

**Yukon Legislative Assembly**  
**Whitehorse, Yukon**  
**Thursday, March 22, 2012 — 1:00 p.m.**

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

*Prayers*

**DAILY ROUTINE**

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

Tributes.

**TRIBUTES**

**In recognition of World Water Day**

**Hon. Mr. Dixon:** Mr. Speaker, I rise today to pay tribute to World Water Day, which of course flows hydrodynamically with my tribute to Canada Water Week earlier this week.

World Water Day reminds us how valuable our water resources are and the responsibilities that come with being stewards of this resource. A clean and secure supply of water is essential to our health, our vibrant communities and the environment that supports them.

Water is also central to growing our food and to the operation and growth of our resource sector, such as agriculture, energy, mining and forestry. Some industries, such as agriculture and placer mining, depend entirely on the availability of water.

Access to safe, clean drinking water is essential. Most Yukoners receive their water through a large public drinking water system that is regulated through the *Public Health and Safety Act* drinking water regulations.

Supply and distribution is undertaken by the Yukon government, municipalities, First Nation governments, and it varies by community. Many Yukoners also have private wells. Wells can provide safe, reliable sources of water for families and businesses not serviced by large public drinking water systems or truck delivery. Programs exist to help homeowners finance well construction.

Yukon's water resources are also affected on a daily basis by our changing climate. Water is linked inextricably with climate. The warming trend recorded over the past decade shows up in changing precipitation patterns, widespread melting of snow and ice, increases in atmospheric water vapour through increasing evaporation and changes in soil moisture and runoff; however, it is difficult to pinpoint exactly how climate change is affecting the hydrological cycle at the Yukon scale among all the other variables that affect climate or water or both.

While there is broad agreement that changes affecting Yukon water resources will occur, they vary from region to region. Our government remains committed to developing a Yukon water strategy for Yukon that will provide some guidance to the many departments and branches of government that have a role in managing water resources. We hope that a water strategy will guide us forward to better understand and manage

our groundwater, to maintain access to safe drinking water for Yukoners and to plan for the water needs now and in the future.

To date, our government has developed an innovative tool for disseminating information about Yukon's water resources, which is [www.yukonwater.ca](http://www.yukonwater.ca). There is information about how water is used, managed and monitored.

In closing, 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 World Tuberculosis Day**

**Hon. Mr. Graham:** I rise in the House today to ask my colleagues to join me in recognizing March 24 as World Tuberculosis Day. The theme this year is "Stop TB in our lifetime." World TB Day provides the opportunity to raise awareness about this global epidemic and efforts to eliminate the disease.

One-third of the world's population is currently infected with the germ that causes TB. On World Tuberculosis Day, you can make an individual call to stop TB in your lifetime. There are two types of TB: latent and active. People with active TB have the germ and are sick with the disease. They may infect others. People with latent TB have the germ, but it is dormant. Healthy people have about a 10-percent chance of developing active TB during their lifetime. Infected people who are also immune suppressed have a much higher risk of developing the active disease.

TB can affect any part of the body but most often it is found in the lungs. When people who have pulmonary TB cough or sneeze, they can propel the germs into the air and people who share the same airspace with them may become infected by inhaling the germs. In 2010, 8.8 million people worldwide became ill with TB and 1.4 million of them died. In 2011, the Yukon had four cases of TB, two of whom had active TB in their lungs and a total of 52 contacts between them. Contact tracing conducted by the Yukon Communicable Diseases Control unit identifies family, friends and co-workers of TB patients.

Preventive treatment can reduce by 90 percent the risk of the person developing active TB. Successful preventive treatment of even one person can lessen the threat of TB for hundreds of people in a community. If we hope to stop TB in our lifetime, we need to ensure that all TB cases and their contacts with latent disease receive treatment.

I encourage those who are affected by TB, whether latent or active, to take steps to protect their family and friends by accepting the treatment offered to them. Effective preventive therapy can stop TB in our lifetime.

**In recognition of World Water Day**

**Ms. White:** I rise today on behalf of the Official Opposition to pay tribute to World Water Day. Water is life. We are mostly water. Water is something all life has in common. Water is something wars are fought over and people have died for, and continue to die for.

This is Canada Water Week, supported by the Royal Bank of Canada Blue Water Project. Since 2007, RBC has been sup-

porting organizations worldwide that protect watersheds or ensure access to clean drinking water. The company is also encouraging the growth of water businesses in North America. This year's Canada Water Week theme is "Discover your water footprint." It encourages individuals to consider water embedded in the food and other products we use, combined with water we use in our homes, to amount to our total footprint. This is a wonderful activity to raise consciousness about water use.

Individual and residential use accounts for 14 percent of Canada's annual water intake. According to the National Round Table on the Environment and the Economy, the natural resource sectors in Canada collectively account for the other 86 percent of the total water intake in Canada. So today we think also of those industries that make up Canada's economy and that depend so much on Canada's water to conduct their business and make money — oil and gas, agriculture, mining and manufacturing.

Canada Water Week is a relatively new celebration of water from coast to coast to coast, taking place the third week of March to coincide with the special events for the UN World Water Day on March 22, which was started in 1993. Today's World Water Day theme is "Water and Food Security". On July 28, 2010, the United Nations General Assembly explicitly recognized the human right to water and sanitation, acknowledging they are essential to the realization of all human rights. The Government of Canada did not support this resolution.

On the planet, there is a fixed amount of water. There is one water. Constantly renewed through the hydraulic cycle, this one water may be what we have in common, but there are different values assigned to it. Between them, Canada Water Week and World Water Day cover the full breadth of humanity's very important debate over water. On the one hand, as part of its Blue Water Project, RBC is encouraging the growth of water businesses in North America, and on the other hand, across the planet, water-deprived peoples everywhere are looking to the UN resolution on the right to water as a framework for water management and distribution.

Humanity's current discussions about water are about how we value it. Water business is about marketing rules and about putting a price on water. Incentives for water management will flow from the price we put on it, and economic benefits presumably will trickle down.

In an effort to support business right now, our federal government can use schedule 2, a loophole in the metal mining effluent regulation of the federal *Fisheries Act*. It allows metal mining corporations to make use of lakes and rivers as toxic dump sites. Once added to schedule 2, healthy freshwater lakes lose all environmental protections. Others consider the market framework unsuitable for water management. They say that the potential to profit from water increases with its scarcity, and this is why the market rules are not well-suited for water conservation, protection and management.

Many peoples consider water as priceless — invaluable. They think of water in nature's framework that considers broader ecosystem needs that can't be measured in an economic ledger or as part of the gross domestic product statement.

As we consider this discussion in the Yukon, we would like to pay tribute today to the visionary and inspiring work of the Yukon River Inter-Tribal Watershed Council, made up of 70 First Nations. Their mission serves all life. Simply put, in 50 years, they want to be able to drink directly from the Yukon River. With this mandate, they have started the work to be good stewards of the Yukon River watershed and its tributaries and restore and preserve its health for the benefit of future generations.

On this World Water Day we celebrate and pay tribute to the Yukon River Inter-tribal Watershed Council.

### In recognition of Yukon Council on Disability

**Hon. Mr. Nixon:** Mr. Speaker, I rise today in the House to pay tribute to the Yukon Council on Disability and the upcoming 10<sup>th</sup> annual Disability Expo, which they spend a great deal of time organizing for the public.

The continued success of this expo is a tribute to YCOD itself and to the individuals living with disabilities in the Yukon. This year's theme is "Together for a better world".

We are fortunate to have a very vocal community that lets us know what we can all do together to make this a better community. Similarly, people with disabilities are getting educated; they are working; they are dealing with family issues; and they are enjoying living in this community, all while coping with a disability. They don't ask for handouts or special favours; they simply want to be treated with dignity, respect and equality.

Please join me and other MLAs at the event this Saturday, March 24 at the Canada Games Centre where more than 20 exhibitors will be present to answer your questions and share information related to disability issues such as accessibility, transportation, workplace and education, just to name a few.

You will be able to try your hand at wheelchair basketball and to use those same hands to learn a few phrases in sign language. It's a whole new world out there and we should be very proud of that.

### In recognition of World Water Day

**Mr. Elias:** I rise today on behalf of the Liberal caucus to pay tribute to World Water Day 2012. Yukon joined with other provinces and territories during Canada's second annual Water Week starting March 17 and culminating today on World Water Day. This international day to celebrate fresh water was recommended at the 1992 United Nations Conference on Environment and Development. The United Nations responded by designating March 22 as World Water Day. World Water Day is a means of focusing attention on the importance of fresh water and advocating for the sustainable management of freshwater resources.

This year's Canada Water Week theme is "Discover your water footprint." Water is an important resource required to sustain human life and ecosystems. A water footprint is a means of measuring our direct and indirect water use and in the process, promotes the protection of fresh water in Canada from coast to coast to coast.

Climate change is associated with higher global temperatures and increasingly erratic weather patterns such as

droughts, tornadoes, cyclones and floods. By impacting the availability and distribution of rainfall, snowmelt, river flows and groundwater, climate-related disasters can disrupt water supplies, cause deterioration of water quality, destroy agricultural sources and cripple infrastructure.

Less than one percent of the Earth's water is suitable for drinking and one in eight people do not have clean drinking water and 40 percent of those live in Sub-Saharan Africa. Unsafe drinking water causes water-borne diseases, and without access to clean water, world health is in jeopardy. In Canada, our vast country is home to some of the largest, most beautiful and economically important rivers and lakes in the world. The protection and conservation of our water resources is growing globally to ensure future resiliency. Access and availability of freshwater resources are of crucial importance to the environment, economy, health and prosperity of communities worldwide.

We must protect safe and reliable community water supplies. We must encourage sustainable use of water resources to ensure human and ecosystem needs are met. We must be responsible water stewards to ensure safe and secure water supplies for all Canadians. We must strive for healthy rivers, living lakes and protected watersheds.

Not only is water essential to our very lives, it is essential for future generations. Nature, wildlife and ecosystems also depend on a sustainable, clean water supply. We would like to acknowledge and thank all Yukoners who are responsible citizens and respectful of our water systems and advocate management of our water.

On a personal note, Mr. Speaker, I can't associate water without thinking of my respected late elder John Joe Kyikavichik, who passed on last year.

During the very first Peel River Watershed Advisory planning meeting in Dawson City — I believe it was six years ago — he made a water speech that was absolutely incredible. He talked about the need for water from the smallest bumblebee to the biggest blue whale. I will never forget that speech and the influence it had on the planning process. I will leave it with that, Mr. Speaker. Thank you.

**Speaker:** Introduction of visitors.

## INTRODUCTION OF VISITORS

**Hon. Mr. Pasloski:** Mr. Speaker, I rise today, with your indulgence, to introduce the U.S. Consul General, Vancouver, Anne Callaghan, and also Charles Smith, who is the public affairs officer for the U.S. Consulate General office in Vancouver, B.C. They have been in Yukon this week as the Yukon is part of their jurisdiction of British Columbia and Yukon. Just earlier today, I had the honour to represent Yukoners to receive a plaque on behalf of all citizens of the United States of America, acknowledging support and thanks for our efforts and role that we played during the terrible day of September 11, 2001. I would ask all of my colleagues here to not only welcome our guest to this Chamber, but to the Yukon as well.

*Applause*

**Hon. Mr. Kent:** It's my pleasure to rise today to welcome long-time Yukoner and long-time volunteer with the Canadian Cancer Society, Mr. Gerry Whitley.

*Applause*

**Hon. Mr. Kent:** I'd also like to remind Yukoners that next week the symbol of the Canadian Cancer Society — the daffodils — arrive in Whitehorse, and I encourage everyone to purchase daffodils as their support to fight back against this terrible disease.

**Speaker:** I would like to introduce Tracy-Anne McPhee, Yukon Ombudsman and Information and Privacy Commissioner. We're pleased to have her join us today for the tabling of her reports. We also appreciate her commitment and her dedication to the offices she holds.

*Applause*

**Speaker:** Tabling reports and documents.

## TABLING RETURNS AND DOCUMENTS

**Speaker:** Under tabling returns and documents, the Chair has for tabling the *2011 Annual Report of the Ombudsman* and the *2011 Annual Report of the Information and Privacy Commissioner*.

Are there any further returns or documents for tabling?

Are there reports from committees?

Are there any petitions?

Are there any bills to be introduced?

## INTRODUCTION OF BILLS

### Bill No. 39: Introduction and First Reading

**Hon. Ms. Taylor:** I move that Bill No. 39, entitled *Business Law Amendment Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Minister of Community Services that Bill No. 39, entitled *Business Law Amendment Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 39 agreed to*

### Bill No. 40: Introduction and First Reading

**Hon. Mr. Pasloski:** I move that Bill No. 40, entitled *Act to Amend the Financial Administration Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Hon. Premier that Bill No. 40, entitled *Act to Amend the Financial Administration Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 40 agreed to*

### Bill No. 38: Introduction and First Reading

**Hon. Mr. Graham:** I move that Bill No. 38, entitled *Act to Amend the Child Care Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Minister of Health and Social Services that Bill No. 38, entitled *Act to Amend the Child Care Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 38 agreed to*

### **Bill No. 36: Introduction and First Reading**

**Hon. Mr. Kent:** I move that Bill No. 36, entitled *Act to Amend the Liquor Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the minister responsible for the Yukon Liquor Corporation that Bill No. 36, entitled *Act to Amend the Liquor Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 36 agreed to*

**Speaker:** Are there any further bills to be introduced? Are there any notices of motion?

### **NOTICES OF MOTION**

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

THAT this House urges the Government of Yukon to develop a comprehensive water strategy based on the vision of the Yukon River Inter-Tribal Watershed Council, which is, “to be able to drink water directly from the Yukon River” and, toward the fulfillment of this vision, commit to:

- (1) prioritizing watershed sustainability;
- (2) creating a full inventory of Yukon’s water resources;
- (3) gathering baseline data of Yukon’s water resources;
- (4) including elders’ knowledge and traditional law; and
- (5) creating clear and enforceable standards for drinking water and to govern industrial use.

**Speaker:** If there are no further notices of motion, is there a statement by a minister?

This brings us to Question Period.

### **QUESTION PERIOD**

#### **Question re: FASD supportive housing**

**Ms. Stick:** Mr. Speaker, last December the NDP expressed concern that the government had announced an expansion project for Options for Independence while it was under investigation. We heard of substantial issues with Options for Independence, including questions about the operation of the board, the safety of residents and the fairness of evictions.

The Minister of Health and Social Services assured us that a Management Board submission would proceed and that several conditions would be met prior to any funding taking place. Can the Minister of Health and Social Services provide us with an update about the Management Board submission, including what conditions were met by OFI, and how?

**Hon. Mr. Graham:** Mr. Speaker, at this time there are still a few issues with respect to Options for Independence being in good standing with the *Societies Act*. Until those issues are cleared up, we will be delaying, for a short time, the 14-unit expansion.

However, this government did make a commitment in the last election that we would be going ahead to increase the supply of supported living units for adults with FASD, and we intend to fulfill that commitment. As the member opposite has

probably already noticed, there is money in our budget for housing for FASD clients, and we will be going ahead with that.

**Ms. Stick:** I would like to thank the minister for his answer. I just would like to confirm with him that the allocated \$2,950,000 that was in the capital plan projects will remain in the budget for that project.

**Hon. Mr. Graham:** The Management Board did approve funding for \$2 million from the Yukon Housing Corporation to provide a mortgage to OFI once they have their issues cleared up. There will also be some money coming through from CMHC’s affordable housing initiative — again, once the issues with OFI are cleared up.

