no indication from this government that they want to address the deficiencies in our *Landlord and Tenant Act*. We should be bringing forward a strong *Landlord and Tenant Act* that will protect renters and landlords and clarify rights and responsibilities for both. I've heard from constituents about unreasonable rent increases and inadequate and unsafe housing. A strong *Landlord and Tenant Act* should include health and safety measures that protect persons and property from a lack of safety standards.

Many different individuals and groups participated in a public consultation on this act. The report is there, waiting to be agreed to by this government. When will we see this important legislation brought forward? While necessary landlord-tenant changes languish, Yukoners got a terrible wakeup on how unsafe housing can lead to tragedy. Yukoners have heard about major problems in certification, training and inspections of oil-burning furnaces. Yukoners want to know: why is the government not being proactive on this file? Why not make carbon monoxide and smoke detectors mandatory in all rental units, whether Yukon Housing Corporation stock or private? A strong *Landlord and Tenant Act* could address these concerns.

Clearly, alcohol and drug addictions have a huge impact on Yukon communities and families. None of us are immune to this destructive force and its costs. The budget sets aside \$1 million for land-based treatment programs, in partnership with First Nations. Yukoners want to see effective land-based treatment. I will, however, echo some of the concerns we have heard with regard to an overall lack of Yukon strategy for all addictions treatment and improved after-care.

C-10, the new crime bill, will only add to our numbers in the new jail. Why is there not a good coordinated and overall treatment and after-care strategy available?

I've heard from individuals about their concerns with adoption wait times and lack of resources available to them. Individuals and families are sometimes being asked to undergo second RCMP criminal checks and home studies and they are being told it's due to a lack of staffing availability. They are feeling discouraged by the process that's supposed to be there to help and support them. When will we be supporting these generous people?

In the area of continuing care, I am pleased with the announcement from the minister with regard to another 10 beds being opened at the Thomson Centre. It's important that we not house aging family members and citizens in acute care beds at the hospital. It's an expensive and inappropriate use of beds meant for people with acute health issues. I will be interested to know what the wait lists are for all our long-term care facilities throughout our communities. I'll also be looking for where there is funding for palliative care beds. I'm still hearing concerns from family members of residents living at Copper Ridge and will be asking for updates on changes made that address these concerns.

People need to know that their family members and friends are in a safe and adequately staffed facility that meets their individual needs. Staff working there needs to be able to count on regular hours and time off — no last-minute calls to work on their days off without their deserved and earned break.

Other concerns I have that have been brought to my attention by constituents in my riding include the construction of F.H. Collins Secondary School. After very public announcements about the construction, students and staff are still waiting. Parents looking for updated information on this project find only information on the school website that dates back nearly a year. Nowhere on the Department of Education website is there information on the new school plan or even the consultation process that will presumably take place. Parents and students alike were very disappointed by the delays, after much talk of last year's class of graduates being the last graduating class before seeing demolition and construction started.

Other constituents have commented on the increasing difficulties of accessing the Handy Bus. I realize this is a City of Whitehorse service, but it is funded by this government. Why has there been no increase in this budget line?

Is this government discussing possible options with the City of Whitehorse to increase the service to match increasing needs? We know our population demographics show it is a quickly growing older population, and therefore we know the need is only going to increase. Accessible public transportation

is a priority for many constituents. There is much more to bring forward, but these are the issues that I have identified as being important to my constituents. I look forward to asking more specific questions during budget debate.

I would like to finish with a compliment to a few of my colleagues across the way on the government side. I have appreciated the time you have taken to respond to questions, to discuss issues and concerns I have had. I look forward to continuing this in the spirit of collegial support and interest.

Thank you, Mr. Speaker.

**Ms. McLeod:** Thank you, Mr. Speaker, and greetings from southeast Yukon.

I have always been one to listen to budget speeches with great interest and, as an average citizen, I was always listening to find out what was in the budget that would affect me, my town or my territory.

This budget in excess of \$1 billion — it's too big for me even to say — represents a lot of money and it is money that's invested into our citizens, our towns, our territory, and that's quite an investment by any standard. In this budget, there is money slated for roads and bridges — \$6 million for the Liard bridge upgrade and \$8.75 million for the Campbell Highway. This work affects citizens and visitors alike. It provides opportunities for our contractors to go to work and it provides jobs for our local people. We know that there is a shortage of trained workers and this budget provides for training so that we can see more workers work on these road projects and many more. As someone who spends a lot of time on the Alaska Highway, I appreciate good roads and I thank the Department of Highways and Public Works for continuing the upgrading of the Robert Campbell Highway. This highway is a supply line for Wolverine mine, Tungsten and the Selwyn projects and provides benefits to the southeast and all of Yukon.

I appreciate the ongoing financial support to the Help and Hope for Families Society, for our daycare and for the Signpost Seniors society. These organizations are crucial to the well-being of our community. The ongoing support for Many Rivers Counselling and Support Services and the Liard Basin task force will allow Many Rivers to continue to assist those people needing their services, especially our youth.

I'm really pleased to see a commitment to improved sewer and water services in Watson Lake. This is a multi-phase project to bring our aging infrastructure up to speed to protect the people and the environment.

When you go through the budget documents for the first time you come to realize the many ways that our government supports all communities in big and small ways — social services, education, justice, housing, health care, to just name a few. Over the course of the next few weeks we'll get to debate some of these budget items and I look forward to these informative and productive discussions. In the spirit of getting on with that, that about sums it up for me.

This is a good budget and I support it fully. Thank you.

**Hon. Mr. Dixon:** Mr. Speaker, thank you for the opportunity to respond to this budget. It's an excellent budget



with a significant surplus yet again. It's becoming a long line of surplus budgets for this government; it's an excellent story.

Before I get into some of my specific comments about both Economic Development and Environment, I want to take the opportunity to respond to a few comments I did hear from across the floor about the department — mostly of Economic Development, actually.

The first was that the Leader of the Official Opposition indicated that the budget for Economic Development was decreasing significantly to the tune of — I believe she said several million. Of course, that's not correct. I assume that information probably came from the paper on Friday, which, unfortunately, incorrectly compared the 2012-13 main budget estimates with the forecast of the 2011-12 fiscal year, which, of course, includes revotes from 2010-11 and new spending initiatives not in the original main budget estimate from 2011-12. Of course, this is not a relevant comparison. The best way to compare these is to look at estimates to estimates — in other words, apples to apples and oranges to oranges. On page 7-3 of the budget document, of course, you'll see the total appropriations for Economic Development are basically the same as they were last year, if we compare them. A comparison of 2012-13 to 2011-12 shows a budget that is essentially unchanged from last year, with only a decrease of \$36,000, or 0.002 percent.

Comparing the 2012-13 operation and maintenance expenditures main estimates with the 2011-12 main estimates shows O&M expenditures increasing \$290,000 in 2012-13 or approximately two percent. This increase is largely attributed to personnel-related costs for departmental employees, driven by their collective agreement. Comparing the 2012-13 capital expenditures main budget estimate with the 2011-12 estimates shows capital expenditures down \$326,000 in 2012-13 or approximately 22 percent. This is almost entirely attributable to one-time funding received from Canada's targeted investment program — the TIP program — to host the Western Canada Music Awards last year. Of course, the Government of Yukon's support for economic development remains consistent with previous years as it continues to implement *Pathways to Prosperity*.