**Ms. Stick:** Our territory is fortunate to have many compassionate and skilled front-line workers and volunteers. The experience and expertise of organizations like the Fetal Alcohol Syndrome Society of Yukon, Yukon Association for Community Living, People First Society and Challenge should be included in the conceiving and designing of housing options for individuals with fetal alcohol spectrum disorder or with mental disabilities.

We want to be assured that the Minister of Health and Social Services has consulted and worked with all agencies.

My question: how is the minister including the expertise of these groups in all long-term capital planning for housing options for individuals with fetal alcohol spectrum disorder or with mental disabilities?

**Hon. Mr. Graham:** We have an ongoing dialogue with many of these groups, including the homelessness group here in the city. I am trying to meet with them on an ongoing basis. We hope that once the issues with the Options for Independence Society are cleared up, we will be able to proceed with the construction of their building. However, they did present a proposal — some time ago, actually — to the Yukon Housing Corporation, which was, at that time, accepted as a proposal for this building. Therefore, there might be some planning that must be done with the board. Basically, the option for the independent plan that was presented was the one that the money has been committed for.

#### **Question re: Youth homelessness**

**Ms. White:** I want to share with all present a poster that was on a bus in Vancouver. It said, “A lost cat wanders the street and the neighbourhood is alerted; a homeless 16-year-old wanders the street and people really hope they find the cat.” This is a stark reminder that homeless youth are an invisible population and that society often gets more caught up in the day to day, without ever considering what happens to displaced youth. This has certainly been the case here in the Yukon and it needs to change.

My question is this: is the Minister of Health and Social Services aware of this problem and does he plan to address it?

**Hon. Mr. Graham:** I think it almost goes without saying that we are very aware that there is a problem. We have an interim youth shelter. It’s not in an excellent position, perhaps, and it’s probably difficult for some youth to go to that shelter, but at the present time, we are contacting the various youth groups in the City of Whitehorse with a view to includ-

ing them in any planning for any new options for a youth shelter in the city.

**Ms. White:** I thank the minister for the answer; he has almost already answered this, but with all the experience of all our local youth organizations, with all the data they have collected over the years and with their insight into this matter, will the minister, as he just has, commit in this House today, to speak to these organizations and take an immediate, positive action to find a solution that works for youth before the snow flies this next winter?

**Hon. Mr. Graham:** Mr. Speaker, just earlier this week I gave direction to my department to contact the various youth groups in Whitehorse. I think all of them were mentioned in the motion yesterday. My department is in the process of getting a meeting together with those groups and with officials. I hope to make an appearance there myself, other duties permitting. At that time we will discuss what we will be doing in the future.

#### **Question re: Affordable housing**

**Mr. Silver:** Mr. Speaker, there is no doubt that we have a housing crisis in the Yukon. Rental accommodations are scarce and expensive. No one is interested in building rental properties, and this has been identified by both the Whitehorse Chamber of Commerce and the Klondike Development Organization. Many renters are forced to accept substandard housing at high prices because they have nowhere else to go. Housing prices continue to rise, and they are going up faster than most Yukoners can afford. Last November, the average Whitehorse price passed \$450,000 — an increase of almost \$80,000 from the year before and \$28,000 from the three months before.

Before I go any further, I would like to make sure that the minister is on the same page as Yukoners. Does the minister share the view that prices this high and rising this fast do not meet the housing needs in the Yukon?

**Hon. Mr. Kent:** As I mentioned earlier this week on the floor of the Assembly, housing of course was, for me and a number of my colleagues and I'm sure colleagues across the floor, the number one issue that was identified by many Yukoners during the recent election. It's something that I think we as a government moved very quickly to address. Two days after we were sworn into Cabinet, the Premier made an announcement of an RFP for Lot 262 at the junction of Range Road and Mountainview. We need to add stock; we need to add lots; we need to increase the supply to address the price pressures that are affecting the housing markets. Here in the Yukon, our population has gone up. The economy has continued to boom over the past number of years and I think the actions that we showed two short days after being sworn in as government Cabinet spoke to what we recognize as the number one priority of Yukon, and that's housing.

**Mr. Silver:** The Yukon housing shortage is more than just an accidental mismatch between supply and demand and it's more than an unfortunate side effect of our growing economy.

The housing shortage is made worse by high lot prices and, as the minister opposite is aware, the government has a lot to

do with creating these lot prices. For example, the government tried recently, and failed, to sell a Whitehorse Copper country residential lot for \$200,000. That same lot was on the market in 2007, 2008 and 2009. Back then, it was on the list for half as much. The lots offered by this government in Kluane and in Klondike are further examples of failure of simple economics — supply should meet the demand. Why this government is not doing more to offer incentives to the private sector to develop lots and therefore create supply that does fit the demand is beyond me.

Does the minister think that government increases to lot prices will make the housing crisis better, or does he think that these increases are going to make the situation worse?

**Hon. Mr. Cathers:** What I would like to get emphasized to the Member for Klondike is, as my colleague the minister responsible for Yukon Housing Corporation indicated, this is a high priority for the Yukon Party and for the Yukon government. This is something that we identified in the election campaign as one of our main areas of focus in this mandate. We have taken a number of steps, including the innovative approach to Lot 262 on Range Road — near the corner of Range Road and Mountainview.

That lot will be proceeding very shortly toward the next stages and tenders will be sought for developing that lot, with the condition that a certain amount of affordable housing has to be developed on-site — a minimum number of units, that is. Again, what I would point out to the member, in reference to the specific examples of costs he gave, is that those decisions are made by officials in accordance with current pricing policies. Pricing policies and what goes into that are things that my colleagues and I will be looking at, because we consider providing an adequate supply of affordable lots a very important part of ensuring that Yukoners have access to affordable housing opportunities.

**Mr. Silver:** Same answer — a different minister. Yukoners understand that lot prices have gone up a lot. After all, they are the ones who are digging deeper and deeper into their pockets to actually pay for these higher prices. What they can't understand is why the government is effectively controlling the fair market value in lot prices in this territory. In Whitehorse, lot prices have increased by 170 to 200 percent since 2007 — 200 percent. There are 11 government lots being developed in the northeast section of Dawson, and this government is asking for \$70,000 to \$115,000 per lot. Who is doing their market research? The demographic looking for housing identified in local surveys cannot afford this. Their salaries have not increased 200 percent since 2007. The department's 10-year failure to get lots to market created an artificial land shortage in the territory. The territory is the size of France with a population that is less than one-tenth of one percent of that population. We are chasing people out of this territory. How does the minister —

**Speaker:** Order please. The Minister of Community Services.

**Hon. Ms. Taylor:** Mr. Speaker, as I articulated on the floor of the Legislature yesterday and in days past as well, this government is very much committed to making affordable land

readily available, and we are working with our municipal stakeholders, and we are working with many others including First Nation governments and so forth to make land available.

In fact, Mr. Speaker, that is why we have incorporated approximately \$35 million in this year's budget that we are currently debating on the floor of the Legislature. This money is in support of land development projects, ranging from Whitehorse to Watson Lake to Mayo to Dawson City, Carmacks and many other areas as well.

In fact, we will be making available more than 300 residential properties by the end of 2013, least of which will include just over 100 lots being made available this fall in phase 1 of the Whistle Bend subdivision here in Whitehorse.

So rest assured — we recognize this is an issue of importance and we remain committed to working on this across government.

#### **Question re: Affordable housing**

**Mr. Elias:** Housing seems to be a hot potato for the government today. Mr. Speaker, given the struggles many Yukoners experience finding stable, affordable housing, I will return to the topic my colleague introduced here today. Our rising population drives up demand for housing. The Yukon's population has grown by 11.6 percent since 2006, almost double the rate in the rest of the country and double the Yukon's rate in the five years before that.

Rising demand without rising supply creates rising rents. It's the most basic economic process. Vulnerable families are getting squeezed out of the territory they call home and would-be new Yukoners are discouraged from coming because they can't find a place to live.

How was the minister so unprepared for this inevitable effect on our housing market?

**Hon. Ms. Taylor:** Mr. Speaker, when it comes to making housing available in the territory, the Government of Yukon is very much committed to providing a continuum of housing options, ranging from the harder-to-house; ranging to continuing care; ranging to palliative care; to acute care; and of course to housing and making land readily available.

Housed within this year's budget that we are currently debating there is approximately \$35 million available for land development. That will equate to approximately 300 residential lots being made available by the end of 2013. In addition, there are monies available for second-stage housing for those families who are fleeing abuse. There are also additional monies for additional beds to be made available at Whitehorse General Hospital, for the Thomson Centre for continuing care purposes. This government also builds on the 40-percent increase in the social housing stock that the government has invested in in recent years — again, over \$100-million investment in previous years. So, again, we recognize that this issue is of utmost importance to the Yukon and we are working to make more available.

**Mr. Elias:** Well, here are a couple more facts that the ministers have missed today, because I have heard three ministers get on their feet today and say that housing is a high priority, yet the line item the minister is talking about has been cut and the five-year capital plan — long-term plan — there is no

plan. It has one year in the long-term capital plan in the budget. Case in point: in their budget briefing they said that this Yukon Party government, for approximately four years now, has kept \$17 million out of the housing market — \$17 million, Mr. Speaker. That speaks for itself.

We have established that the government continues to fail to address Yukoners' needs today and it ignores our growing population's housing needs and jacks up the prices on the few lots available. Unfortunately, we also have serious concerns about the government's plan for the future. Like I said, this year's long-term capital plan lays out how much money will be available to build new social housing units. There is only \$2.95 million in that budget. There is nothing for the year after that or the year after that or the year after that. How much capital money has the minister set aside for future years?

**Hon. Ms. Taylor:** Well, Mr. Speaker, actually if the member opposite looks to future years out, the dollar item for the line item associated with land development in the territory is on the rise. Much of the \$35 million — approximately \$25 million — is going toward the first phase of Whistle Bend lot development, to be made available this fall, to the tune of about 112 lots being made available, with an additional 187 lots to be made available the year after. In addition to that, we are making available 20 industrial lots in Dawson City, 49 single-family lots and three multi-family lots in Haines Junction, and five country residential lots in Destruction Bay.

As well, we are working with municipal First Nation governments on additional land development projects, whether it's in Dawson City, Mayo or Carmacks. These projects and many others, inclusive of our housing projects that are on the go through the Yukon Housing Corporation, the Department of Health and Social Services, and through the Department of Energy, Mines and Resources, in making more affordable rental properties available — these are helping to meet this government's commitment to making land and housing available to all Yukoners.

**Mr. Elias:** Mr. Speaker, I know that this Yukon Party government likes to put full-page ads in the newspaper. Maybe this government should put in a full-page ad explaining to Yukoners why they withheld \$17.5 million in public money to adjust the housing needs in this territory. Whatever they are doing, it's not good enough — shame on this government.

The government's plan for future social housing units is no plan at all. In the line item I am talking about here, there is only \$2.95 million. This is the long-term five-year forecast. The year after this year, there is nothing. Following that year, there is zero — not one penny; not one dollar. No plan — this government knows it. The issue today is that they are withholding millions of dollars. Finance officials told us it's still in the bank; yet people can't even find a place to stay in the capital city or in rural Yukon. Address the problem. How does the minister justify —

**Speaker:** Order please. Order.

**Hon. Mr. Kent:** As I've said earlier this week during Question Period, you'll find the previous Yukon Party government built a substantial amount of affordable housing — \$100 million invested, a 40-percent increase in affordable housing

during that term. That was then. This is now. One only has to look at the budget that's before this Legislature right now to see what this Yukon Party government is doing to invest, not only in affordable housing, but all along the housing continuum.

We have four ministers here who are responsible for different aspects of the housing needs of Yukoners: the Department of Health and Social Services, through housing for FASD clients — as mentioned earlier, Options for Independence, the women's shelter and the expansion there through Kaushee's Place that was announced by the Premier and the minister responsible for the Women's Directorate; substantial investments through the Yukon Housing Corporation in social housing and staff housing and, of course, the additional lots that are being made available. There is \$35 million invested in this budget for additional lots and the affordable rentals that are being managed through the Department of Energy, Mines and Resources. We've done an awful lot and we look forward to doing an awful lot more to address this.

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

**Mr. Barr:** Members of the NDP caucus have attended every one of the Whitehorse Trough oil and gas meetings over the last two months. At every meeting, and shown through the comments on-line, Yukoners are overwhelmingly opposed to this disposition process in the Whitehorse Trough. Tagish, Whitehorse, Laberge, Mount Lorne, Carcross, Marsh Lake and Carmacks have all said no. These are the Yukoners who are in the front line.

I ask the Minister of Energy, Mines and Resources: if the public speaks out and says no, as it has, will you exercise your authority under the Legislature and refuse the request and terminate the proposals?

**Hon. Mr. Cathers:** Again, what I would emphasize to the member, as I indicated at the start when announcing we had received these requests, is the opportunity to apply for oil and gas rights within the Whitehorse Trough has existed for quite some time.

This came as a surprise because this is the first time anyone had actually requested rights in the area and, again, as I indicated when I announced that we had received this. Following public consultation, the government will make a decision. It has to make a decision of whether to approve going to the next stage and accepting bids in all of the areas, some of the areas, or none of the areas. That decision, I would clarify for the member, would be made by caucus — by my colleagues and I — following the conclusion of that process and once I have received the report from officials who are doing the consultation work. We certainly will provide for the opportunity for the public consultation to conclude and will make the decision following that conclusion.

**Mr. Barr:** Mr. Speaker, the decision to move ahead rests solely with the Minister of Energy, Mines and Resources. Only he has the authority on a decision that will affect thousands of Yukoners and that will affect water, habitat and wildlife for generations to come. Again, Mr. Speaker, I ask the min-

ister: yes or no? Will you stop this process if Yukoners tell you to?

**Hon. Mr. Cathers:** Again, Mr. Speaker, what I would clarify for the member is that as part of the team-Yukon approach, the team — the caucus — will make the decision on what to do following public consultation. As I emphasized when announcing that we had received this request for oil and gas rights in the Whitehorse area, the opportunity to apply for these rights existed for quite some time.

This came as a surprise because it is the first time there has been this expression of interest. I indicated at the start of that that we wanted to provide full opportunity for the public to consider both the benefits and any potential concerns and to make the government aware of their perspective on this. We are currently in the last stages of public consultation. Following that consultation — as I emphasized when first announcing this — government then has to make the decision whether to go to the next stage and issue a call for bids in all of the areas, some of the areas, or none of the areas. That decision will be made following the conclusion of public consultation.

**Mr. Barr:** Yukoners are not feeling very trusting of the Yukon Party government's commitment to listening to the people of the Yukon, the public of the Yukon. They want clarity and to know that the Yukon Party government will listen to their voices. The people are saying no.

Again, I ask the minister: yes or no?

**Hon. Mr. Cathers:** Again, I point out to the member opposite, as he knows very well, the NDP has been doing everything they can to try to foster people's fears and to get them concerned about this. Again, as I indicated at the outset of this process, the opportunity to apply for oil and gas rights in the Whitehorse area has existed for quite some time under the *Oil and Gas Act* brought in by the NDP.

The NDP left the door wide open to shallow fracking. We will shut that door. As I emphasized at the start, following the conclusion of public consultation, we will have to make the decision whether or not to go to the next stage and accept bids in all the areas, some of the areas or none of the areas. That decision has not been made and will not be made until public consultation has concluded at the end of this month.

**Question re: Oil-fired appliance safety**

**Ms. Moorcroft:** Mr. Speaker, I'm again going to ask a very direct question to the Premier, and I hope he rises and gives a clear yes-or-no answer. Is the Premier considering a public inquiry into the January carbon monoxide poisoning deaths of three adults and two children in Porter Creek? Yes or no?

**Hon. Ms. Taylor:** Mr. Speaker, as the Premier has already articulated, and as I have also articulated yesterday, the Government of Yukon will be looking very closely at the results of the investigation that is currently underway by the coroner. That work is currently underway. In fact, when we receive that report, we will be reviewing the findings. Once we have had that opportunity, we will be in a much better position to fully assess the circumstances that led to this very tragic incident and determine what actions may be required in the various parts of government.

So, again, it's very essential that we let the work of the coroner be completed, simply out of respect for the objectivity of her work in this regard.

**Ms. Moorcroft:** The record will show that the Premier did not respond to these questions when he was asked them yesterday and has not responded today. Yukoners want to see positive action so these types of tragedies don't happen again. The NDP caucus has been clear. We believe we need a public inquiry to move forward. But this government has not been clear.

Yesterday, one Yukon Party minister said they were waiting for the coroner's report before determining what they would do, which seemed to indicate that the government has not ruled out a public inquiry. Meanwhile, another Yukon Party minister said the formation of an oil furnace working group was "the final piece to this puzzle". The public has been puzzled by this government's response to this tragedy, and now they're confused by two ministers saying different things.

Will the Premier please rise and provide the public with some clarity? Is this government considering that a public inquiry will be required to get to the bottom of this tragedy and move forward?

**Hon. Mr. Kent:** Yesterday when we rose in this House to respond to this, both the Minister of Community Services and I touched on three separate issues — one, of course, is the coroner's report that the minister spoke about in the previous answer; second is, of course, the work on the *Landlord and Tenant Act*; and third is the formation of a working group that has been tasked with coming up with an action plan to address the status of oil-fired appliances and oil tank safety here in the Yukon.

We've tasked an expert — acting vice-president of the Yukon Housing Corporation and a certified oil burner mechanic — with chairing this working group. It's going to be a working group of experts, which will come up with an action plan for us to address the status of those oil-fired appliances and, of course, the oil tank safety, which made up a little better than 50 percent of the concerns that were identified in the reports from Mr. Corea. That's what we're doing as far as addressing the safety and the status of oil-fired appliances and oil tanks here in the Yukon.

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

## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### Bill No. 4: *Interim Supply Appropriation Act, 2012-13* — Second Reading

**Clerk:** Second reading, Bill No. 4, standing in the name of the Hon. Mr. Pasloski.

**Hon. Mr. Pasloski:** I move that Bill No. 4, entitled *Interim Supply Appropriation Act, 2012-13*, be now read a second time.

**Speaker:** It has been moved by the Hon. Premier that Bill No. 4, entitled *Interim Supply Appropriation Act, 2012-13*, be now read a second time.

**Hon. Mr. Pasloski:** Let me start off by again saying that, as we move forward with a new budget, what you're seeing is record investment in the Yukon with no tax increases.

Now, I was very disappointed, not only in the response to the budget by the Leader of the NDP, but from her entire caucus. I go back to what they talked about and what the Leader of the NDP talked about in her response to the throne speech, where she talked about the Official Opposition really being a positive voice in the Assembly. She said that the government would be wise to listen to this opposition and that the Official Opposition is offering the government suggestions and proposals.

But what did we hear in their responses to the budget? All we heard was negativity and criticism. The NDP offered no plans; they offered no solutions. Their responses have been reckless and certainly to their own end. They continue the legacy of the NDP of really trying to paint a picture without telling the whole story.

Now, an example of this hypocrisy comes from the NDP leader's statement on the budget response which —

#### Unparliamentary language

**Speaker:** The word "hypocrisy" is out of order used in that manner, or in any manner.

The Premier has the floor.

#### Withdrawal of remark

**Hon. Mr. Pasloski:** It is withdrawn.

An example of talking out of both sides of their mouth is the NDP's statement —

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

#### Unparliamentary language

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

**Ms. Moorcroft:** I would ask on your point of order that the member opposite withdraw the use of the remark "hypocrisy" and that he also not substitute other phrases that are also unparliamentary. Thank you, Mr. Speaker.

**Speaker:** Both occurrences are, in fact, unparliamentary, and I would ask the Hon. Premier to withdraw the statements and refrain from using them again.

#### Withdrawal of remark

**Hon. Mr. Pasloski:** Thank you, Mr. Speaker. I'll withdraw that statement.

So, maybe we'll talk about the NDP saying one thing and doing another. In the NDP leader's response to the budget, she says, "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?" Well, you know, I have to look at the fact that they're saying that this is the main greenhouse gas emitter. But this is a party who was opposed to the creation of an energy economy here in the



Yukon — use of Yukon energy resources to heat our homes and to produce electricity. Now they're complaining about the Super Bs coming up the highway hauling diesel and goods, because of their emissions. But they don't think utilizing Yukon energy resources is a solution to that problem. The NDP has no concerns about the imported fossil fuels that come into this territory, nor where they came from or how they were extracted, but they are concerned about them being hauled up the highway and certainly are strong believers in the theory of "not in my backyard" in terms of Yukon energy resources.

I also want to make a comment about land use planning and again remind this House that since 1993, the Liberal and the NDP have both been in government and neither one of them completed any regional land use plans, so, for the record, this government has completed one, is nearing the completion of a second and is already engaged in the third one.

Another comment I want to make is regarding the comment about co-governance. The member opposite said this is mandated in the *Umbrella Final Agreement*. This is not mandated in the *Umbrella Final Agreement*. Cooperation — yes; co-governance — no. The *Umbrella Final Agreement* clearly describes a relationship that respects each other's responsibilities.

The entire opposition has already voted against this budget once, and I just thought it would be appropriate to mention some of the things that the people on the opposite side have voted against: \$7 million for a new rec centre in Ross River; \$300,000 to start planning on a new fire hall and EMS station in Beaver Creek; \$7.3 million for a new emergency response centre here in Whitehorse; 10 more beds at the Thomson Centre; planning for a new McDonald Lodge in Dawson City; six new full-time equivalents in home care to help people stay in their homes longer. These are things that the people opposite have voted against. They voted against planning for the Sarah Steele Building. They voted against a Challenge program that works out of the Bridges Café in the Shipyards Park. They voted against over half a million extra dollars for NGOs to help them keep up with increasing costs. They voted against Kaushee's Place. They voted against extending the licensed nurse practitioner program. They voted against waste-water programs — Faro, Haines Junction, Mayo, Watson Lake — \$15 million for new wells, pump houses and treatment plants in Burwash, Carcross, Deep Creek, Dawson, Mendenhall, Haines Junction, Old Crow, Ross River, Tagish and Teslin to improve the quality of potable water in communities.

There was \$452,000 for the Department of Environment to conduct a three-year cumulative effects baseline study — they voted against that.

Remediation: \$50 million for remediation design and planning for assessment for Faro and Mount Nansen projects — they voted against that — also \$35 million for land development for this fiscal year. We heard all these questions today about land development. They voted against \$35 million for land development for this fiscal year. Police Council — the list goes on and on and on. Money for Jackson Lake land-based healing: they voted against that. Mr. Speaker, you can't cherry-pick. We are here and we have moved forward with a budget

that addresses the concerns and the priorities of Yukoners and we're ready to move forward with that.

Having got that off my chest, I want to now talk a bit about the interim supply bill. This act requests spending authority which, in total, is not to exceed \$312,291,000.

Now, the purpose of this spending is to defray costs for various charges and expenses of the public services of Yukon for a two-month period of April 1, 2012 through May 31, 2012. Of this total amount, \$240,977,000 is provided to operation and maintenance and \$71,314,000 is provided for capital. The full details of these estimates are included in the main estimates and will be fully discussed and debated during general and departmental debate on the 2012-13 main estimates.

**Ms. Moorcroft:** That was an interesting outburst from the Premier. I had thought that we are here to debate Bill No. 4, the interim supply bill, before the House this afternoon. The Premier, in his efforts to criticize the Official Opposition, in his struggle to find language that was not unparliamentary, said that the NDP says one thing and does another. Mr. Speaker, the Yukon Party government says many things and then it doesn't do them. It doesn't deliver on housing; it doesn't deliver on accepting the Peel River watershed planning document.

We in the New Democratic Official Opposition caucus will be supporting the interim supply bill. I will keep my remarks brief and I will save debate on the main estimates for the main estimates. An interim supply measure is a standard practice for the government to bring in at this time of the year, so that the operations of governments do continue and so that non-governmental organizations continue to function, and so that capital projects can continue and keep people in the private sector employed on these projects.

I would like to add, though, that we are disappointed that once again, the Premier has chosen to bring in a special warrant prior to this House convening, rather than bringing forward for spending authority those amounts for debate in the Legislature. That is something that is open to him and we in the NDP have said before that we would appreciate them doing that. That's what we would prefer to see them do.

We would also like to see a more thorough debate on the budget, and for that reason I am not going to spend a lot of time on my remarks on the interim supply bill. We will be patient and ask our questions when we get to the main budget for 2012-13.

**Hon. Mr. Cathers:** I would like to briefly, in speaking in support of the interim supply bill, correct the Member for Copperbelt South. In fact, there is not a special warrant related to this interim supply bill as a result of the change made to the Standing Orders last fall. The amounts contained in this bill, which again are the very significant numbers outlined here today, will in fact, by virtue of the change to the Standing Orders, be voted on on the last day of March if they have not been voted on by that point. So the member is mistaken in that assertion that this bill is backed up by a special warrant as was past practice. This is part of the steps that have been taken to reduce the use of special warrants, which are in some cases necessary,

such as at the tail-end of a fiscal year related to a third appropriation act, but it is dramatically reduced by virtually hundreds of millions of dollars — the amount of expenditures that have to be approved through a special warrant.

So, again, a positive step taken last fall in the first sitting of this new Yukon Party government to reduce the use of special warrants and ensure that the very large sums that are outlined in interim supply do not, themselves, have to be backed up by a special warrant, as was a long-standing practice in this House. Again, as the Premier outlined earlier, the amounts, of course, contained within the special warrant are related to the need at the beginning of the year to provide funding — up front capital — for certain projects, up front amounts to NGOs and corporations, like the Hospital Corporation, to begin their work that occurs at the start of the fiscal year. In some cases, it is provided through a lump sum transfer at the beginning of the fiscal year, which will commence on April 1, 2012.

So, again, there are some items in here, including the \$15 million that's provided under the Building Canada fund, that is some of the construction work outlined in the budget. There is funding in this budget to begin a number of the capital projects that are necessary and to ensure that contracts are not delayed by waiting until the approval of the entire budget, which we all anticipate will occur in May. With that, I will conclude my remarks and commend the interim supply bill to this Assembly.

**Mr. Tredger:** I wish to speak on the matter before us, — just a couple of points. The Premier mentioned that the New Democratic Party, the Official Opposition, was not cooperating. I would remind him that yesterday, when there was an appropriate bill and one that we felt we could —

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

**Mr. Tredger:** — a motion — and could support in good standing, we did. I will reiterate that we will support the government, where it is warranted, and we will oppose it, where that is warranted. We are here to work with anybody who will help improve the quality of life and the standard of living for Yukoners.

Another remark was made earlier today about the New Democratic Party creating fears in the community. Our community wants to participate in the democratic process. This isn't creating fears; it's asking questions.

The lack of information from this government has itself been responsible for the outburst of democratic concern from the citizens of the Yukon. I would remind the members opposite that it was they who voted for the Grizzly Valley subdivision, which *Maclean's* said is one of the grossest misuse of public funds in Canada.

Having said that and gotten this off my chest, I will turn it over to the leader of the Liberals.

**Mr. Elias:** Mr. Speaker, I've been here for six years and it's very, very, very important for the Premier to set the tone in this Legislative Assembly. I'm not going to get dragged into responding to some of the things the Premier says, but it's the Premier who sets the tone in here. You know, a budget is a

statement of intent and an expression of the government's priorities.

Do we agree wholeheartedly with the government's priorities? Absolutely not, because we represent constituents, too. We represent 60 percent of the electorate who did not vote for the Yukon Party platform. It is how the government spends its money; it's their long-term forecasts; it's their line items that we disagree with and hold the government to account, and will hold the government to account. A budget is what the Yukon Party government feels is in the best interests of Yukoners, and we don't agree 100 percent with the government.

I can go through — how many pages do I have here? I can go through at least three pages of things that I voted against, but I'm not going to get dragged into this — I'm even at a loss for words, Mr. Speaker, and that's a rarity. It's the tone, and people are listening. It's about leadership and it's about fulfilling our oaths to Yukoners, and what I heard today is unbecoming of a new Premier.

**Speaker:** If the member now speaks he will close debate. Do any other members wish to be heard?

**Hon. Mr. Pasloski:** Well, I want to thank members for their comments and we'll move on. Thank you.

*Motion for second reading of Bill No. 4 agreed to*

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

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

*Motion agreed to*

*Speaker leaves the Chair*

## COMMITTEE OF THE WHOLE

**Chair (Ms. McLeod):** Order please. Committee of the Whole will now come to order. The matter before the Committee is Bill No. 6, *First Appropriation Act, 2012-13*. Would members like to take a 15-minute recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

### Bill No. 6: *First Appropriation Act, 2012-13*

**Chair:** The matter before the Committee is Bill No. 6, *First Appropriation Act, 2012-13*. We will now proceed with general debate on the bill.

**Hon. Mr. Pasloski:** I'm pleased to rise in Committee of the Whole today to present introductory remarks for Bill No. 6, *First Appropriation Act, 2012-13*, more commonly referred to as the 2012-13 main estimates. Madam Chair, members of

the Legislative Assembly have truly noted that the 2012-13 main estimates have a different look and feel to the documents that have been tabled in prior years. I know that you can appreciate that the world is a changing environment.

With that, demands for information are also changing. In addition, we only need to look at the various financial crises experienced around the world in recent years to understand why and how accounting standards are changing to provide for better information.

Madam Chair, to quote Bob Dylan, our government recognizes that “the times they are a-changin’”. Granted, these words were penned during a different era with different issues; however, the sentiment remains relevant and with that the Yukon government reporting continues to be an evolving process. For the 2012-13 main estimates, in our efforts to be responsive, to provide a meaningful reporting in support of open, transparent and accountable government, we have incorporated a few presentation changes in our budget documents.

The first change I would like to draw to the Legislature’s attention is the integration of the operation and maintenance, and capital into one document. This allows us to consider the total amounts allocated — O&M plus capital — on a department-by-department — more specifically, on a program-by-program basis.

This disclosure should provide the opportunity to the Legislative Assembly to gain a more complete understanding of specific program and departmental requirements. The integration of O&M and capital supports the second presentation change implemented for 2012-13. The primary purpose of the annual budget is for the Legislature to provide spending authority, provided as votes through an appropriation bill for a wide range of program, service and capital investments contemplated by the government departments. These are generally understood as the expenditures of the government. Things are somewhat more complex when we speak of accounting where the calculation of annual surplus requires that we focus on expenses, not expenditures.

I do not wish to turn this into a discussion about accounting, as I do recognize that the time of the Legislature is better spent on other business. However, allow me to illustrate one example. Our 2012-13 budget provides \$7 million for the Ross River recreational centre. This amount will be appropriated and the expenditure plan calls for this project to be completed this fiscal year; therefore, requiring a \$7-million expenditure.