I'll jump back now to the Department of Environment. I think this budget shows some real initiative in terms of dealing with environmental issues, several of which we've spoken about in this House previously, but I would like to address a few particular issues today in my brief time here.

The first is the environmental liabilities remediation line in the Environment budget. This of course reflects the necessity of cleaning up, and remediation of contaminated sites throughout the Yukon.

This is a relatively new branch of the Department of Environment, the site assessment and remediation unit. It was established in June 2008 to fill a corporate function and implement the Yukon government's environmental liabilities and remediation program. I had the benefit recently of meeting the staff in that branch and have been very impressed with the work they have been able to do so far around cleaning up our own backyard, so to speak. It is dealing with our own — Yukon government's contaminated sites is obviously a priority. The Yukon

government environmental liabilities and remediation program was created as part of the Yukon government's environmental liabilities policy, which was approved as part of the *Financial Administration Manual* of 2007. The mandate of SARU, as it's called — site assessment remediation unit — is to identify Yukon government sites with potential or actual contamination of soil and/or water and develop and implement assessment and remediation plans for Yukon government contaminated sites. Sites are assessed and remediated to meet contaminated sites regulations and/or federal standards as applicable. The SARU branch also now includes the Marwell tar pit and ground-water assessment and remediation of the former Motorways site. Specific agreements between Yukon government and other parties cover these sites.

The work of SARU applies to YG owned and operated sites. Landfills owned and operated by Yukon government are also included. The mandate does not apply to Crown corporations, like Yukon Housing Corporation or Yukon Energy Corporation. It does not include recent spills, post-June 1, 2008, or general site housekeeping and O&M, such as underground tank removals and sump replacement, et cetera. The SARU mandate also includes the provision of technical advice to other YG departments and agencies that may have contamination issues.

When we deal with these often-historic environmental liabilities, they're often a result of past practices, both of government and industry. To put it bluntly, they weren't the best environmental practices of the time. In the case of Yukon government sites, highway camps, for instance, underwent the unfortunate practice of sprinkling used oil to keep dust down. Practices like these, while commonplace at the time, leave an unfortunate environmental liability for government to deal with.

We're undertaking — and you'll see the budget line item in this — a number of projects this budget year to remediate sites and deal with those environmental liabilities of the past.

The process through which we do that is to, first of all, conduct a phase 1 environmental assessment — which is also referred to as site investigation. At that stage, it's a non-intrusive investigation of current and historical activities at the site. It includes, but is not limited to, a review of existing reports or database entries pertaining to the site; interviews with people who are or were involved with the site, such as workers, owners or occupants; and a site visit to assess indications of possible contamination. The goal of the phase 1 ESA, environmental site assessment, is to narrow down areas where contamination may have occurred and to identify which contaminants may be present in order that a subsequent phase 2 ESA can focus on these areas and chemicals.

So what they're doing in that stage is developing an understanding of what happened in a general sense at the site, what contaminants were used, what were the practices of the time, and what is their best guess at what the level of contamination might be.

Following that, they do a phase 2 environmental site assessment, which is also referred to as a site assessment. It's a little more detailed. It can involve intrusive evaluation of the site based on the information gathered during the phase 1 ESA.

It involves drilling and/or trenching for the purpose of subsurface sampling of soil and groundwater, and the sampling of surface soils, water and sediments.

The samples are analyzed for those contaminants identified in the phase 1 ESA as being a potential concern. The data is used along with the other site information to determine the types of contaminants present, their concentration and their spatial distribution, both vertical and horizontal. Comparison of the analytical data with the standards of the contaminated sites regulation is also undertaken to confirm areas of contamination.

To sum up, that is basically a more detailed look at what's going on in the ground, or in some cases the water, of the level of contamination that exists. Once we have that established, the department moves forward and contracts environmental companies to do this kind of work and build up an understanding of what the contamination body looks like. I would liken it actually to a drilling procedure undertaken by a mining company, trying to prove up a body of ore. They do drilling to various depths and over an area to get a firm understanding of what the body of ore looks like under the ground so they know where to mine. In this case, we're doing drilling to understand the level of contamination in the dirt and where we need to dig or remediate soils.

Once we have that understanding developed, we develop a plan of restoration, which is developed when the results of a phase 2 ESA show that some contaminants are present at levels above those for the applicable land or water use in the contaminated sites regulation, and the site is to be cleaned up.

The POR — the plan of restoration — should detail how compliance with the standards will be achieved, list the remedial options considered and the rationale for pursuing or rejecting them, give a timetable for completion of remedial activities, identify how compliance with the standards will be demonstrated and what, if any, ongoing monitoring will be required, and identify what regulatory approvals must be obtained and what consultation will be conducted, where applicable. If the site is to be cleaned up using risk-based restoration standards, the plan of restoration must also identify why risk-based standards are being proposed.

The methodology used to conduct the risk assessment, the potential on- and off-site environmental impacts of the contamination and any mitigative measures to be taken to lessen their impact and what monitoring will be conducted to evaluate the risk-management measures adopted. At that stage, we have a relatively good understanding of the extent of the contamination and what exactly we're dealing with, and we develop a plan for what is needed to actually clean it up or reduce the liability to a state that is more manageable.

Finally, once that plan of restoration is conducted, there are risk-based restoration standards developed based on the results of the risk assessment of a contaminated site. Risk assessment is a method of predicting the impacts of contaminants on human and environmental health. It provides a basis for managing contaminants on-site when removal or other permanent remediation is impractical. Risk assessment uses mathematical models to predict the dose of a contaminant that will be

received by a receptor through a specific exposure pathway. The dose expected from all potential pathways can be added up and compared with the dose considered safe for that contaminant. If the safe dose does not exceed, there is little risk that the contaminant will affect the health of receptors. Each risk assessment is unique and applies only to the site for which it was prepared. All risk assessments, however, provide the following information: a list of contaminants at the site, their location, and their extent on- and off-site, an estimate of the size and likelihood of risks to human and non-human receptors on- and off-site, and a description and evaluation of the measure proposed to manage contamination in place.

The most appropriate remedial method for a given site will depend on the type and level of contamination, its spatial distribution, site conditions, use of the site by people or animals, access to the contaminated areas, cost of method, urgency of the cleanup, regulatory requirements, et cetera. Remedial methods can include such techniques as the excavation or removal of contaminated material, pump and treat groundwater systems, multi-phase extractions systems, natural attenuation, water-lube barriers, permeable reactive barriers and various risk management techniques, just to name a few.

So you see, there is a continuum of identifying contaminated sites, assessing them, firming up our understanding of what we're dealing with, developing a plan — well, a plan of attack, for lack of a better term — and then ultimately implementing that plan and remediating the site to a level that is acceptable for usage.

One specific site that has attracted a significant amount of attention is the Marwell tar pit project. I know the Member for Takhini-Copper King has been interested in this and has expressed an interest in the ongoing activity at that site. Of course, the Marwell tar pit is, as I mentioned, a historic legacy of past practices that, while at the time were deemed acceptable, aren't acceptable by today's standards. In the case of the Marwell tar pit, it was the Canol refinery, which was developed during World War II to process hydrocarbons from Norman Wells.