This facility will be amortized over the period of its economic life — the period of time that the facility provides an economic benefit to the government, and in this case, that’s 40 years. It is the annual amortization expense of \$175,000, not the \$7-million expenditure, that will be used for the calculation of annual surplus. Members will recognize the expenditure occurs once. However, the principles of full-accrual accounting require that an expense be recognized for each period of time the asset provides an economic benefit. Assuming a 40-year life, the annual utilization, or amortization value, is \$175,000.

Although we will pay \$7 million this fiscal year for the Ross River facility, the costs will be allocated or expensed to each of the next 40 years at \$175,000 per year. That, in a nut-

shell, highlights a significant difference between spending authority, or appropriations, and accounting.

Thank you for your indulgence. In recognition that this difference may lead to some conclusions for the various users of the budget documents, we have provided a summary that reconciles the appropriations, or spending authorities, to expenses, the value used for the calculation of surplus. I encourage members to refer to page S-9 of the 2012-13 estimates document.

We anticipate that this will lead to a greater understanding of the Yukon government’s budget, appropriations and estimates of expenditures and the year-end Public Accounts.

Finally, a few observations on a third presentation change of no small significance. As evidence of our ongoing commitment to transparency and accountability, we have for the first time included in the budget a summary of the consolidated financial information for the Yukon government reporting entity. The consolidated financial summary includes not only the departments identified in the appropriation bill, but also all other corporations and agencies that are included in the Yukon government reporting entity. This includes the Yukon Hospital Corporation, Yukon College, Yukon Development Corporation, Yukon Housing Corporation and the Yukon Liquor Corporation. While a specific focus will likely remain on the amounts listed in the appropriation bill and the unconsolidated statements, the consolidated summary provides legislatures and the public a more complete picture of planned results as will be presented in the audit of the 2012-13 Public Accounts. This is a significant step forward in our efforts to improve transparency and accountability.

Observations have been made from outside sources, such as the Office of the Auditor General and respected think-tanks such as C.D. Howe, that the relationship between budgetary reporting and accounting reporting should be improved. These presentation changes do just that. Yukon government reporting continues to be an evolving process as accounting standards change. The presentation change incorporated in the 2012-13 budget reflects the Yukon government’s commitment to continuous improvement related to transparency, openness and continuity between budget reporting and Public Accounts reporting.

Before I move on to review some of the expenditure highlights of the 2012-13 budget, allow me to provide an overview regarding Yukon government’s financial position. First, there is just one point that I would like to make for context.

I have highlighted the inclusion of consolidated financial information within the 2012-13 budget documents. I believe this to be a significant advancement toward achieving more transparency and accountability in government. Having said that, as I have stated previously, the primary purpose of the appropriation bill and accompanying estimates is to provide disclosure regarding expenditures of the unconsolidated entity — those departments and corporations that require spending authority to be approved by the Legislative Assembly through an appropriation act. As such, we will be considering, debating and voting on Bill No. 6, *First Appropriation Act, 2012-13*.

I wish to reiterate that the inclusion of consolidated summary financial information is an important step forward. How-

ever, as Bill No. 6 will be the subject of debate by the Legislature, I will limit my comments here to the specifics identified in the subject bill and the accompanying summary financial information. Members will find the supporting summary financial information for Bill No. 6, referred to as the “non-consolidated summaries”, starting on page S-5 of the 2012-13 estimates document.

Focusing on the unconsolidated side, total expenditures, or appropriations, identified in the 2012-13 main estimates are \$1,156,000,763, of which \$925.1 million is allocated to operation and maintenance — O&M — and \$231.6 million represents our government’s investment in capital.

This is the fourth consecutive year that the Government of Yukon’s expenditures have topped the \$1-billion mark. Shortly, I will speak of some of the expenditure highlights contained in this budget. Suffice it to say, our government continues to make significant expenditures on behalf of all Yukoners in the delivery of program, service and capital investments. We have done this without breaking the bank. With all things known today, all decisions to date considered, our 2012-13 budget forecasts an annual surplus of \$80.009 million. This means revenues for the Government of Yukon are projected to exceed expenses for the 2012-13 fiscal year.

Of course surplus is not the only indicator of our financial well-being that should be considered. Not to put too fine a point on it, in fact, the pre-eminent measure of a government’s financial strength is net debt. We have a net financial resource position of \$101.065 million forecast for year-end, March 31, 2013.

The Yukon government continues to maintain a healthy financial position and avoid net debt. Most other Canadian jurisdictions are reporting net debt. This fact alone is significant, but let me phrase this in a different way. Net debt provides an indication of future revenue requirements for the government. That is, net debt provides a measure of the future revenues required to pay for the past. The significance of this should be of comfort to Yukoners. As one of the only jurisdictions in Canada not in a net debt position, it will not be necessary to allocate future revenues to offset or pay for past expenditures. Our government can say we are paying as we go, and yes, we do have positive net financial resources to invest in future programs and services.

As I have said, net financial resource position is the most important indicator of our government’s fiscal health. This indicator speaks to the future. As I have observed previously, the 2012-13 main estimates forecast our net financial resource position to be a very healthy \$101.065 million.

One final comment on our financial health: our government continues to manage the Yukon’s finances over a multi-year horizon. Our government saves when it is prudent to do so; our government makes expenditure investments when it is necessary. We do this on behalf of and for the benefit of Yukoners.

As legislators, we need to look beyond short term and consider long term. Our government has done this to the benefit of all Yukoners. We have done this without mortgaging the future. As I have stated previously, our financial health is ex-

tremely strong. Our history of significant investments continues with our government’s 2012-13 budget as our strong fiscal framework provides us the flexibility to be responsive to emerging priorities and opportunities as they are presented to Yukon.

This provides a very nice segue to my next point. I would like to offer some observations on risk and uncertainty. I do not own a crystal ball, and I do not possess such foresight that I am able to predict the future. Risk and uncertainty exist in all facets of life and the same applies here. Having managed the government’s finances over a multi-year horizon since 2003-04, in fact — a period of 10 years — our government has delivered effective, responsible and disciplined spending initiatives and investments on behalf of Yukoners. As I have just noted, our 2012-13 budget builds on our history of significant investments and provides a strong financial base to be responsive to emerging priorities and opportunities as they arise.

We do face some risks, some areas of uncertainty, and I am confident that our healthy financial position puts us in good stead to address these, should the need arise.

I highlighted some potential emerging pressures during my budget speech last Thursday, including the expiry of the Building Canada fund in 2014; the territorial health system sustainability initiative in 2014; the absence of a long-term Shawkwak arrangement, where funding has been provided only on a year-to-year basis since 2009; and, of course, the Yukon Supreme Court ruling to build a multi-million dollar facility for French-speaking high school students that is currently under appeal.

Arguments may be presented that as population increases, so does our territorial financing — the TFF arrangement. Certainly, Madam Chair, our funding arrangement with Canada is escalated by population growth, but this is only one factor. The predominant factor determining the growth of TFF is the rate growth in provincial-local expenditures — PL expenditures.

Many provincial jurisdictions are committed to being in the black in the very near future. One strategy to achieve this will be disciplined and conservative expenditure growth, and we’re hearing it across the country in most jurisdictions. There is a very real possibility that the PL will flatten — that is, slower growth in the PL will occur, and this will affect future Yukon government revenue streams through slower growth in the TFF. Yukon’s population is increasing and, yes, our TFF will be escalated to reflect population growth.

However, if I can turn the focus briefly to the infrastructure requirement to support Yukon’s growing population — at some point Yukon’s population will exceed the capacity of Yukon’s existing infrastructure. Two examples come readily to mind: population growth will require the construction of at least one and perhaps two new schools in Whitehorse over the next five years, in addition to F.H. Collins; and the expansion of the Whitehorse General Hospital.

Our TFF arrangement does not readily provide for these necessary, one-time infrastructure investments. When we hit that tipping point, and we need to build additional infrastructure and service capacity, we cannot rely on future funding programs that are unknown at this time. We must be prepared.

We need to be planning and anticipating as a government — as Yukoners — to ensure we have the wherewithal to maintain a strong financial position allowing us to be responsive to our emerging and potential future needs. Our successive budgets have built financial capacity, and we continue to build on that capacity with our forward-looking financial plan. We have a five-year mandate. We are committed to pursuing planned, disciplined and affordable expenditure initiated on behalf of Yukoners.

Our fiscal position provides us with the capacity to be responsive to Yukoners' needs and to be responsive to emerging pressures without breaking the bank as we move through our mandate. I have just commented on some of the challenges that we face, and I spoke with great confidence that our government is well-positioned to meet those challenges as they arise. Through this budget I tabled — an \$80-million surplus and projected net financial resources of over \$101 million — we are strengthening and building on our ability to be responsive. I think I will stop at that point and carry on later, if I am out of time.

**Ms. Moorcroft:** I thank the Minister of Finance for his opening remarks. I would also like to thank the Department of Finance officials who have been patiently explaining the changes in the reporting documents and responding to our questions at the Finance briefing.

The Premier, in his Budget Address, spoke about addressing the challenges that accompany a growing and prosperous economy. As we in the Official Opposition have stated, one of our concerns is that there are a number of challenges that this government has failed to address over many years and in the current budget — for example, the housing crisis. We'll be later asking the minister to respond regarding the \$17.5 million for affordable housing initiatives that was provided by the federal government some years ago which this government has still in the bank and has not put that money into investments when there are, in fact, many good proposals before the government from various organizations that would like to address the needs for a youth shelter, for housing for the hard-to-house and so forth.

Now, in his Budget Address, the Premier seemed to be very much staking our prosperity on resource extraction. I would like to have from the minister information about what is the total contribution of the mining sector to the economy.

We do know that more than 80 percent of the revenues that the Government of Yukon spends are from Ottawa, that our own-source revenues are a fraction of those expenditures. We've seen over time that this government's expenditure trajectory is increasing year by year by year. We're now more than last year and have been up over the \$1-billion amount for some years now. It is important that we have a full debate on the entire budget.

I want to ask the minister — when he indicates that the current mineral production value is estimated to be approximately \$420 million — to provide more information on how this is calculated. We want to know what the direct financial contribution to the Yukon is from mining. I think with that, rather than going on to a number of issues, I will ask the Pre-

mier to respond by providing information on calculating the production value of the mining sector and also the total of the revenues that are generated from resource extraction.

**Hon. Mr. Pasloski:** There were a few things mentioned there. First off, I will start with the housing because that is where the questions started. In the very recent past we have invested over \$50 million in housing: 125 new units; 350 units that have been renovated on the low and moderate income in terms of social housing. There has been a tremendous investment and we still have work to do. The money was actually \$50 million: \$32.5 million was given to all the First Nations for them to do what was important to them in their housing. So, First Nations got \$32.5 million of the total of \$50 million. As I have said in the past, a lot of things have been going on in the Yukon and through the time of recession in Canada where we didn't really have a hiccup. There was an influx of a massive amount of money from the federal government in terms of creating jobs through improving infrastructure.

So, we've gone through a period of time with a massive — for a population this small, we've had a huge investment in infrastructure. Quite honestly, we can only do so much work at one time. If we start — and I think everybody understands this — if we have contractors who have more work than they can handle, and then we throw more work at them, they'll say, "Well, okay, I can do that, but this is my price." So, it's also about being responsible and saying that we need to be able to get, actually, some value for that money. If we threw that money on top of everything else that was going on at the same time, we wouldn't get a lot of value for the money. But there are a lot of things that we are doing and that we committed to doing.

We've already made the announcement about Kaushee's Place. That's \$4.5 million. But there are other programs — more seniors housing in Mayo and perhaps in other communities, as well. We have a number of projects on the housing side that are still coming. As we mentioned, this is the first budget of a five-year mandate. There are a lot of budgets to go. We're not prepared to spend money until we ensure that we've had the right consultation and that we've made the prudent investments, so that Yukoners are going to get the maximum benefit for the tax dollars that we invest on their behalf.

On the royalty side again, I do want to remind the members opposite that Yukoners have benefited from royalties. The royalties that are incurring from Capstone Mining on category A land of Selkirk First Nation have, in the last two years, benefited that community by approximately \$10 million. To answer your question, I think it would be very difficult to quantify that number, because there is so much that goes on. From 600 direct mining jobs within the quartz mining, we have another 2,500 jobs that occur through exploration and placer mining. Then there are the thousands of indirect jobs really that are a result of that in every aspect of our economy, from grocery stores to lumber yards, to airline and helicopter companies, to expeditors, to car dealers and tire shops, and to people selling furniture and everything else. I mean, I think that to actually put a number on the impact that mining has would be very, very difficult, but what I can say is that it is enormously significant.

The last two things — I think this will answer the member opposite's questions — is that our grant, our TFF's total expenditures — has gone down from 69 percent to 63 percent. In fact, our own-source revenues have increased 68 percent from 2003 to 2011 — a 68-percent increase in our own-source revenues.

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

**Hon. Mr. Pasloski:** I will give those numbers, but the comment I was going to make is that what I'm telling you comes from fully audited Public Accounts that have been audited by the Auditor General of Canada. So the own-source revenue for 2003 was \$72,273,000; 2011 was \$121,237,000 — a 68-percent increase, audited by the Auditor General.

**Ms. Moorcroft:** The minister has just stated that the number of dollars of the impact that the mining sector has on the economy is very hard to provide.

The Premier, in his Budget Address, did say that with three operating mines the current mineral-production value is estimated to be approximately \$420 million. I would like the minister to explain to us how that \$420 million was calculated. When he uses the term, "mineral production value", does that mean the value of the minerals? What does that mean?

**Hon. Mr. Pasloski:** The member opposite is correct. That would be the value of the minerals that were mined, processed and milled through the year. The value of that would be \$420 million. Also, to note further to that, five years ago that value was zero dollars.

**Ms. Moorcroft:** Can the minister tell us how that \$420-million production value is broken down between the three operating mines? The minister spoke about Capstone's Minto mine and that the Selkirk First Nation had received approximately \$10 million in royalties on that. Can the minister tell us what the breakdown is of the \$420 million in production value between the three mines — Capstone, Alexco's Keno Hill Mines properties, and Yukon Zinc's Wolverine mine?

**Hon. Mr. Pasloski:** I will defer that question to the department, so they can more accurately respond to that question.

**Ms. Moorcroft:** With all due respect, the Premier is also the Minister of Finance. He has his Deputy Minister of Finance sitting beside him. I would like to draw to the Premier's attention that, for the 2011-12 budget, the Department of Finance was not called for debate. In the 2010-11 main estimates, the Department of Finance wasn't called for debate. So I would ask the minister if he could answer the question.

**Hon. Mr. Pasloski:** This isn't an answer that is going to come from Finance. This is data that's from the companies who are in the business of extracting minerals.

That's their business. As publicly traded companies, I assume that reporting occurs there. However, as I mentioned before, I think the person to answer that question would be the Minister of Energy, Mines and Resources.

**Ms. Moorcroft:** Well, I understand that Yukon Zinc's Wolverine mine is not, in fact, publicly traded. I would again remind the member opposite that we cannot rely on getting answers to our questions in general debate. During the 2010-11 general debate on the main estimates, the Department of En-

ergy, Mines and Resources was not called, so I would like to ask the minister in general debate. In his Budget Address, he told the public that the current mineral production value is estimated to be approximately \$420 million, with three operating mines. In the interest of what the member, in his opening remarks, called an open, transparent and accountable process, I'm asking for an open, transparent and accountable process.

I would ask the minister if he can provide the information I'm requesting, which is the breakdown on the \$420 million for the current mineral production value.

**Hon. Mr. Pasloski:** The companies have to report their production in ounces to the government. The work and the calculation for any royalties due or not due are all completed through the Department of Energy, Mines and Resources. So that is a question that should be asked during debate of that department on a line-by-line basis.