It was actually an economic driver for the territory at the time — having a refinery, however briefly it was open. However, unfortunately, when the war ended and the need for the refinery disappeared, the refinery was broken down and essentially shipped to Alberta. In the process, they cleaned out all the pipes and all the machinery, and all the tar. The useless, dirty, old extract was removed and stored on-site.

Actually, given the procedures at the time, they were relatively proactive in not just dumping the oil wherever — they dumped the sludge in a contained site with a berm and a circular structure, which was a dirt berm that contained the oil to a limited area, but it was still a testament to the practices of the day and was simply left in the dirt.

Throughout the years, it sat in situ. Unfortunately, in 1958, my understanding is that an individual went for a late-night stroll, perhaps induced by alcohol, and got stuck in the pit, in a quicksand fashion, and unfortunately succumbed to the elements of the day and passed away.

The result of that was that the government of the day thought the best thing to do was to then cover up the tar pit, which in today's sense is, once again, probably not an acceptable standard for remediation, but they did cover up the tar pit for safety reasons. As a result, we have a contaminated site now that has a buried hydrocarbon-based sludge in the Marwell area of Whitehorse. It is not a pretty sight, to say the least. It is comparable, although to a smaller extent, to other national cases like this. The example I would give would be the Sidney tar ponds in Cape Breton, Nova Scotia. Recently, the federal government has stepped up to the plate, in a sense, and recognized that the liability is very much the result of the management practices of the day and agreed to a funding arrangement with Yukon government that will see the Marwell tar pit remediated and hopefully left at a standard that can be one day usable again. That is the activity of the site assessment remediation unit and some very good work has been done there so far, including on the Marwell tar pit.

I'll move on now to a bit of a discussion around some of the work we're doing in an attempt to be proactive and recognize the economic development that's going on in the territory, specific to certain regions in the territory. I mentioned this a little earlier today in Question Period, but a few areas in the territory have been identified that have been subject to increased activity, particularly from quartz and placer mining activity. These areas are the Rakla gold belt, the White Gold district and the North Canol area.

In these areas, recognizing that increased activity is underway and there is indeed a possibility of a mine opening in one of those regions, we've begun to collect early-stage baseline cumulative effects data to give us a better understanding of how we judge what are acceptable environmental standards in those areas.

We've begun to undertake work in that sense. The projects focus on three particular regions and our cumulative effects assessment is with particular focus on freshwater fish, wildlife and habitats, gathering baseline data and coordination. The project, of course, is responding to an emerging need to effectively address cumulative effects resulting from quartz mineral exploration, which in three areas of Yukon has seen dramatic and unprecedented increases beginning in 2009. Plans, data collection programs and policies are required to understand some of the cumulative effects on regions undergoing this increased activity. Some of the activity will result, possibly, as I said, in mining activity. So what we're doing here is taking a proactive approach to developing our scientific understanding of these regions in terms of the water, the land and the air — what exactly we can expect to be affected by further development.

As well, and more specifically, in terms of water resources, we have made some investments in developing baseline studies on our water resources in the Dawson area, particularly the White Gold region. Currently, we don't have the capacity to develop or to understand some of the water resources in the area, so we are investing in new equipment to install robust water quality and quantity stations on two important receiving water streams in the White Gold district to complement

cumulative effects watershed assessment work in this highly active region.

Those two creeks, as I'm sure the Member for Klondike will appreciate, are Scroggie Creek and Thistle Creek, both in the Dawson region. The budget-year plans of course include the purchase of the equipment at the beginning of the new fiscal year and the ongoing monitoring of water quality in that very active region. As well, there are a number of projects being done to develop a better understanding of our wildlife inventory in the territory.

Earlier in Question Period the Member for Mount Lorne-Southern Lakes was wondering about caribou specifically. We undertake activities to determine wildlife inventories on a number of species throughout the territory. Last year, Environment Yukon conducted 26 inventory projects in support of fish, wildlife and habitat management planning. These projects support Yukon's ongoing population monitoring and harvest management programs.

If I could I would just run through some of the species that we do monitor. Last year for instance, we did bat monitoring and conservation, community ecological monitoring projects, gyrfalcon inventory and monitoring.

In the Ogilvie Mountains, we collared lemming and distributed population assessments. For carnivores, in the Aishihik area we studied wolf populations, grizzly bear diet-based trophic relationship and population studies; wolverine monitoring programs; fisheries — we have an aquatic health monitoring for placer mining and fisheries stock assessment and monitoring.

For habitat, we do wildlife key area surveys, including late-winter moose concentrations in central Yukon; lichen habitat assessment, which is of particular importance to the Chisana caribou herd in western Yukon. In preparation for the Dawson regional land use plan, we're doing a number of activities in that area. We conduct forestry and caribou habitat in the Southern Lakes region, which will be of interest to the Member for Mount Lorne-Southern Lakes. There is habitat protection areas and inventory assessment, which includes the activity at Pickhandle Lakes, Tagish Narrows and Lewes Marsh.

In terms of monitoring ungulates, we do bison population monitoring, movements, habitat use and impacts of the Aishihik wood bison herd. Of course, we've in the process of developing a management plan for bison, which will be important, especially for members in the southern Yukon who have significant bison populations in their riding and see activity as a result of the bison hunts that go on.

With regard to caribou surveys, we conduct caribou fall composition surveys, which, essentially, are rut counts. We do that in the Aishihik and Kluane caribou herds, the South Nahanni and Coal River caribou herds, the Finlayson caribou herd, Southern Lakes, including the Ibex and Carcross caribou herds, Ethel Lake caribou herd, Tatchun caribou herd and of course the Chisana caribou herd. Additionally, we do monitoring around Fortymile caribou herd, the Hart River caribou location monitoring and the Porcupine caribou harvest monitoring and hunter education.

Regarding moose, we do a number of activities there as well. We conduct the Mayo moose census survey, the M'Clintock moose census survey. When I had a chance to tour the Department of Environment, a number of staff weren't in because they were conducting that very survey, so I missed meeting a number of staff on our wildlife branch, because they were conducting that M'Clintock moose census survey. The Faro moose early-winter census, which is, of course, partially funded by my colleague in Energy, Mines and Resources through the mine reclamation unit — the Burwash moose early-winter census, which is a partnership with Kluane First Nations and Parks Canada. With regard to sheep, we do sheep surveys in Ruby, Aishihik and Sifton Ranges in partnership with Kluane First Nation.

Dall sheep surveys in the Anvil Range are cost shared with Energy, Mines and Resources through the mine reclamation unit. As well, there is ongoing elk monitoring and tick management.

Mr. Speaker, there are a number of projects ongoing and will be ongoing and supported by this budget, which follows nicely from a lot of those projects that went on last year.

One thing I did want to highlight, and it came up on the first sitting day when the Member for Watson Lake introduced a motion in regard to the Yukon Wildlife Preserve. The Yukon Wildlife Preserve has submitted an application to the Canadian Association of Zoos and Aquariums for accreditation. That is a very important step for that organization and for the Wildlife Preserve. Should it be accepted and accredited by CAZA, it would be the first in northern Canada and the first ever in the territory, which is, I think, a testament to the remarkable state of that preserve and the very hard work done by the society and management at that facility.

You will see in the budget, Mr. Speaker, that we continue to support the Wildlife Preserve through ongoing funding, and of course, the Wildlife Preserve has taken the opportunity to access a number of funds, including the community development fund to develop the infrastructure at that site, which has improved the likelihood that they would be accredited by CAZA. Anecdotally, they have indicated to me that they had a visit from a CAZA inspector and it all seemed to be well and they are very optimistic about the likelihood of their being accredited by CAZA. So that's a very positive step forward, and I hope that members of the House will join me in supporting that group as they move forward with an important step for their organization.

Another item in the budget this year is ongoing support for the Climate Change Secretariat. The Climate Change Secretariat is undergoing a number of projects as a result of the *Climate Change Action Plan* started by the previous Yukon Party government, which obviously had the foresight to develop a *Climate Change Action Plan* with very laudable goals. That work is ongoing. Of course, what they're focused on right now is developing the *Climate Change Action Plan* progress report to report to the public on their activities and the activities they have undergone since their inception.

When I look at climate change as an issue in Yukon, Mr. Speaker, I am often driven by the question of what exactly is Yukon's role in the global sense of this challenge.

Climate change is more than national; it's an international challenge that faces countries and regions across the world. My question of course is, what is the best way that Yukon can contribute to that effort?

The first place we turn is the *Climate Change Action Plan*, which identifies four particular goals. One is reducing Yukon government's own internal greenhouse gas emissions, which is a responsible corporate endeavour. You're beginning to see not just governments, but companies, large and small, across North America, undertaking these similar initiatives to identify and measure their own greenhouse gas emissions as a corporate entity or a government and make plans for the reduction of those greenhouse gas emissions.

The Climate Change Secretariat has undergone a process of determining and calculating Yukon government's greenhouse gas emissions. One thing they do note whenever asked about this is they were very appreciative of the willingness of other departments to submit information and data.

It was a very collaborative endeavour that involved the support and ongoing support of a number of departments. All the departments were forthcoming with their information and the Climate Change Secretariat has nothing but positive things to say about the process of determining Yukon's greenhouse gas emissions. Of course, that work is just about completed. We've calculated our greenhouse gas emissions and sent the data into a third party verifier known as the Climate Change Registry. It is a third party institution that verifies corporate or government greenhouse gas emissions and assists them with developing the monitoring procedures to continue with that work. That has been submitted and we are waiting to hear back. I believe we're being certified as the silver status on the Climate Change Registry, which is a testament to the good work done. Of course, compared to bigger states in the United States, it's relatively small peas, but still very good work done.

Leading action is another commitment of the *Climate Change Action Plan* and we're undertaking a number of initiatives there to lead action in climate change.

The Climate Change Secretariat works closely with the Energy Solutions Centre, which falls under the Department of Energy, Mines and Resources to make programs available — for instance, rebates for energy-efficient appliances and other things like that. One of the things I think the Yukon is probably best positioned to contribute a significant body of work to the international movement is around adapting to climate change. The north and Arctic regions like the Yukon are probably the most affected by climate change, and we have seen the affects of climate change on a day-to-day basis here in Yukon. I think that developing a firm understanding of how we adapt to climate change is something that we can contribute to the global effort. We are undertaking a number of projects through the Research Centre of Excellence and the Yukon Cold Climate Innovation Centre to develop technology and develop our scientific understanding of what's happening in the Yukon with regard to climate change. This ties in nicely to the fourth goal

of the *Climate Change Action Plan*, which is enhancing our knowledge and understanding of climate change. That is why the Yukon Research Centre of Excellence has become so important to us. It really acts as a central hub for interested parties to engage in climate change research.

There is actually a positive link there, as well, between the Yukon College and the Yukon Wildlife Preserve, which I failed to mention when I was talking about the Yukon Wildlife Preserve. The link there is strong.

The work of the Yukon Research Centre of Excellence has been incredible so far. They have done a number of successful projects related to the changing permafrost regime in Yukon and how that affects infrastructure, like highways and buildings. Some of the mapping projects they have done around developing a firm understanding of what exactly the discontinuous permafrost does to infrastructure and what it means for planning purposes when we build a building somewhere like Mayo, where there is discontinuous permafrost — we can learn a lot from these procedures. It tells us that here is discontinuous permafrost, here is continuous permafrost — and don't build on discontinuous permafrost, essentially.

We're seeing work done through the college on the Alaska Highway, in the Member for Kluane's riding. There is an ongoing project that involves researchers from the University of Laval, who are studying various methods for dealing with the highway infrastructure that exists in a discontinuous permafrost area, and the ways we can build highway infrastructure to deal with that challenge.

That discussion of climate change and the Yukon Research Centre of Excellence offers me a nice segue to the Yukon Cold Climate Innovation Centre which, of course, falls under the purview of the Department of Economic Development. Last week, we made an announcement that both the research centre and the Yukon Cold Climate Innovation Centre would receive ongoing funding. In the case of the Yukon Cold Climate Innovation Centre, that funding would be for a period of five years, which I think is a tremendously positive step and another reason why this budget is such an important one for that research agenda. The Yukon Cold Climate Innovation Centre has been very successful in bringing projects together and attracting interested parties in developing projects. The purpose of the centre is to enable the development of technology, particularly as it applies to cold climate and climate change for the benefit of Yukoners and the growth of the Yukon economy. The vision that drives the YCCIC is to support the development, enhancement and success of Yukon's technology industries by becoming recognized internationally as a centre for the development, commercialization and export of sustainable cold climate technologies and related solutions for sub-Arctic regions around the world.

The YCCIS includes the related subsidiary program, the Yukon Technology Innovation Centre, the role of which is to support businesses in the development and commercialization of technologies to benefit Yukon.

Innovation, in a general sense, has become a focus of governments across Canada, and, indeed, across the world. It's becoming increasingly obvious that innovation or, in some

cases, the lack thereof, has been a problem for a number of advanced economies, including Canada and the United States. Last year the federal government commissioned a report, called the "Jenkins Report," which looked at how the federal government structures its support for innovation throughout the country. Innovation, of course, according to the Jenkins Report, which is published and I've shared with both the Official Opposition and the Third Party — innovation, in a phrase, means new or better ways of doing valued things. It is not synonymous with invention, although the spark of invention or creativity is a necessary precedent for innovation.

Business innovation occurs when a new or improved something — a good, a service, a process, a business model, marketing tool or an organizational initiative — is put into practice in a commercially significant way. What that means essentially is commercialization.

Commercialization is a multi-faceted and multi-stage phenomenon that, depending on the project or product, often involves design, engineering, production, planning and the related infrastructure research and development. Moreover, it almost always involves capital investment, market assessment and sales planning, as well as financial and legal analysis among other activities. Some innovations, like the automobile, the Internet or penicillin, are game changers, but the vast majority of innovation is incremental. It's the continuous improvement of products and processes.

We're seeing that — when you talk with your colleagues across the country, innovation is on all of their minds. That is for sure. In the Yukon, a number of jurisdictions and my counterparts in other jurisdictions have noticed the Cold Climate Innovation Centre and taken note and had a lot of questions about how we are proceeding with this challenge. A number of important products can come out of this sort of thing.

The research, innovation and commercialization spectrum is an important one, especially for a territory like Yukon. As we have discussed at length in this House, we have a strong mineral resources sector which drives our economy and has been the backbone of our economy for as long as the territory has been prosperous. That's fine and that's good, but the challenge is ensuring that we take steps to diversify our economy, and that's what we're doing with this particular budget and the Department of Economic Development's activities that are therein. With that, I will pass the floor on.