**Ms. Moorcroft:** Notwithstanding the increase in own-source revenues, this government remains reliant on federal monies. There is a lack of money from the resource sector. The royalties that are paid come only after profit, and there are significant tax credits and the ability to use write-offs.

Mines are also not in production for very many years, generally. There is generally a very short lifecycle. How is this government going to improve our financial picture by reducing our reliance on the federal grants?

**Hon. Mr. Pasloski:** I think I sort of answered that question. That's exactly what we're doing. Our dependency on the territorial formula financing has decreased from 69 to 63 percent. Our own-source revenues have increased by 68 percent from 2003 to 2011, so I think that's exactly what we have done and what we'll continue to do.

Let's look at what's happening in the economy. According to the Yukon Bureau of Statistics, in the time period from 2002 through to 2010 the real GDP of Yukon — in constant 2002 dollars — grew by 41 percent. The mining and oil and gas extraction sector accounted for 24 percent of that growth.

This sector's share of the territory's GDP changed from 2.7 percent in 2003 to 9.2 percent in 2010, after growing 374 percent during this period. A portion of GDP attributed to public administration, health care and social services and education services fell from 39 percent to 37 percent of the GDP in this period. So, having said that, while I still have some time and the fact that I have not completed the speech I was trying to give, I am going to use a few minutes of my time to continue on, because this an important part that I do want to talk to the opposition about.

Recently a member of this Assembly took particular issue with these projections tabled with the budget, going so far as to suggest that the figures were fudged. I appreciate that the Speaker was quick to bring decorum back to the Assembly. The department officials conduct themselves with the utmost professionalism and, in fact, I have had the Minister of Energy, Mines and Resources speak to this same issue — I think it was only yesterday. Comments such as those uttered by the members are not helpful. They only serve to impugn the integrity of the officials who work so conscientiously on behalf of Yukoners.

The members opposite continue to talk about the public service, but every time they come in here, they're slamming them.

It seems a good time as any to provide a couple of observations on budgeting. The budget is an annual exercise representing the estimated revenues and the planned expenditures for the year, tabled with the plan that they are anticipated results, most notably highlighted by the projections of an annual surplus of \$80 million, and the net financial resource position of \$101 million at year-end. The key word here is "plan". As we all know, plans are subject to change. New priorities emerge. In some cases, emergencies need to be addressed, and market and economic conditions can change. I spoke of some of these potential challenges earlier.

As we move through the fiscal year, we will continue to make decisions, many of which cannot be anticipated by a budget. I think that is the same for everybody here when they're running their budget in their own personal lives. I cannot imagine a government that is not willing to review its plan — not willing to make choices, not willing to make decisions that will benefit Yukoners.

Our government will not remain static; it will respond as required to meet these challenges. In doing so, it is likely that the fiscal framework will be altered. I truly wish I had a crystal ball; this discussion, then, would really be unnecessary. Our budgets are based on the best information available at the time that they are prepared. The budget represents our forecasts at a point in time, based on the information that is available. To suggest otherwise is simply offensive.

It is a certainty that the 2012-13 plan will change and our government will be held accountable to Yukoners through the future supplementary estimates tabled, as required. With that, Madam Chair, I'm now going to move on and provide the Committee with some highlights of some of the expenditure initiatives reflected in this budget.

I noted in my earlier comments that this 2012-13 budget reflects total expenditures of approximately \$1.157 billion, of which just under \$232 million is directed toward significant capital investments for the benefit of Yukoners and approximately \$925 million is allocated for operation and maintenance.

As I have repeated throughout, our commitment to fiscal responsibility remains strong while we continue to invest strategically in the Yukon for the benefit of all Yukoners.

I would like to take this opportunity to highlight some of the more significant expenditure initiatives. Allow me to focus first on the capital investments identified in this budget. Our government has had a string of significant capital budgets — five successive years where capital investments have exceed \$200 million — and 2012-13 is no exception.

As I noted earlier, the 2012-13 budget includes \$231.6 million for capital expenditures, covering a number of important investments across a number of sectors, including \$34.984 million allocated to land development; \$53.145 million in support of the territory's transportation infrastructure; \$39.334 million for the planning and construction of a number of facilities, including the continued support of our building maintenance pro-

gram; and \$65.282 million to support a variety of investments in municipal and community infrastructure.

Economic activity in Yukon is robust, bringing significant population growth and increased demand for developed land and housing.

We continue to be proactive, planning and developing the necessary and appropriate infrastructure to meet these growing demands. Our commitment to land development is significant, totalling approximately \$160 million over the next four years, of which \$34.984 million is allocated for the 2012-13 year. I wish the member of the third party were here to hear that, because he seemed to be thinking there was only money in this year's budget.

Whistle Bend is one example of where a government is addressing this need. Our 2012-13 budget provides \$25 million to continue phases 1 and 2 of this important development, plus \$5 million to advance planning and design for phases 3, 4 and 5. I have already mentioned our significant investment in Whistle Bend. Also of note is a \$3.2 million allocated for Grizzly Valley and \$1.675 million related to the initiation, scoping and planning of future developments in various communities, including Dawson, Carmacks, Mayo and Watson Lake.

I mentioned our multi-year plan of approximately \$160 million over four years. Certainly, with the development of Whistle Bend, a significant amount is allocated to Whitehorse.

I will take this opportunity to highlight that just under \$26 million of the \$160 million is identified for various municipal and community developments throughout the territory. Clearly, our government has a significant commitment to developing and providing for developed land across this territory. Yukon is a large territory connected by an impressive network of transportation infrastructure managed by the Yukon government including: a highway system of just over 4,800 kilometres; a total of 128 bridges; two ferries; one national airport; 11 regional and/or community airports; and 17 airstrips. Our investment in transportation-related infrastructure is indeed impressive, and it requires significant annual resources to continue to maintain our infrastructure to a satisfactory standard.

For 2012-13, the budget includes just over \$53 million related to transportation-related expenditures. Significant reconstruction projects include: \$15 million under Shakwak for the Haines Road and the north Alaska Highway; \$1.6 million for culvert replacement on the Klondike Highway at Too Much Gold and Allgold creeks; \$8.75 million for reconstruction and surface repairs on the Campbell Highway; \$2.6 million for improvements on the Atlin Road; \$6 million for the Upper Liard bridge; and \$2 million for the Takhini Hot Springs Road.

Our investment is not limited to significant reconstruction efforts. We also see \$2.93 million for the pavement rehabilitation program and \$1 million allocated specifically toward rehabilitation of secondary roads.

Under airports, approximately \$3.7 million is allocated, of which \$1.82 million is targeted for work in community-based airstrips and airports. The balance of \$1.875 million is provided for various projects at the Erik Nielsen Whitehorse International Airport.

I started this section with a summary inventory of some of the elements that make up our transportation network, and earlier I spoke of some uncertainty related to the Shakwak funding. Including Shakwak, we have had success in leveraging funds from other sources, including the Building Canada fund. Yukon cannot count on these funding sources indefinitely.

Our transportation network is integral to the Yukon economy, to Yukon society.

Should outside funding sources decrease or expire, Yukon will face significant challenges, perhaps requiring consideration of some difficult choices. In the meantime, our government continues to work with the Canadian and American governments in an effort to secure longer term and stable funding arrangements.

Turning to building construction — this budget provides for some much-needed investment. In some cases, our 2012-13 investment will initiate a multi-year project providing employment opportunities throughout Yukon communities. Our budget includes: first, planning and design initiatives, such as \$300,000 for the replacement of the Beaver Creek fire hall; \$137,000 for the replacement of the Watson Lake conservation office; \$291,000 for upgrades to archives to enhance our cold vault storage capacity; \$653,000 for replacement of McDonald Lodge; \$1.293 million for replacement of F.H. Collins; and \$60,000 for replacement of the Sarah Steele Building. Second, new and/or continued construction, such as \$7 million for the Ross River recreation centre; \$5.898 million for the Whitehorse ambulance station; and \$2.385 million for the arrest processing unit, previously named the secure assessment centre.

Third, NGO support — specifically, projects in partnership with NGOs, to address some of the housing issues facing Yukoners. \$3 million for second-stage housing for a total of \$4.5 million over three years to support Kaushee's, and \$2.95 million for Options for Independence, with a total of \$3.05 million over 2 years.

These are all significant projects that address a variety of needs across Yukon. Here we are, early in our mandate, and we have taken steps to address some of the housing issues facing Yukoners. Admittedly, more can be done and will be done. However, as I have mentioned, we have a five-year mandate, and it is impossible to tackle every issue with our very first budget. Our government looks forward to building on these initial projects throughout our mandate and assisting Yukoners with access to satisfactory and affordable housing. Our capital investment is not only about new construction. Yukon government owns and maintains a significant portfolio of buildings. As we noted last year, the Auditor General has identified some concerns about deferred maintenance, sometimes referred to as "infrastructure deficits".

Our government is committed to ensuring effective and appropriate stabilization and management of our building portfolio. Starting during the 2010-11 fiscal year, a core investment envelope of \$12 million was identified in support of our commitment to the building maintenance program. This was continued in 2011-12, and again for 2012-13, we have identified \$12.568 million in support of this program. The Department of Highways and Public Works continues to work with all de-

partments to identify maintenance priorities and immediate deliverables to ensure budget work will be completed.

Moving on to municipal infrastructure: bolstered by Building Canada, investment by our government in municipal-based projects remains significant, providing \$65.282 million. Specifically, under the Building Canada fund, approximately 50 projects approved under the annual capital plan submitted to Canada totalling almost \$55 million are included in the 2012-13 budget.

The bulk of these expenditures are directed toward community water, sewer and waste water, as well as road infrastructure upgrades — all very important investments for the respective communities.

Examples include \$1.375 million allocated to a well head project at Burwash; \$2.107 million for the Carcross water system treatment project; \$10.779 million in Dawson City to continue the sewage treatment and district heating projects; \$5.615 million allocated to Haines Junction for the water treatment, water reservoir and pump system projects; \$3.865 million for upgrades to the Old Crow water supply; \$1.276 million in Teslin to undertake road and drainage upgrades; \$2.419 million for water and sewer pipe replacement in Watson Lake; and \$6 million is directed to Marwell water and sewer upgrades.

The complete list of projects is really quite impressive. We are truly spanning and delivering projects across the entire territory. I encourage members to refer to the 2012-13 capital budget and the multi-year plan for additional details.

If I may, a few brief observations about our multi-year plan: management of the Yukon's fiscal framework over the long term requires that choices be made. Our government continues to work to be ahead of the curve by identifying, planning and implementing long-term and multi-year expenditure plans now.

I recognize the multi-year plan serves primarily as a guiding and planning tool, representing preliminary figures. These are plans, continually under review and adjusted as necessary for emerging priorities and trends. Notwithstanding, all things being equal, the multi-year plan highlights our government's undertaking to provide stable and predictable expenditure investments.

I am proud of our achievements on the capital side of the ledger. I am no less proud of what we have accomplished on the O&M side. There are significant investments on the O&M side that reflect the government's commitment to providing the best services to Yukoners. As I noted earlier, the 2012-13 budget provides just over \$925 million for O&M.

I will limit my comments to just a couple of highlights. Yukoners deserve the very best in health care and, where possible, Yukoners should be able to receive those services right here in the Yukon. This budget provides for increased capacity on a number of fronts.

\$1.629 million and \$2.376 million are ongoing to be allocated over two years. This funding will allow for the opening of 10 additional beds at the Thomson Centre, bringing the total of new beds to 29. \$797,000 is being provided to the Hospital Corporation in support of opening six new beds at the Whitehorse hospital. I refer members to our multi-year plan where



we signal our \$2-million commitment to support the MRI purchase by the Hospital Corporation in 2013-14. I think my time is up and I will stop there.

**Mr. Tredger:** I would remind the Premier, as he may not be aware, that it is a practice of this House not to refer to the absence of another member. I would also like to remind the Premier of an exchange we had a little bit earlier in the day and ask him to set a proper tone. We have a very good civil service. The NDP has constantly said that.

I believe in their integrity; I believe in their ingenuity and I believe in their creativity. The NDP does as well. I think it's unfortunate that the Premier is following the lead of the Energy, Mines and Resources minister, and he is beginning to make inferences, impute motives and cast aspersions on the New Democratic Party.

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

#### Point of order

**Chair:** Mr. Cathers, on a point of order.

**Hon. Mr. Cathers:** Madam Chair, on a point of order. The Official Opposition House Leader is imputing unavowed motives to me that are certainly not correct, and that is contrary to Standing Order 19(g).

**Mr. Tredger:** On the contrary, Madam Chair. I believe the Premier referred to the NDP as "slamming the civil service". I don't believe we slammed anyone.

#### Chair's ruling

**Chair:** I think that both sides of the House have been straying from the purpose of the debate, so I am going to ask that everybody focus on the business at hand.

**Ms. Moorcroft:** At the outset, I would like to say that the New Democrats and the Official Opposition caucus have the utmost respect for the integrity and the competence of the public service. The minister has just spoken about a number of items and has gone through an overview of some of the operation, maintenance and capital expenditures. One of the items that he spoke to was land sales.

He spoke to the fact that they were addressing priorities, but that they also needed to respond to emerging priorities. I would submit to the member opposite that the need for housing is a long-standing need. This Yukon Party government has been in office for 10 years. There are a number of priorities that they have not addressed. There are a number of commitments that they have made that they have not delivered on and the availability of lots and availability of affordable lots is still a considerable problem. There are lots on the market that are priced at market value and this is flawed, because it's not working and the lots are being left vacant. Are they looking at the sale of land to balance the budget? I would say it is flawed, because they aren't selling these lots.

In the Yukon Party platform, they indicated that they would continue to make land available to Yukoners for community, residential, recreational, agricultural, commercial and industrial purposes, while respecting the interest of existing landholders as one of the highest Yukon government priorities.

By streamlining the land application process and ensuring that the appropriate policies and administrative structures are put in place to manage Crown land in the territory. There aren't enough lots available on the market, and the lots that are on the market are unaffordable. Can the minister respond on how he is, in fact, going to make more land available?

**Hon. Mr. Pasloski:** I think that for me to answer for what or wasn't done is not appropriate for me to answer, seeing that I and most of this caucus have been members of this Assembly since October of last year. I think that when she talks about sending land to balance the budget, I think we have just, through this process, been talking about the budget we have put forward that has an \$80 million surplus to it right now. So I don't think there was any talk of selling land to balance the budget at all. Certainly, the purpose of developing land is just that. It's to develop land to get it out there for people who are wanting land. We're not in this to make money.

We are trying to develop land and do it — the first priority is to ensure that we get our costs covered. We will continue to look at what it is and where we can continue to improve by reducing those costs of development and will continue to do that.

Just moving on to the next piece of my speech, it was about our commitment to the environment. So, I want to say that this budget includes a number of initiatives designed to protect Yukon's environment. The Department of Community Services has budgeted \$766,000 for various activities and initiatives under the *Yukon Solid Waste Action Plan*. This investment on the O&M side supplements significant expenditures of \$2.453 million on the capital side of the ledger related to solid waste plans, creation of transfer stations and recycling depots and the purchase of composting and chipping equipment for landfill sites. The Department of Energy, Mines and Resources has identified \$49.985 million in expenditures related to type 2 sites. This represents an increase of \$24.768 million over the 2011-12 budget, and \$785,000 is provided for the Department of Environment to undertake remediation activities on a number of sites where environmental liabilities have been previously identified.