Thank you, Mr. Speaker.

**Ms. Moorcroft:** Mr. Speaker, we were here for a brief nine days in December for the government to deliver its throne speech for the 33<sup>rd</sup> Legislature and this spring marks debate on the first main estimates for the Yukon Party government delivered here last week.

I am here for a constructive debate on the full budget. In preparation for today, I took some time to reflect upon your remarks at the opening of the 33<sup>rd</sup> Parliament of the Yukon.

Mr. Speaker, you spoke about the responsibility each one of us has as a member of this Legislative Assembly to be a guardian of the public trust, to whom people look for leadership, inspiration and the assurance that we will care for the

well-being of our citizens. You also spoke about being true to our basic political values, beliefs and vision. My political vision and belief is rooted in the values of social, economic, political and environmental justice. I believe all members of society deserve economic equality and that economic justice means, among many other things, that everyone has stable housing and the ability to participate in society and in different economic sectors. We need a strong, diverse local economy and we need a well-trained local workforce.

The Government of Yukon has a responsibility to provide for the well-being of our citizens and as Her Majesty's Loyal Opposition we have a responsibility to bring forward good ideas, to offer practical solutions, to encourage the government to meet the needs of citizens and to hold the government to account. I am honoured to represent the constituency of Copperbelt South, with its mix of country residential, industrial and commercial properties within the City of Whitehorse, as well as rural residential, First Nations and agricultural properties outside city limits. I am grateful for this opportunity to serve the public and commit to act with integrity.

As the Leader of the Official Opposition has stated, our caucus cannot support this budget because it fails to reflect the public's priorities. In Copperbelt South, as in all other ridings represented in this Legislature, I see the need for more housing. I am looking in this budget for investments in the many unmet needs for housing, such as supported housing for a small population who need mental health or other supports that would dramatically reduce the prison population. I see the pressure for housing for the next generation of workers and community builders, for housing for seniors, housing for students learning how to thrive in a changing environment, and for students training for jobs in a diverse local economy.

Parents are concerned when their children can't afford to enter the housing market. The government has a responsibility for managing land and needs to increase the land inventory and make affordable lots available. Members in opposition said in December that the government would "enhance the degree of land being made available" and we do not see plans for that in this budget.

We do see in this budget several million dollars identified for second-stage housing for Kaushee's Place. As members know, I have long been an advocate for Kaushee's Place and for its needs for second-stage housing. I served as a volunteer on the board of that organization when the government, more than two years ago, said that it would support second-stage housing. While I am pleased that the government has identified funds in this budget for that, I am concerned about their commitment to support the non-government organization to help achieve the goal. Where is the planning? Where is the work being done on helping the organization develop the request for proposal and identify both the lands and the resources that are needed to deliver on this commitment?

In December, the Member for Whitehorse West said that the government was committed to looking at a youth shelter. The need for that youth shelter is as critical now as it has been during the past nine years. We do not see anywhere in this budget a commitment to a youth shelter. The housing needs for

at-risk youth remain a serious problem for Yukon. "Yukon youth speak up" is circulating a video on Facebook about the need for youth housing, and this video features excerpts of an interview with the former Member for Mount Lorne-Southern Lakes, Steve Cardiff, who was a tireless advocate for a youth shelter. Our caucus will continue to press the Yukon Party government to deliver on a need for a youth shelter.

We will also be pressing this government to deliver on a new *Landlord and Tenant Act*. A select committee of this Legislature with representation from all three political parties went around the Yukon, submitted a report and have made recommendations. We need to see action on developing a new legislative framework for a seriously outdated statute.

There is also \$13 million still in the bank somewhere that was committed to the Yukon by the federal government for affordable housing initiatives. We would like to know what plans the government has to use that money when the needs for affordable housing are so great.

In 2009, the Auditor General delivered a report on the Department of Education and identified problems that need to be addressed. One of those was the Yukon's poor graduation rates. The Yukon, as a whole, has a poor graduation rate and there is a serious gap between the Yukon as a whole and the graduation rates for First Nation students. They are too far behind the non-aboriginal students. With the low graduation rates, particularly for the First Nation and rural students, there are many Yukon adults who do not have a grade 12 graduation diploma.

We also know that we could improve training for employment so that Yukon workers are eligible for jobs. This is a much better approach than a fly-in/fly-out economy. We're missing opportunities to put Yukoners to work and take better advantage of economic opportunities. Why aren't we leaders in training for jobs that need filling in our territory?

I am also going to be looking for the government to bring forward information on the Yukon nominee program and temporary foreign workers program. As the Leader of the Official Opposition mentioned, members of our caucus have been out in communities around the Yukon listening to what the public has to say. We have heard concerns that the health and safety standards for all employees — whether they are temporary foreign workers, whether they are local residents, whether they are people being flown in, or whether they are participants in the Yukon nominee program — need to be respected. We want the government to demonstrate that all workers are subject to the same standards of safe and healthy workplaces.

I want to turn for a moment to the Department of Highways and Public Works, and I also want to acknowledge and thank the minister for taking the time to meet with me before the session started so that we could discuss a few of the issues that I will have questions for him about. In the first sitting of this Legislative Assembly, I raised questions about the accessibility of government buildings, and this government has a duty to accommodate any workers who may have a disability.

The minister and his officials indicated that they have, at present, a partial inventory of Yukon government buildings and which ones are accessible and that they have placed a priority on health buildings and on schools. Mr. Speaker, I want to see

the government also being sure that all Yukon government buildings are accessible, both for members of the public and for workers who may require accommodation because of a disability.

The Highways and Public Works department is also responsible for staff housing in rural communities. We've heard this government speak to the private sector driving housing development, but I want to encourage the members opposite and the Yukon Party government to support additional staff housing in rural communities because there is so much pressure for housing in those rural communities, as well as in Whitehorse.

Mr. Speaker, I was pleased to see that there are initiatives for information technology and telecommunications infrastructure. There is a lot of room for development, both education and training and economic development in the telecommunications industry, and improving our infrastructure can only be a good thing.

The Minister of Justice spoke about the new Whitehorse Correctional Centre, and I want to extend my congratulations to the minister and to the department and its officials for a smooth transition to the new facility. While we were disturbed to see that that building started out with a \$30-million budget and then exceeded \$70 million in total, it is very good that there is now a new facility opened.

I listened with great interest to the minister speaking about the need for improving the programming and for bringing and incorporating cultural values into the programming. I want to hear more about that from the minister and I'll be following up with him on that. There's also a great need to see better planning and supports in place for the reintegration of offenders into society when they're released from Whitehorse Correctional Centre.

Some years ago, I did some research into housing needs of formerly incarcerated individuals and adults with fetal alcohol spectrum disorder, and what that research demonstrated is that the first need is for housing. If we want to help people reintegrate into society and avoid offending again once they have been released, they need stable housing the same day they are released from the Correctional Centre. So I hope that there will be, in the new programming model — details of which I have yet to receive — concrete steps for helping anyone being released from Whitehorse Correctional Centre to make a good start and to avoid re-offending. I also want to see a focus on crime prevention and on restorative justice initiatives that, in our view, are more effective than a retributive system that focuses on punishment, on incarceration and on mandatory minimum sentences.

The Minister of Justice also spoke about the Police Council that has recently been appointed. We were disappointed to see that the minister did not accept the three names submitted by the Council of Yukon First Nations for three First Nation appointees to that council. I'm disappointed that there were no representatives appointed from any of Yukon's aboriginal women's groups or other Yukon women's groups. Eight or nine women's groups were involved in bringing forward their concerns to the review of Yukon's police force in 2010, and I

think it would have been a wise move to have accepted a woman on to the Police Council who had experience working with Yukon women's groups and who would already have knowledge of the concerns they have brought forward.

I'm very sad to say that many people are afraid of the police. As a member of the advisory committee, I travelled to many Yukon communities. I had hundreds of conversations with individuals, as well as with groups, and I heard about some of those concerns. I think there is a lot of work that needs to be done, and the Police Council needs to be very mindful of its need to reach out to the community and have them trust that their concerns will be addressed in the work that's done by the Police Council.

First Nation people have lived on a land that we now call Yukon from time immemorial. Eleven Yukon land claims final agreements are now entrenched in the Constitution of Canada. Under these agreements, Yukon First Nation governments have legal rights to have their knowledge and expertise used to achieve effective land use planning. These final agreements provide for the development of common land use planning that minimize actual or potential land use conflicts, both within settlement land and non-settlement land and between settlement land and non-settlement land. Fulfilling the land claims final agreements must be a priority of this government.

In recent weeks, we have heard many voices from the public calling for the government to make land use planning in the Whitehorse area a priority. Many Yukon citizens and groups have been vocal in support of the Peel River watershed land use plan. More than six years and over \$1 billion dollars have been invested to craft a comprehensive land use plan for this incredible treasure that we want to see protected for future generations.

The Peel River watershed region is the last wild spaces of mountainous terrain that is relatively undeveloped in the sub-Arctic region. We cannot replace these ecosystems once they have been destroyed. I urge the government to accept the Peel land use plan to avoid destruction of this area. It means so much to so many and to the health of our planet as a whole. This government needs to uphold the principles and the values and the letter of the law found in the *Environment Act*.

First Nation elders have shown us photos of industrial waste in the sacred places where indigenous peoples have travelled, hunted, and lived in the valleys cut by the wind, the Bonnet Plume and the Snake Rivers. There are no special management areas set aside in this area. The government needs to recognize and protect wilderness values and spiritual values of the land.

From Carmacks to Carcross, many Yukon residents — some of them my constituents — have brought forward concerns about the proposed oil and gas dispositions in the Whitehorse Trough.

The Energy, Mines and Resources department has suggested that oil and gas development is needed to meet local market energy needs. However, when it has been questioned about this at public meetings, it has been unable to demonstrate that the government has in place a mechanism to ensure local energy needs will be supplied by any development that takes

place. The NDP Official Opposition is calling for an assurance that this government doesn't plan to export resources without any local benefit or local energy supply. As my colleague, the Member for Mount Lorne-Southern Lakes, said this afternoon, the Southern Lakes region has a high tourism potential. It just makes sense from an environmental perspective, from an economic development perspective, from a health and safety perspective, to protect ecosystems and wildlife habitat, including wetlands, rivers and lakes from destruction. It makes sense to protect the Peel for future generations. A co-governance regime with Yukon First Nations as envisioned in the final agreements and self-government agreements means government's support for devising land-use plans that reduce conflict. We want to see the government engaging in this process now.

As the Leader of the Official Opposition identified, it has been far too many years with far too little progress made. We don't want to be developing a land use plan after damage has been done. Yukon citizens have legitimate concerns about the hazardous wastes that have been found in other jurisdictions as part of oil and gas development. The industry places very high demand on water systems. The hydraulic fracturing method of extracting resources uses toxic and cancer-causing pollutants.

We also need to be sure that we are getting a fair return on our investments. In the budget speech, the Premier spoke about \$420 million in mineral production values. When I look at the budget book, I see the total royalties for that sector estimated at \$200,000. I'd like to know when the Yukon will start to see our first return on investments from major mines. The average life of mines is four to eight years and there are a number of front-end subsidies and tax credits where companies have the ability to write off their costs.

Yukon citizens pay four times more in personal income taxes than corporations pay in tax, so there is a disconnect there, where we do not see a fair return on our resources, and we are looking to this government to ensure that the Yukon public does get the benefit of a fair share of our resources.

Mr. Speaker, the budget fails to meet a number of priorities. I was really disappointed to hear the Premier say that they are estimating a total of \$1 million over the five years of this mandate for a land-based treatment project, and the government is recommending that Jackfish Lake be the location for that. I've seen no evidence of meaningful consultation with Yukon First Nations on the development of a comprehensive alcohol and drug strategy. I know that many Yukon First Nations have developed their own alcohol and drug treatment strategies. I know that First Nations are looking for the Yukon government to work with them and I don't believe that this government is investing enough to meet the needs when we consider how serious a problem there is with alcohol and drug abuse within the territory. The help for those with addictions who need services also has to include meeting their housing needs, and this government has been derelict in presenting a full housing strategy that deals with all of the needs in the territory.

I want to mention the work of the Liard Aboriginal Women's Society in Watson Lake, which has put a lot of effort into land-based culture activities on Frances Lake in Kaska

territory. The Liard Aboriginal Women's Society has recently written to the Premier and to this government, as well as to the federal government putting forward the information that their community is in distress because of suicide, youth violence and drug and alcohol use among youth. They're concerned about the high numbers of women who have been severely beaten and that they need more help and resources to provide services for those in pain.

When we were in Watson Lake, we were given postcards developed as part of a youth violence prevention project where youth brought forward, in their own words, how to address this need. The Liard Aboriginal Women's Society is adamant that this violence targeted at and among youth must not be perpetrated through upcoming generations. "Our children deserve safety and security. This is their birthright in Canada." That's a quote from the letter that they sent to the members opposite. This violence among youth is a result of the disastrous and shameful legacy of the residential school experience in Canada. Early generations of fur traders, prospectors, explorers and with them, missionaries and police, entered into this territory and the aboriginal populations were displaced. There was building on the land of what are now called third party interests. There was over-fishing and over-hunting of resources that had been part of the subsistence economy for generations, and, of course, the rounding up of the children and taking them away to a boarding school environment where they were often cold, hungry or abused. These children weren't allowed to speak their own language or to talk to anyone of the opposite sex, including their family members — their sisters, their cousins — and they were indoctrinated to believe their traditional ways were pagan and unclean. This is a terrible legacy and it has effects throughout the Yukon, so we need to tackle the real needs that come as a result of the residential school.

I have no doubt that many of the adults who have not completed grade 12 here in the Yukon have not done so because of residential school experience. Recently, we heard the Truth and Reconciliation Commission putting out a message that we need to see residential school education in our school systems. As a government, at the primary level right through to adult education and lifelong learning, we need to be working with First Nation partners to improve the success of First Nation people, both in schools and beyond schools. I don't see this government's budget dealing with that as it should.

I look forward to budget debate. I'm here in a spirit of cooperative engagement that the public expects of us. I look forward to having time throughout the coming weeks for a full budget debate, and I want to note before I close that over the past three years more than \$1 billion in government spending has been approved without any debate by MLAs.