There is plenty of rhetoric about economic diversification and no doubt, this is an important pillar for a robust economy. In partnership with Yukon College, our government continues to provide significant support to research and innovation as a key catalyst to a diversified economy.

Through the Department of Education, \$1.088 million is provided as core funding in support of a two-year extension for the Yukon Research Centre. Yukon Research Centre provides leadership and vision for the research and technology development activities of Yukon College, the Yukon Cold Climate Innovation Centre and the Northern Research Institute.

Through the Department of Economic Development, \$558,000 is provided as core funding in support of a five-year extension for the Yukon Cold Climate Innovation Centre. Yukon Cold Climate Innovation Centre supports the private sector in the development and implementation of commercial technology solutions that address cold climate and climate change issues affecting northerners. The objective is that this

technology development will feed back into and grow the Yukon economy.

These are just a few areas where government is making a difference.

Before I conclude, allow me a final observation regarding the Government of Yukon's finances. Our government's commitment to sound financial management remains strong. As a result, we have positive net financial resources. This speaks to our future and highlights that we are not relying on future expenditures to fund past or current expenditures. We have an accumulated surplus. This speaks to our future and highlights our economic resources, both financial and physical, available for the provision of future programs and services, and we have an annual surplus. This speaks to the present and highlights that revenues exceed expenditures, allowing us to build the bank and save. As it has in recent years, our savings account will allow us the flexibility to be responsive on behalf of Yukoners when it is needed the most. I'm extremely proud of the efforts of our government to provide for a wide range of programs, services and capital investments on behalf of all Yukoners, while maintaining a very healthy long-term fiscal position.

Looking at our multi-year forecast tabled with this budget, future years remain extremely positive with revenues projected to exceed expenses for each of the next four years. This forward-looking healthy fiscal framework is what Yukoners can take great comfort in. Indeed, Yukon remains financially well-positioned for the future.

I also want to take an opportunity to thank the caucus, Cabinet and really all of the departments from within the government who have worked on putting this budget together, getting the information in. I also want to recognize all government employees in terms of their work and the professionalism that they deliver every day. I want to especially acknowledge the departments of the Executive Council Office and the Department of Finance who, through their hard work and diligence, really put this together. I really need to acknowledge the fine and truly the excellent work that they do every day as well.

With that, I will look forward to the next question.

**Ms. Moorcroft:** Let's just look for a minute at the Yukon Party's track record then. They have been poor financial managers. There are a large number of capital projects that they have engaged in without a proper case and proper planning. I can give examples of that. The Dawson City and the Watson Lake hospitals — in your riding, Madam Chair, the Watson Lake hospital construction was begun years ago. The building was left to deteriorate; then it started construction again. There is no proper planning in place for that and the expenditures have spiralled out of control. The staff residence, the Mayo B project — in all of those cases, the debts for the large capital construction projects were foisted on to Crown corporations.

We see large variances between the main estimates and the final tally. There was a supplementary budget in December of 2011 and then by March of 2012, they required a special warrant of \$7.5 million. There are examples, too, of being poor project planners, which also leads to greater costs.

During their election campaign, the Yukon Party had a "cut the ribbon" for the new F.H. Collins planning that a build-

ing advisory committee has been working on for years, and then they shelved that and announced they were going to defer that.

In the case of the Whitehorse Correctional Centre, it was a design/build project. It began with initial estimates of \$30 million and now it has gone over \$70 million and more expenditures to come. I would point out that the government, in fact, has been a poor long-term planner. There is no rainy day fund and it has not released a five-year capital plan to the public. This is a requirement of the *Financial Administration Manual*. We received a \$7,500 estimate from ATIPP to receive this information. I would urge the Minister of Finance to release the five-year capital plan.

We also have great concern with the fact that this government has shirked budgetary scrutiny. Over the past three years, there is more than \$1 billion in government spending that has been approved without any debate by MLAs.

For the 2007-08 fiscal year, of an \$862-million budget, \$35.5 million of that was not debated. For 2008-09, of a \$900-million budget, \$54 million of that wasn't debated. Then, in 2009-10, the Yukon Party was very proud of the fact that they now had achieved a billion-dollar-plus budget, yet there was \$273 million of that budget that was not debated. That climbed in 2010-11. Again, we see increases to a \$1.075-billion budget and 46 percent of the total budget — approximately \$490 million — was not debated.

There were 13 departments that were not called for budget debate. Now, that number was lower for the 2011-12 budget year, with approximately 27 percent, or \$293 million.

We do not believe that that is adequate financial oversight. That would not be acceptable at all in the private sector. The government could certainly improve its performance there. There are big surpluses early in the term and then they spend the monies in years 4 and 5 leading up to an election. We have also seen where the budget estimates will predict a surplus and then at the end of the year that surplus will be much smaller than what was predicted. I do not accept the minister's proposition that they are good financial managers. I'd like the minister to indicate how he intends, as the new Premier, to improve that record.

**Hon. Mr. Pasloski:** The member talked about the Yukon Party as being poor financial managers. As I said earlier, this government is certainly not going to be taking advice on how to run our finances from the New Democratic Party.

Again, I'll speak to the record deficit in the history of the Yukon — a \$64-million deficit produced by the NDP. In fact, during the NDP rule, Yukon Development Corporation — when the NDP were in power — financed the failed sawmill in Watson Lake and Totem Oil's presence to compete with local businesses. The NDP lent money to a private company to compete with other businesses and that is not how we're going to run a business.

Other examples of failed NDP capital projects include building a 25-person correctional centre in Teslin that mainly sat empty for the 20 staff members — that cost the taxpayers in 1993 more than \$700,000 a year — 20 people working in there and no inmates. Taga Ku convention centre was another NDP

disaster, one for which they avoided the scrutiny of the Legislature and used and lost taxpayer dollars to fund a commercial venture that does not even exist.

The final example of the NDP's judgment in regard to capital programs is the building of a visitor reception centre on the Alaska Highway that did nothing to encourage tourists to come into the downtown core of Whitehorse. The Yukon Party built the current downtown facility only a few short years after the NDP bungling. Those are classic examples of NDP leadership in terms of their financial management and how to run a territory and create an economy.

Comparisons should be made to the merits of those failed projects, versus the hospitals and power plants that will provide needed infrastructure for our citizens for years to come. We are very proud to be building for the future. We mention Mayo B — on time, on budget. I don't think I have to say anything else about that project.

I just only a few minutes ago talked about the budget and what a budget is. A budget is a plan based on the information that we have at the time. Based on the best information and the experience that we have, we put together a plan. But that's exactly what it is — and plans do change.

As I have said, do I expect it to change? I do. But we are in a position to be able to react, either to opportunities that arise or to challenges or risks or emergencies that could occur. We have the money to be able to deal with that. So is there a chance that it won't look exactly, at the end of the year, as it does now? Absolutely, but that's about management. It's about using a plan as a guideline, but because we've been responsible financially — fiscally responsible — we have the ability to meet the needs and opportunities as they arise. We won't make any excuses or apologies for that at all, Madam Chair. That's exactly what we're going to do.

We don't have a rainy day fund? We just announced that we're planning for net financial resources of \$101 million. That's not a rainy day fund? We're one of only two jurisdictions in the whole country that has no net debt. But the opposition NDP is saying that we don't have a rainy day fund. I'll just leave that comment right there.

As for the five-year — you're sending an ATIPP for a five-year capital plan? You don't need to do that; it's just in the budget; you just have to look; it's there. So members can have a look and see the plan that we have that's there. As we have said, planning in advance is just that; it's preliminary.

It is showing commitments to the community that we are committed to investing in, but these plans can change based on what is going on? What are the opportunities? What are the risks that occur over that time? The member talks about all of these dollars that don't get debated. My only comment to that is, if we want to debate, make sure that you budget your time. You can budget your time so that you can get through the process — unless you want to drill down and talk about a thousand dollars here, or spend a lot of your time really providing criticism and political comments or trying to really, as I said, paint a picture with half a story. There is an obligation, and I guess it speaks to that management that the NDP have shown historically, which is that they can't budget. So if you want to get

through the budget, you know how much time you have; budget your time accordingly so that you can get through all of the departments.

I guess the last comment that I will make on this was your comment about — and you've said it a couple of times — the honourable member across — is about how they budget in the private sector. I can tell you most assuredly that there isn't a six-week debating budgeting process in the private sector when they are building budgets for their plans. That just does not occur, Madam Chair, so I'm really sort of at a loss. I'm not sure whether the member opposite has actually been involved in a corporate budget process before or not, but I can tell her from my almost 25 years that there wasn't such a thing occurring. So I hope that answers her question.

**Ms. Moorcroft:** Madam Chair, when it comes to allocating our time and debating this budget, we are here on behalf of the public to ensure that the over \$1 billion of public funds that this government is spending is debated. We need answers to questions in order to move on and we need to see House leaders achieving agreement. We haven't yet come to the discussion on the length of the sitting, but it is incumbent on us as representatives of the public to debate the budget, to debate all departments of the budget and to engage in an exchange where we receive answers to questions.

I would also make the comment that, as we have said, there is a significant reliance — over 80 percent of our revenues — coming from the Government of Canada. That's not something that we can necessarily rely on forever.

Earlier this afternoon when we started the debate, I was asking the member to provide information on the revenues that come in that are generated within the territory. We see in the summary of the estimates by revenue that personal income taxes generate a little over \$60 million and that corporate income taxes generate a little over \$20 million. Can the minister comment on why the personal income tax revenues are so much higher than the corporate income tax revenues when he is trumpeting the contribution of the resource sector to the economy?

**Hon. Mr. Pasloski:** First off, I think the member opposite is correct that the actual session length has not been determined. I think it needs to be by House Leaders by early next week, I think — by Standing Orders — to agree on a total length of time. But once we do have that time, I think there is an obligation on behalf of the opposition to budget the time that they have accordingly to ensure that we can move through all of the items that are being presented by the government and have those discussions.

I just finished speaking not long ago about how much money we get from Canada. I gave those numbers, and now the member opposite has thrown out 80 percent. I just gave the numbers. In 2001-02, it was 69 percent, and in 2011-12, it was 63 percent — duly audited, Madam Chair, by the Auditor General of Canada.

So, again, we see examples of either not knowing or just deciding to use different numbers from what, in fact, in reality, those numbers are. I only stated it just a few minutes ago, but the member opposite is trying to imply something different.

Increase in tax revenue is really an indication of the fruition of the work that has been done in the last number of years by this government to create a private sector economy — a private sector economy that today rivals the public investment in the economy, and that is tremendous. Because of that work, because we've created that environment, because we've put that environment in place that has created hundreds of mining jobs, tourism jobs, thousands of jobs in exploration in the placer industry and thousands of indirect jobs — yes, our revenues continue to grow. That is because there are more people here and, really, that is a tremendous — I mean, that's really what we've been striving to do — to get people to move here, to start businesses here, to be working here, to pay taxes — because that is where we will continue to be able to reinvest in the Yukon, doing it very strategically and in a manner that ensures we are not creating net debt and that we continue to move ahead and have that flexibility.

Another comment I just thought of is that a lot of businesses are not incorporated and, in fact, are unincorporated businesses. So when that happens, it is difficult to truly reflect what is business tax, what is personal tax. So, much business income is declared as personal, not corporate tax. That makes it difficult. You want to make sure that when you look at corporate tax that you are creating a climate for investment. If you had the highest tax rate in the country, then some companies will just decide they don't want to be here. In fact, I did mention yesterday that when you look at the base-metal mining sector, and when you combine royalties and taxes together, it is, in fact, the highest in the country — the highest rate in the country.

If we want to look at tax revenue for corporate tax — the actual for 2010-11 corporate tax was roughly just over \$9,028,000 and our estimate for 2012-13 is \$20,702,000, so that is more than a 100-percent increase in corporate tax. Personal income tax in 2011 actually was \$52,793,000. The estimate for personal income tax for 2012-13 is \$60,602,000, nowhere near the increase as there is in the corporate tax. Corporate tax is going up by over 100 percent in two years.

I think that what you'll continue to see is more people working here, more businesses here. It's creating increased revenues for the government that will help deliver those programs that we talked about. If it's protecting the environment, if it's building a new school, or if it's dealing with the issues and opportunities in health care or in tourism or building new roads — whatever it is here in the Yukon that we need to do — having the positive financial position allows us the flexibility to be able to do that.

**Chair:** It has been requested that we take a recess of 15 or 20 minutes, as you wish. Would the members like to take a break?

**All Hon. Members:** Agreed.

**Chair:** Let's make it 15 minutes.

*Recess*

**Mr. Barr:** I would just like to start by saying that I would like to thank everybody for the comments. One thing I

was thinking about earlier: I was told a long time ago that there are always three sides to every story and I thought, "What? Three sides to every story? Well, I've got mine for sure." Of course, the other side always had theirs, and then the third one is the truth. I'm looking forward to going through the rest of this sitting and recognize that I came here to work with everybody in the room.

I was happy to hear in the Premier's address that we are going to be receiving a new fire hall in the member opposite's riding of Beaver Creek. I think that the rural communities are definitely holding together with a lack of services. The more that we can put into services in any of the communities is a good thing. I would like to say that I know that I didn't see a volunteer fire department coming up in Carcross, so I would like to maybe give a little bit of history about Carcross' fire department. We are in quite an awkward state right now. So we're looking forward and looking ahead.

We have the water transfer station that's going forward, which used to house the ambulance — and I guess still will, which is another topic. In Carcross, the fire truck we did get — because the other one was pretty outdated; we got one that came from Marsh Lake, I believe — is too big to be where it should be housed, where it can actually access water. Now it has to be taken out of where it is and brought over to the water transfer station, which is coming along, and it's in an old government warehouse in Carcross.

I know the struggles with volunteerism in the communities that we have right across the territory, not only in the Southern Lakes — whether it's ambulance or EMO or volunteer fire department. A lot of those folks are working hard to keep their numbers up, and the population is aging, as it is in Carcross. Carcross recently signed up six new folks and that's a great thing, especially in Carcross where they're training in the volunteer fire department part because they really don't have a training room in there. So that space is lacking.

I would hope that we would be able to put forward that — not that I am aware of Carcross — Tagish has a great one — you know, the things that have been built there. Marsh Lake has a volunteer fire department, and some folks say we don't even need that much. I've been over to the one in Marsh Lake and it has a great training room. Mount Lorne is receiving some extra cash to build on to theirs.

I would ask the Premier if we could move forward with Carcross, as it has seemed to fall behind. I might add that they were to be the next on the list, but it got switched to Beaver Creek. Why did that happen?

**Hon. Mr. Pasloski:** Before I answer that question, I just want to go back, for the record, in terms of corporate tax. Upon review, Yukon is second highest in the country in terms of percentage of tax — second highest in the country. Even with that, more than a 100-percent increase in two years.

Thank you for the question from the Member for Mount Lorne-Southern Lakes.

The answer to that question, however, is that the timing of when these buildings are up for renewal is determined by the fire marshal's office. In the government, they look at all the assets that they have and then they identify the priorities and

that's how they move up. That's my answer to your question. Thank you.

**Mr. Barr:** I realize that there has actually also been a shift in the fire marshal. There has been a change with fire chiefs and direction from Whitehorse that's going to be overseeing some of these things. I would ask if the Premier could relay what I'm saying here, or that attention be paid to the fact that we have been waiting. We were on the list, and now it has been moved. In just hearing your response — that it's up to the fire marshal — but I also understand that the direction does come from specific ministers and so on and so forth — in that we work together to pass on this information.

**Hon. Mr. Pasloski:** Thank you for the comment, and I guess I'll just add that we will work closely and do work closely with the respective departments and with the communities.

I made it known once I became the Leader of the Yukon Party that if I were elected as Premier that I would be attending the AGM of the Association of Yukon Communities — AYC. Historically, it has just been the Community Services minister who has represented the government. I'm proud to say that not only will the Minister of Community Services be there, but I will be there and, in fact, there will be other ministers there as well, in terms of showing that commitment that we have to working with the municipalities throughout the beautiful territory of Yukon.

**Mr. Barr:** I believe I'll be at the same conference and so I look forward to those discussions and hearing about how we're going to proceed together. I'll just stick on some of the places that I didn't see that might be receiving some attention. When we were recently in Watson Lake, I went into the ambulance station there and saw that the station, although it has been rebuilt — it was, I think, the old NAPA building, which was bought, sold, refurbished.

The training space is great, although I do know that there are heating issues in that building. The water is freezing up; they can't really deal with it until they change over the heating system in there to put in isopropyl or antifreeze into the lines. So they've been experiencing difficulties there. I didn't see anything that would address some of those things. With the length of the bay, when the ambulance comes in — it wasn't built in such a way that you could actually get the gurney out. You have to leave the door open to be able to do that. So in the planning, as we move forward, I think — when we were talking about plan-as-you-go or how those things move forward — we have to pay special attention and work with the people who are actually delivering those services on a day-to-day basis because they know best.

When we were there, that was one of the issues. So when they back up — I was in a space like about this much — three feet from the back door. So I would encourage the minister to check out that kind of thing because that's not working.

They also have to wash off those ambulances in those bays. Without having enough space or proper drainage — and I'm thinking it's fine in summertime, but we do live in a climate that's cold most of the year — but here was a pad built outside that the ambulance would drive on outside to do the

washing, but on a level that drains back into the building. Even if it's in the summertime, the drainage doesn't work properly. I know that this is one of the new places. Also in regard to the ambulance and the volunteer fire department folks, much of their emergency outfits have been — people are coming with ripped stuff; they're wearing their jeans. They don't have the proper garb to be able to — even if they're at a scene and they have the fluorescent vests and coats and things that go along with all of those. Will the Premier let me know how we will be addressing those particular issues?

We will be addressing those particular issues and I would say that the outfit part is throughout the territory. That is one thing I have been hearing that I don't see in the budgets.

**Hon. Mr. Pasloski:** I want to thank the member opposite for his comments. Certainly, I think as we go along, he will learn that perhaps it would be better spoken to under the department debate, but I assume that today there are some standards in terms of what is required. Certainly I can say with confidence — I know that with equipment — I know that we had a briefing that, for example, helmets for firefighters have to be replaced every 10 years even if they're still in their original box and never came out of that original box. If it's 10 years old, it needs to be replaced. I think that there are some very stringent regulations in terms of equipment requirements for firefighting and fire prevention in Yukon and Canada today. It certainly is something that needs to be adhered to.

**Mr. Barr:** We were speaking also about the budget and that Ross River is receiving a new community centre. Kudos — that's great. I know that there has been some interim stuff put in place as far as changing that has trickled down through the mining sector that has helped that out. I was up in Ross River last year, and actually wasn't able to go this week because we're sitting, to help them out with their carnival. It was moved to the gym last year; normally, different activities would be held in the community centre. I know they're looking forward to the reconstruction of that community centre in Ross River. The Member for Pelly-Nisutlin, I'm sure, was quite happy to be able to announce that.

I, too, would like to be able to be happy to announce that the community centre in Carcross, which I don't see in the planning — and it didn't burn down, but is quite old. We have really outgrown that community centre in the community of Carcross. I do know that even with the last wedding there, it's not large enough. It has been mentioned that we are growing and people are coming and we do need more space.

So when I think of Carcross being number one on the future tourism development studies, and that a return on capital — Carcross is the best place for investment at this point in time — to see things flourish with the proximity to Skagway and with the whole Southern Lakes loop. The communities themselves in the Southern Lakes are willing to work together to complement each other.

A community centre could possibly work along the lines of a similar idea going on in Haines Junction with the tripartite agreement with Parks Canada, with the First Nations and the community — that we could combine something like that and work together toward creating not only a community centre,

but a gathering place in which we could hold tourism events. We're looking at music festivals there, such as have been going on and have had a great response all over the territory.

Carcross is ready and willing to do that, along with the tourism and the plan with the First Nation to go ahead with residential units and retail space behind the new visitors centre. If we could combine something like the centre with Parks Canada, with a potlatch house, and maybe have the college enter into that space as part of a long-term rental, that would provide O&M. We would then be enhancing community wellness and also providing an added attraction. When I think of the paleontology department — I know that the honourable member opposite, the Minister of Justice — the dinosaurs and all those fossils. A good part of what has been gathered is from the Carcross-Southern Lakes area. They are sitting in drawers and basically the ministers are the only ones who get to see them. If we could include in that vision putting that stuff out, it would add to the tourism opportunities in this building. If we could move forward and entertain that within this next term, I would ask if we could do that.

**Hon. Mr. Pasloski:** I guess I would start just by acknowledging what the member opposite described in terms of Ross River. I think it's another example — that as we grow our economy, and we have businesses that are starting or moving here, and have people working for those businesses and making those businesses becoming a part of who we are as Yukon and the obligation — really, not an obligation; rather, their willingness to be engaged and be a part of the Yukon community by reinvesting, not only in capital investments or in hiring staff, but also giving back. I think what the member opposite was talking about was the Yukon Gold Mining Alliance and the Yukon mining legacy, where they stepped up to help out with the community of Ross River to ensure that, on a temporary basis, they would be able to have an ice surface, and they put in a warm-up shack or a change room shack for the community to have. I think that's just another example of what we see every day.

I went to the Yukon Hospital Foundation's Festival of Trees. Before that, I was at the pro-am golf tournament in the summer. What we're seeing is way more companies involved in making donations. Not only are we seeing more things being donated, but record amounts of money are being raised because there are more people; there's a stronger economy; and people are more generous with their donations. In fact, there was a commitment by the Yukon Hospital Foundation to raise \$2 million toward the purchase of an MRI. The goal was to do that over three years. And then also, actually, this government committed to match those funds to a total \$4 million to buy an MRI and to put it in the special room that it would need, because it has special requirements. But it sounds like Yukon Hospital Foundation will meet their goal, not in three years, but probably in two years, which is speaking to what exactly is going on in Yukon.

We have a lot of economy. We have a lot of diversification. There are a lot of people working. This is one of those extra spinoffs that occur. You know, when the gymnastics team or the band or the hockey teams are looking for money and

fundraising, it is not as hard as it used to be. That is because there is a lot of money around; people are generous. As a result of it, we are all winners from it.

As for your comments — I just don't have it with me, but I was going to make mention of the significant investment that Yukon has made in the beautiful town of Carcross in the last year in terms of the waterfront development. Millions of dollars have gone in support of the vision and the work that was done with Carcross-Tagish First Nation, the local advisory council and the community to look at those opportunities. I know that there are some wonderful plans out there. I'm not sure how Parks Canada ties in because there is no national park in that area, but I think there are a lot of people in the community who are committed. I know that when I went around to all of the communities last summer, I commented in every community that I was in that no matter where you go, there are a few people in those communities who just make it happen, who are there tirelessly; whatever needs to be done, they're the organizers. They're the ones who put it together.

Coming from a small community, I know what that's like and I know how important that is and how grateful I am that there are people in every community who are so committed to their community and not for personal reasons, but for their community as a whole. They need to be recognized for the work that they do. I'm confident that the good people of Carcross will continue to work toward all of the opportunities that are out there in front of them. I do know in terms of community distribution for Carcross for the 2012-13 year, we're looking at expenditures of just slightly below \$3 million invested by the government into the community of Carmacks right now.

A lot is being done. There's more work to do. It's another one of those beautiful spots that we have many of here in Yukon. We look forward to continuing to work with the people through our Minister of Community Services and all the other ministers who play a big role in the communities.

**Mr. Barr:** Just for a little clarification about that \$3 million or so — is it Carmacks or Carcross? Because I would rather it be going to Carcross. I know they're similar. I want \$3 million to all the rural communities.

I'm glad that money is moving toward there. I would hope that, with the remainder of the funds that are going forward, the consultation process — we've seen with the debacle of the signage and the one-way street in Carcross and I know we've made some changes and maybe left to line items later on with the minister — however, as we're speaking about it, I would hope that we could realize that in our consultation with these budgets — that we do it the first time when we're making these consultations — and follow the direction of the people who actually live in that area, especially in this area where it looks like we're going to have to go back and redo some work — so, throwing good money after bad, really.

Actually, the good people of Carmacks — or Carcross, actually — it's easy to do — there are even people that are willing to put in their own time to tear up some of those curbs that are kind of a safety hazard. No, I wasn't directing anything other than a hazardous situation of people stepping off a high curb, and many who come to visit Carcross are elderly. As we

spend this money, I guess the important thing is that we look at the consultation process, as we are dealing with, in a great large way, with the Peel planning process right now.

Having said that, it leads me to this budget and volunteerism and the volunteer strategy. I don't see a volunteer strategy. I understand that there has been a cut — I believe the efforts by the person who is directing the territory to foster volunteerism in the Yukon — that has been dropped.

When I think back years ago, I was actually in attendance. It's a national situation where volunteerism is declining right across the country. So, as we mentioned with the fire departments, EMS, EMO, let alone the people who are coming out for these consultations, taking up their time, people who are helping out with the Arctic Winter Games — which was a huge success — we do know that, fiscally, volunteers are volunteers. We are not hiring them to come and do these things. So, I think it would be prudent to be able to reassess the office of the Volunteer Bureau in the Yukon to help them to continue to recruit, advertise — however this plan goes — but we look at a strategy that is going to recognize the good will of the people who do come forward. With the winter games, with the Adäka festival that is going to be coming forward, with all the music festivals, with the people at Canada Day who are there to do so much throughout the communities — that we are able to recognize them and see how we can be supportive of them to increase their numbers.

**Hon. Mr. Pasloski:** First off, I will apologize for saying Carmacks instead of Carcross. Maybe we should have — less than 26 communities, it should be only one per letter or something like that, but thank you for pointing that out. That was the amount for Carcross.

As for a specific position, I would like to defer that question to the department briefings and our department debate, if we could, because I honestly can't answer that. But what I can tell you, most assuredly, is that on the O&M side, every department has had an increase. There isn't any department that has less money in O&M than they had before. There has been no increase on the O&M side for any department at all. Excuse me, I need a drink of water and then I'll make sure that I say that properly. There has been no decrease. In fact, every department has had an increase in their O&M budget — except for the elections office, because there's no election this year. They get budgeted more money in an election year, but I believe it's about the same that it was in the year prior to that. So, get it all clear: every department has had an increase in their O&M budget except for Elections Yukon. It's back to where it is on years when they don't have an election. So thank you for that.

You mentioned the Adäka — I have to think back — that's one of those wonderful events that's now occurring. I'm looking forward to it being in the Kwanlin Dun Cultural Centre this summer. Last summer, the Minister of Community Services and I were so excited, we were dancing on the stage — traditional dancing on the stage during that event — and we certainly look forward to participation and engagement in the festivities around that event again. I heard they're going to sell tickets next year for that event.

**Mr. Barr:** I was aware that the Premier and the minister opposite have been hanging around the river lately and it's good to see. That's all I have for now.

**Hon. Mr. Pasloski:** I'd like to state for the record that the Minister of Community Services and I, in fact, were by the river a couple of times recently. One was for the opening of the new Whitehorse library, which was a truly exciting event with a beautiful view from those windows on the riverside. We also had a couple of opportunities during Arctic Winter Games — a couple of formal events and then just with the traditional games going on there as well. We're very thankful to the Kwanlin Dun First Nation for opening up the cultural centre prior to its official opening which will be on National Aboriginal Day, which we're looking forward to. I think that certainly those Yukon people who had a chance to get in and see the cultural centre during the Arctic Winter Games were inspired. We're certainly looking forward to the official opening this June. What a tremendous addition to the Whitehorse waterfront that will serve all members of this community and Yukon for many years to come.

**Ms. Stick:** This is a different bit of an angle on a budget question and it's going to be really brief. I just want to point out that when answers are often premised with some real negatives regarding this party or the leader or the Third Party, it's not helpful. One of the things that was brought up was time management and our skills at that.

I would like to make a suggestion to the Premier and see if we could get a response that's going to be helpful, and that's to move forward on budget debate. This side wants to be prepared as best it can. All of us have more than one critic area and not knowing what's coming next makes it difficult for us to be ready with our questions. I know the House Leaders have talked about this, and a request has gone out that we have a reasonable schedule of the departments. I mean, we know that the days can vary on how long the debate might go for different departments, but if we knew ahead of time — this is the order and this is how we're going to get there — this is the order of the departments — then we will be better able to show up here, to have our questions ready and go and get the budget done. That's what we're asking, and I'm just wondering if that would be a possibility, where we know the intended order and we can be ready. It would be an efficient use of our time, and it would be a much better use of your time, as well as the deputy ministers who have to come and sit here. We're all for that. This is what we'd like to do.

We have appreciated just even, three or four days ahead of time of briefings, knowing what the schedule is. That has been helpful, because then we can manage our time when we're trying to do everything else in our busy days — the same as everyone else has busy days. So I would ask the Premier if that could be a consideration. I know you can't come up with exact dates, because we don't know how long debate will go for each department. But if we could have the order, that will make things much more efficient, at least for us — and hopefully for everyone else in this House.

**Hon. Mr. Pasloski:** Thank you for the question from the Member for Riverdale South. I think it's a difficult ques-

tion. It's certainly something that I would like to leave for the House Leaders to discuss. I can say that to establish an order is difficult because life happens, and things happen, and people get called to meetings, and people are sick. It's sometimes very difficult to say, "Here's the lineup and this is when it's going to happen." Even on the little notice there is sometimes, there ends up having to be changes to that order. I would also suggest that during the times — we had the budget speech last Thursday, and then through the weekend, everybody had all the documentation.

There was a pre-briefing. I think the opportunity exists for the opposition to prepare for all of them in terms of being ready by starting to put your questions together, because that is in fact what it is that we are trying to aspire to — the opportunity to see that all the departments are able to be looked at and reviewed and duly debated prior to a vote in the House. As I mentioned again, it will be something that we all can take part in terms of the length of the questions, the length of the responses as well, and just really trying with effort to budget time accordingly based on the volume — on the department where the priorities are for the opposition and then moving forward with that.

**Ms. Stick:** We understand that change happens and that's fine, and that circumstances change and that's fine. We are not asking for something on stone tablets. We are asking that we be given a reasonable order that we can follow. To this point, we still haven't completed our department briefings, and don't know the order.

We're hoping to get that. Again, when we have had the briefings, they've been great. I appreciate what the staff has done and again, we just want to make this as efficient as possible so that we're not leaving off 10 or 12 departments. I think if we see something in the order and there was something we thought might not be reached at the end, we would ask it to be moved forward. We would also want a little flexibility that way, but really what we're asking for is: give us the lineup. Let's get on that. Let's work on that. If it really looks like the time's going to end, we'll try and speed it up. We'll try and get it done.

We don't want to leave a budget not debated, or not completely debated. That's not our goal. We hope to keep our questions to a minimum — not to a minimum — we hope to keep our questions informative, but short so that there is time to move on to the next one. I just, again, ask the Premier: is this in the realm of possibility? I would hope so.