People are shocked when they learn that the government routinely spends hundreds of millions of dollars of their funds without any discussion by MLAs. I am looking forward to a cooperative engagement, where we have an indication in advance of the order they are going to be calling departments. I am looking forward to answers to questions that address the questions being asked and are not irrelevant to the debate. I am



looking forward to a full debate on all of the budget items over the weeks ahead. Thank you, Mr. Speaker.

*Applause*

**Hon. Ms. Taylor:** I first want to just thank all the Members of the Legislative Assembly for their comments so far in response to this budget that we are in the midst of debating. There has been a lot of interesting comments put forward, and we will be taking time over the course of the sitting, however long that may be, to debate those issues of importance.

I was just reflecting back to last week, when I was prepping for a radio interview on CBC Friday morning to talk a little bit about the budget on the Premier's behalf. My husband asked me, "What time are you going on CBC?" I said, "Oh, it's after 7:30." My son, who has just turned seven years old, asked, "What's a budget?" I kind of thought, "That's a really loaded question, isn't it?" I had to think about that, because I had to answer it in somewhat simplistic terms, although my son, I swear to God, is going on 20. It started going through my mind, and I said, "It's when we make decisions about money. For example, you go to school. We help fund that school that you go to." That's Whitehorse Elementary, in this case. "It's the transportation — the school bus. You go on the school bus, and we help pay for that as well. Every time we go see a doctor or we have to go to the hospital, it helps fund those expenditures and we also help out our mayor."

He knows Mayor Buckway for the City of Whitehorse. He also knows some of the other mayors around the territory. Helping fund some of our places that we go to spend time and have fun, whether it's skating or whether it's going swimming in our pools — it's providing that infrastructure there. Likewise, when we go skiing or when we go to the museums, for example — some of our day camps or after-school programs are sometimes housed in our museums. It's a good reminder for all of us just how very important these budgets are because they touch every single aspect of our lives.

As a member of this Legislative Assembly for the past nine years I can say that it has been a tremendous honour, and it has been a tremendous privilege to be part of the governing side, as well, to help construct budgets based on the priorities identified by Yukoners and to watch things evolve.

I know for many individuals, it never is fast enough and I know that, even for us on this side of the Legislature, it is never quick enough. Perhaps we're not able to always resolve every single issue at every turn within the time frame we want it to, but I can say that, on behalf of all members, I think our hearts are in the right places and that we are very much committed to doing the right thing. Even though we may perhaps agree to disagree on how we get there, I do believe that we are all in this together and I believe that if there is a will, there is a way to resolve many of these issues.

I was just looking back over the years when I was first elected in 2002 where we were then and where we are today. I just wanted to say that we have come a distance. It's always really important to reflect upon where we have been in order to deliberate where we need to go.

I know there has been some discussion about perhaps lack of vision or lack of planning. You know, when we look over the years, the Yukon Party government has put forth many initiatives under the guise of many strategies and plans put forward, developed in collaboration with many stakeholders and Yukon citizens at large, with our communities, First Nation governments, and many of our expenditures in this budget going forward consists of many of those priorities that were reflected in years past. Whether it was the education reform project that first took foot back in the early days, it has now provided a renewed vision for education in Yukon entitled "New Horizons: Honouring our Commitment to the Future". Back in the day, before I was elected, there was a lot of debate about a lack of focus on First Nation education and making the education system or the way we deliver education more culturally responsive so that we can put our best foot forward and ensure that education does respond to each and every one of our needs.

I believe we are making progress. Whether or not it's quick enough or whether or not there are enough dollars, those remain to be seen. These initiatives do take time. It takes time to put forth strategies and plans. I commend the previous ministers responsible for education for their hard work, working in collaboration with First Nation chiefs and the Council of Yukon First Nations in paving the road map forward.

Likewise, we talked about corrections. I recall the corrections consultation back in 2006 that took place and the years before that when I was the Minister of Justice — I was, unfortunately, the one to bear the perhaps not so great news that the proposed corrections centered that was envisioned at that time was not to go forward, and that, in fact, we were going to embark upon a process that was going to be wholesome, it was going to be comprehensive, that we wanted to place emphasis on delivering programs and services in our communities.

But instead of putting the approach of "build it and they will come", let's put forth the vision toward corrections to be able to really put resources where they need to at the front instead of the end, but also to make it more responsive. Hence, the consultation took place. It led to the adoption of a new philosophy to corrections that really put an emphasis on protection of the public, holding offenders accountable while providing opportunities for rehabilitation which are included in the *Corrections Act*. This has also helped inform the discussions and the planning that led to the new Whitehorse Correctional Centre. I can say that, again, I think it was the right decision to make back then, as difficult as it was. I look at where we were and where we are today and I think we are miles ahead.

Likewise, coming out of the corrections consultation, there was also the victims of crime strategy that evolved from that and the *Victims of Crime Act* that also was born out of that, which was passed by the previous Minister of Justice. We have also been able to proceed with our *Substance Abuse Action Plan*. Part of that was also proceeding on the fetal alcohol spectrum disorder action plan as well.

Of course, out of there came the community court, which placed a greater emphasis on rehabilitation, perhaps serving those who have disorders — whether mental or addictions —

and to be able to place the appropriate resources where they are required at the onset.

As the Minister of Environment has just articulated, I was also very pleased to be part of the climate change strategy that we helped launch and then evolved into the *Climate Change Action Plan* back in 2009. From there, a number of very important initiatives have been created as a result of that. Again, many of those expenditures are housed in the further implementation of that plan within this year's budget as well.

Likewise, the Yukon Energy strategy, which is inextricably linked to the *Climate Change Action Plan*, has also helped us lead to enhanced capacity when it comes to hydro — whether it's the Mayo B project or the extension of our Whitehorse-Aishihik-Faro grid or adding the third turbine to make more efficient use of our water and being able to create more energy — more renewable energy, that is.

Likewise, we were also very pleased to be able to help launch the *Solid Waste Action Plan* back in 2009. When I look back to when I was Minister of Environment, prior to that time, there were a lot of criticisms laid on how we were administering waste in our territory and all of our communities. I will still say that we have a lot of work to be done in our communities, but I can say that again with the collaboration with many stakeholders — whether it's recycling processors, whether it's our community, our municipal governments and those who are working in the waste system — we have made significant changes. We have made improvements. Again, this budget helps reflect some of those expenditures. Housed within our own Department of Community Services, there is just under \$800,000 in new dollars for operation and maintenance in terms of installation of new wells and monitoring, in terms of recycling bins, in terms of meeting increased transportation because of our change to transfer stations, and again to how we manage waste in the territory.

So, again, there are significant expenditures housed within this year's budget going forward, and \$3 million plus in additional dollars in capital infrastructure improvements, as well, that are housed within the Department of Community Services.

Thanks to the good work of the Department of Health and Social Services, we have worked on a wellness strategy, focusing on children, early learning, youth, healthy aging and social inclusion. Again, when we talk about tackling poverty and certainly enhancing inclusion of our society, again, I look over the years, and this year's budget again incorporates the social assistance rates that were raised — I believe more than 25 percent — about three years ago. It also includes expenditures for a Yukon seniors income supplement, which we doubled and how we increased and indexed the pioneer utility grant by about 35 percent. We have enhanced support to our childcare element of society, whether it was direct operating grants, whether it's training, wages, subsidies or public education to promote early learning. This too is housed within this year's budget.

I could go on at great length, but when we talk about support of families — and we'll get into some of the housing — there has been a lot of discussion and so forth of late about land and housing and the continuum of housing that is to be made available.

The Government of Yukon, working with the Department of Health and Social Services and the other two territories, has been able to access a significant number of dollars through what was first known as the territorial health access fund and now has evolved into what has become known as the territorial health system sustainability initiative, or THSSI. That too has been incredibly important for initiatives, such as medical travel. Medical travel that members of my family have depended on greatly over the past few years, and all Yukoners depend on, even pertaining to individuals coming from the communities into the City of Whitehorse.

There is a great level of investment when it comes to working with our partners. I know that the Member for Vuntut Gwitchin was speaking about the Porcupine caribou harvest management plan. That was another initiative that the Government of Yukon, through the good work of the Department of Environment, the Vuntut Gwitchin government, and the seven other partners at the table were able to bring into play, and that was a management plan for the herd, reaching a very historic agreement, I should say, back in April of 2010.

When we talk about ongoing work in the environment, we talked about the *Climate Change Action Plan*, the Yukon energy strategy. Likewise, upon assuming office back in 2002, we did turn our focus to implementing those obligations under our final agreements, when it comes to special management agreements, habitat protection agreements, as well as land use planning — which has had a lot of discussion here through chapter 10. It was this government that has been able to succeed on many, many different fronts when it comes to the special management areas and habitat protection areas.

It was this government that was able to also, in collaboration with Vuntut Gwitchin government, come up with the very first and only land use plan for Yukon, that being the *North Yukon Regional Land Use Plan*. So a lot of energies have been established over the years. Likewise, when we talk about the sustainability of our municipalities going forward, our government initiated a process called Our Towns, Our Future review for the specific reason of focusing on addressing concerns of Yukon municipalities regarding the future sustainability, whether it's funding or infrastructure deficits, recruitment, retention of qualified personnel to help deliver responsible government in those respective communities, as well. That work is unfolding as we speak. There has been a significant amount of work performed by the Association of Yukon Communities and the many municipal governments that have worked toward some 18 different recommendations as to how we can improve on the sustainability.

Likewise, the government was also able to sign a labour market development agreement with Canada back in 2009. There has been a lot of discussion about training and investment in Yukoners, taking advantage of the economic opportunities that may not have been there 10 years ago but are certainly there today. We have enhanced training opportunities significantly through dramatically increasing the number of registered apprentices, providing programs such as Yukon Women in Trades and Technology, targeted initiatives for older workers, the licensed practical nurse program which is also

being renewed after a two-year pilot in this year's budget, and of course, promoting Yukon as a destination for working and for living and for raising a family under the Yukon nominee program as well.

I just wanted to point out some of those plans, some of those strategies that have been in the works for some time and that we continue to work toward the full implementation of respectively. When we look at the specifics in the budget going forward, it sits at the largest ever, \$1.16 billion, of which just over \$230 million is specifically invested toward capital.

As I mentioned, many of these expenditures have been made as a result of the planning that has taken place over the years. We have identified — under land development, for example, there has been significant economic activity in the territory. As I said, that was not always the case, but certainly we have seen the economy flourish and with that we've seen significant population growth and increased demand for housing. That is why, in fact, in this year's budget we have approximately \$35 million identified for land development investments. Of note, we have approximately \$25 million being allocated for the first and second phases of Whistle Bend. That will see the first allotment of lots coming out this fall to the tune of I believe it's 112 lots, with 187 lots to be made the year thereafter.

We have also allocated approximately \$5 million to really kick-start the planning for phases 3, 4 and 5 of Whistle Bend and then of course we also have dollars related to whether it's initiation, scoping, planning of future developments in communities — whether it's Dawson City, Mayo, Watson Lake and the like.

When one looks at the multi-year plan, one will also see that the future investments look even greater. \$42 million is being forecast for the year thereafter — 2013-14; \$47 million for 2014-15; and \$35 million for 2015-16 in terms of transportation infrastructure — again, very critical to continue to invest in strategic infrastructure when it comes to expediting and continuing to stimulate the economy and meeting the needs of our citizens. When we talk about infrastructure when it comes to transportation, we only look to our highways, our bridges, and airports. This budget that we're discussing includes about \$53 million in capital-related expenditures, including continuation of the Shakwak agreement for the Haines Road and the north Alaska Highway. We also have culvert replacements throughout the territory. We have just under \$9 million for reconstruction and surface repairs on the Campbell Highway.

On the Campbell Highway on my recent visits to the communities of Faro and Ross River and Watson Lake — they're very appreciative of the significant investments made by this government of over \$30 million toward the upgrading of the Campbell Highway. That will not only benefit the residents but it will also benefit the visitors as well. There are also expenditures on other roads, and of course, the bridges, as we just heard from the Member for Watson Lake — a significant upgrade to the Upper Liard bridge. There are also dollars allotted for pavement rehabilitation and also rehabilitation of our secondary roads, which is just as important as our primary roads.

Under airports — when we look at airport infrastructure, of critical importance to our local carriers, such as Air North, Yukon's regional airline, and to many others, it's of critical importance to the tourism industry, to the mining industry and to those living in our communities. When we look at the Whitehorse International Airport terminal building, we've seen significant growth in air access — those people who are enplaning and deplaning over the last five years — I think it has been close to perhaps about a 30-percent increase.

That's primarily attributed to just the growth in our population, the growth in visitation, and the growth in our economic sectors, whether it be mining or tourism or otherwise.

So I'm very pleased that this budget also comprises just under \$4 million allocated for work in community-based airports and airstrips — when we look at airstrips, also to help facilitate jet service to communities such as Dawson and Old Crow as we've seen with Air North. That has been hugely received, and I know that the Member for Vuntut Gwitchin is especially appreciative, and I also appreciate hearing his excitement. We look forward to seeing the final vote on the budget, as well, to see how large that excitement is.

When we also looked to this budget in the area of building development and maintenance — of course, when you look around the territory, we own and we maintain a significant portfolio of buildings throughout the territory and we continue to grow those buildings. This budget again includes just over \$14.5 million for the building program, whether it's maintenance, renovations, or space planning, led by Property Management Division under Highways and Public Works.

We appreciate this too. This is actually an increase of about \$2.5 million from the year before, and that is something that the Yukon Party government first initiated about three years ago, providing that line item of ongoing expenditures for the routine maintenance of our buildings, which is very much appreciated.

On the development side, of course — new construction. The budget provides some very integral and much-needed investment in all of our respective communities and actually — Mr. Speaker, seeing the time, I move that debate be now adjourned.

**Speaker:** It has been moved by the Minister of Community Services that debate be now adjourned.

*Motion to adjourn debate on second reading of Bill No. 6 agreed to*

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

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

*Motion agreed to*

**Speaker:** This House stands adjourned until 1:00 p.m. tomorrow.

*The House adjourned at 5:28 p.m.*

**The following Sessional Papers were tabled March 19, 2012:**

33-1-28

Absence of Members from Sitzings of the Legislative Assembly and its Committees: Report of the Clerk of the Yukon Legislative Assembly (dated March 15, 2012) (Speaker Laxton)

33-1-29

Appointments to Major Government Boards and Committees, Standing Committee on: First Report (dated January 25, 2012) (Hassard)