**Hon. Mr. Pasloski:** I think what I want to do is to default to House Leaders. This has traditionally been their responsibility, something that gets worked out among the House Leaders. It's difficult to put something together that is in stone. They should get together to see how accommodating they can be. I would also acknowledge what the member has spoken about, in terms of the time they will take to ask the question, and we certainly will entertain the ability to try to answer those questions as well and quickly as possible. I encourage members of the opposite side of the House to look at the areas that they want to focus on most and budget their time accordingly, to make sure that those areas get the time that is warranted.

**Ms. Stick:** Thank you for that answer, Madam Chair. It will be duly noted and hopefully House Leaders will be able to move forward on that.

There are lots of line items in this budget that this party will be supporting. There are many programs — many capital, much O&M — that we're for; we agree to those things. We will be asking hard questions, though, about things that we're not sure about or things that we see as missing from the budget.

One of the things that I've been hearing a lot when talking to constituents, and having worked for the government in the past, I still have a lot of contacts — one of the areas that seems to be increasing in numbers is the use of employees who are not permanent. I know many, many people in many departments across the government. I am not saying anything disparaging about any employee of this government. I think people work hard and do the very best they can. But what I don't see is this government being supportive of individuals who want to work in this government. Many are in auxiliary on-call positions. Some are term. Some people get hired on contract. This isn't just for a few months or even a year. It's often for many years that these people work under these conditions.

When they are in those positions, though there is some financial compensation for it, they don't have paid sick days or holidays or benefits that the person sitting at the desk next to them, or working in the hospital next to them, has. They are not being treated as equally as many of their co-workers. They don't have a sense of stability. Refuse a shift — they worked five 12-hour shifts, and now it's a day off and someone calls and says to come to work. They are only allowed so many of those refusals. This might have been their only day off; this might be their only day off with their family, with their children, with their spouse. This might be the only day off when they get to sleep and catch up on work, and if they say no too many times, then they don't have a job. Lots of them get overtime and I would suggest that overtime can be a good thing, if that is what they want, but if it is not, money doesn't replace your health. Money doesn't replace sleep that you don't get. Money doesn't replace time they get to spend with their families.

What I'm trying to get to is that these individuals work across our government. They work in the jail; they work in our hospitals; they work in our schools; they work in social services; they work in Highways and Public Works; they work in our liquor stores — it's all across the government and it's going up. We can talk about an \$80-million surplus, and those individuals are getting paycheques, but they're not getting the benefits and it doesn't make for a happy employee if you're always on that edge. If you're always wondering: "Okay, here's my day off; what chance do I have?" We heard about that at the continuing care facility. There are people who put in a lot of overtime — a lot of overtime. They're paid for it, certainly, but again, there's not that guarantee for them that they'll have a job. What I'm looking for — and I've not been able to discern in this budget — I see FTEs; I see them in every department. How many people are working? And what I'm curious about and what I'd like to know is, do those FTEs include



those terms, those auxiliaries and those contracts? Are they part of that budget?

The other piece I want to know about is: what are the hours of overtime that we are paying? Where do I look for those numbers — in terms of what are the hours of overtime at the jail? What are the hours of overtime at the hospital, or at the continuing care, or in our schools? It's important. I don't like to see people not being treated fairly, when the person next to them is doing the same job, same hours, same expectations, but is treated differently from what they are. So if the minister could perhaps point me in that direction or provide that information, I would appreciate that.

**Hon. Mr. Pasloski:** I think what the member opposite is talking about really more boils down to a personnel issue, which then falls into the context of the Public Service Commission versus — this isn't a budget issue — right now. What I can say in terms of what you're saying is that just recently, the Minister of Education announced moving 22 paraprofessionals, who were in sort of a year-to-year position. We have formally announced that those would be permanent positions. There were 22 of them that were just announced. But in terms of response to what you're saying, I think that's best answered by the Public Service Commission.

**Ms. Stick:** I would agree. I know that comes under the Public Service Commission; I'm very aware of that and I hope we get there. I hope we get to that piece because that has not been a budget area that has been debated. I also know, though, that departments are the ones that know what their resource needs are in terms of manpower. They're the ones who ask; they're the ones who have to manage some of that also in terms of their budgets and overtime. I look forward to seeing it in the Public Service Commission, but I certainly think there are other ways of getting at that information also.

Can we get that number? Even in terms of across this government, what are the auxiliary numbers and what are they foreseen to be?

**Hon. Mr. Pasloski:** I will defer that question to the department-by-department discussions.

**Ms. Stick:** I wanted to talk a bit about some of the housing and housing needs. I don't want to look back to what has happened, but I would suggest that I would like to look forward, and one of the areas in housing has to do with affordable housing. I know that is all wrapped up in lot availability, housing sales and the cost of lots.

I see that the government is intending to give money to the City of Whitehorse to move ahead quicker on Whistle Bend. I remember when the memorandum of understanding with this government was signed between this government and the city with regard to planning and lots for the City of Whitehorse. At that time, I think the city had two planners. The pressure on the city to continue to do more and more and more has increased, and I realize that that money comes back to them from this government. But I'm worried — we will push ahead with Whistle Bend; we'll get more lots out; some people will be able to afford those. Some people will be able to afford those — a lot of people won't. Or, they can afford a lot, but they'll never be able to afford a house to put on it. So then I look at afford-

able housing. We've talked or we've heard — and the funding set out for lot 262. Again, it's a great thing that you want to do this. But what I find hard is that this isn't going to be a quick process. For one thing, it has to go through the city. The Minister of Health and Social Services isn't here, but he spoke to that yesterday — about the difficulties — or, the prior day — about the difficulties of getting development done in this city.

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

#### Point of order

**Chair:** Mr. Cathers, on a point of order.

**Hon. Mr. Cathers:** I think it was probably unintentional on the part of the Member for Riverdale South, but it's out of order to refer to the absence of a member.

**Chair:** Ms. Stick, on the point of order.

**Ms. Stick:** I apologize for that. I was concentrating on something else, and let that one slip by. It won't happen again — I'll try.

**Chair:** Thank you.

**Ms. Stick:** Where was I? It's going to take time — there will not be "shovels in the ground" this spring. It might be for a photo op, but it certainly won't be for building. The city has a whole process of zoning, public hearings, wait periods and then decisions are made — and then development plans have to come forward. So there's going to be time before any of that happens. I just wonder what else is in the budget. We saw quite an exercise the city did last year looking at the south part of Whitehorse under the clay cliffs — under the airport there — and haven't heard anything back from that. They did a lot of work. They did a lot of consultation. They talked to people. They had charettes — again, where is that? Why don't we see that in the budget as something coming forward, whether it be multi-family or high-rises or affordable housing? There has just been nothing. Can the minister tell us where that is, please?

**Hon. Mr. Pasloski:** What we are doing this year, we have budgeted \$25 million for Whistle Bend for phases 1 and 2 for this year. We have budgeted \$5 million this year for detailed design work on phases 3, 4 and 5 so that we can ensure that we have lots coming out in 2014, as well. We talked about new monies for the city to help them to start looking past Whistle Bend to where we are going next, so that we don't have the same situation happen as we had this time when we ran out and we were not ready to go.

One of the things I want to mention is that we have been establishing and have a very good working relationship with the City of Whitehorse. I've been down there meeting with them on their turf, and the mayor was appreciative, saying she doesn't remember when the Premier of Yukon had come down to talk to them in their office. We have had ministers go down there; we've had our officials working with them, and so we are working together with the city. Part of that exercise is looking at what are the next options.

Perhaps it's on the east side of the river. Then we would need to talk about whether we're going to need a bridge. That probably or may include conversations with Kwanlin Dun and

Ta'an Kwäch'än as well. That might be one of those opportunities that I spoke about before about why we have money in a surplus and net financial resources, because these are things that don't get picked up in the TFF; we need to have the money to be able to do that.

As for Lot 262, as the Member for Riverdale South is aware, it conforms to the OCP, with the city's official community plan. We don't see this as being a big impediment. Our plan is to be going out — as the Minister of Energy, Mines and Resources commented, we look to see something coming out very shortly to the private sector on this, with an expectation that the proponent would then be going to the city to move forward. We're optimistic that this process is going to move along at a good pace. This has been a priority, as was mentioned, I think, by our minister responsible for the Yukon Housing Corporation. We came out with the expression of interest very quickly after the election. It was out there and it is a priority for us to see that there is a minimum amount of affordable units that will be a part of that development.

We're also dealing with Kwanlin Dun. We signed a letter of understanding with Kwanlin Dun last August to look forward at opportunities they have. If the member opposite doesn't know, they are the largest landowner within the City of Whitehorse. I think it's about 42 square kilometres that they own. So we're talking with them. Actually, the Government of Yukon has a number of properties as well. To answer your question, I think you were referring a little bit to that area of 5<sup>th</sup> Avenue and Rogers — in that area where we have a bunch of land. One of the things that we've been waiting for is geotechnical work, in terms of stability in the clay cliffs and what boundaries are going to be allowable for development in that area. We have already spoken with the City of Whitehorse on this issue, and we're ready to start to move forward in looking at what the options will be. But certainly, we are also entertaining the thought of looking at whether some of the properties we have here — and a number of them are downtown — we can move ahead or are going to move ahead — perhaps to engage the private sector in meeting some of those demands that are out there.

Yukon Housing Corporation — for this year, in terms of capital vote planned estimates for 2012-13: repair and upgrade — \$2.575 million; home ownership — \$7.150 million; community and industry partnering — \$4.185 million; social housing — \$500,000; staff housing — \$1.35 million — some of the things, just in terms of capital — right now — investment by this government.

We have a lot of things that are going on. I think the member has mentioned she's aware of some of the stuff that's happening. As I had spoken about before, you can't just jump out of the gate and spend money. You have to make sure that you look at these projects and that they are the right projects and that we do them in a manner that ensures we are being accountable to the taxpayers of the Yukon and that we are using their money wisely.

**Ms. Stick:** I just want to caution the Premier. I looked at some of the zoning in the city and I was pretty convinced

that Lot 262 is actually designated "UR," which is — or "RU" — I can't remember which it is, but it means "undesignated".

Whatever the zoning was, it was something that was going to have to be rezoned to put family lots in. It will have to be rezoned, and there is a process that the city has that is in their bylaws, and that's the way it works. So it's not — one can move it quickly, but it will take awhile, in other words.

I'm really glad to hear the Premier is going to City Hall to talk to the mayor and people there, because when I was at City Hall for five years, it always kind of amazed me how the government never took the city into account at all. It's the Yukon's capital city. It was important. It took a lot of effort — not often successfully — to get any kind of dialogue happening with the city. The city does not own land in this municipality. It only owns the land its buildings are on. A lot of people don't know that, and get confused and don't understand why the city isn't opening up land everywhere.

It wasn't the city's — they don't have it. Yes, the First Nations do. They are the largest landowners within the municipal boundaries. The rest is Commissioner's land. It belongs to the government, so they do have a say and they need to be helping with that planning. So I'm glad to hear that the government is going down and talking with the city in our capital. It is important to recognize that and I'm sure Madam Chair has been in a similar situation and felt that often municipalities and others did not have a voice with government.

The Premier talked about the east side of the river. Are there any other areas where this government has Commissioner's land that they are looking at and asking the city to participate in the planning for?

**Hon. Mr. Pasloski:** As we were discussing, I believe that Lot 262 is OCP compliant. There will have to be some zoning done. Our idea is that we are looking for the proposals. We know what we are asking for from the proponents.

We'll see what comes forward. They will then have to go to the city. We have been meeting with the city to discuss this issue and we're confident that relationship and that understanding of what we're trying to do will help facilitate to ensure that this goes through the most expeditious process that is possible.

As I mentioned about AYC, I think this is a government that is very conscious that while the majority — or 75 percent of Yukoners — live in this city, there is a lot of space out there; we have a lot of other communities. In fact, as the member across is aware, we have a number of members on this side of the House who are past municipal councillors as well — certainly, Madam Chair, our Member for Pelly-Nisutlin and also our Health and Social Services minister. So we have experience; we have people who are at our table talking about municipalities and ensuring that's something that we consider and factor in.

As for where we're going to go next, that's not entirely our decision to make as the member opposite is aware. I think there are a number of options out there at which the city is looking.

What we have said is that we want to facilitate that process and if they don't have the people and the assets right now to be able to get that process moving forward, we're willing to be involved at this point to see that we can start to move forward

with the work that needs to be done to clearly define what the next steps are and where we're going to go next so that we get back to what I've talked about before, and that is the opportunity for people to go to the counter and get a lot. I think that there was a day when that used to happen in this territory and we need to be able to get back to that day. I think that also solves some of the issues that we have on the pricing side because whenever the demand exceeds the supply — we understand what happens with everything when I talk about the total package of getting a lot and putting a house on it. I think getting above that curve and ensuring we can have a supply that's exceeding the demand would help us, as well, in solving some of those problems on the costing side.

This is an important priority for this government. I think all of us, when we were at the doorstep, heard that this was an important priority. We have delineated parts of our strategy and the things that not only are we doing now, but we committed to doing through this mandate.

We look forward to delivering on those things that are important to all Yukoners.

**Mr. Tredger:** I'd like to begin by thanking the deputy minister and the Department of Finance for the work they did on the budget and for helping walk us through it. They spent a considerable amount of time explaining it and going through it and it was much appreciated.

I'd also like to thank very much all of the employees of the Yukon government. There are a lot of people who had a hand in building this budget — people in every department — and they have done a lot of work toward this, and I'd like to thank them for that. I'd also like to thank the members opposite and the ministers for working together to put this forward. It's not always easy to move from politics to governance, and I commend the Premier for building an inclusive team. It's much appreciated. I think it will build a stronger Yukon.

The minister talks about the uncertainty of the fiscal world. I appreciate that uncertainty and attempting to build a budget around that.

I spent the first 40 years of my life in northern Alberta, where the oil industry was just coming in. I have witnessed, first-hand, the ups and downs of a commodity industry. When we are talking about small businesses, what happens when an economy gets overheated is it becomes very attractive to larger businesses. Our local businesses, ones that have been here, paid taxes and built our economy, must try and keep up or we end up with a fly-in, fly-out economy. We have businesses coming from the south. In order to keep up, they need to expand. In order to expand, they need to borrow money and, as the Premier so eloquently stated, sooner or later the price of money is going to rise. Our businesses will have debt, their expenses will increase, and sooner or later the commodity bubble will burst. One of the biggest mistakes an investor can make is to say this time it will be different, because sooner or later it won't be different. Our businesses and our land and our people need to be cognizant of that — and our government.

One of the things I learned when I was there is that before industry came, before it expanded, there was the land and there were the people. When industry leaves, there will be the land

and the people. So I applaud portions of the budget that support the environment, that support our small businesses, that support our placer miners who have been here for a long time and will continue to be here.

The people of the Mayo-Tatchun area are an innovative people and they are resourceful people. They're willing to work with the government; they're willing to work with other people. They love who they are and they love where they are. What I'm hearing from them is they're getting concerned about the pace of development. They're concerned about our ability to adequately provide oversight, to adequately monitor what is happening on their land.

This isn't a problem that I have with our civil service. What I see happening is they are working extremely hard and very diligently, but I hear more and more that they are stressed and stretched to the limit. When I look at the budget and I see that in Environment — while the minister is correct that there is a slight increase, I wonder whether that will give them the resources so they can go home at night feeling like they've done a good job, rather than feeling exhausted, so that they can use their creativity and productivity to do what we want them to do — the direction from the government, which is to act as stewards of the land. It's important that we get ahead of the curve, that we ensure safety and increasingly act as stewards of our land.

Our capacity to remain on top of things we must build — as the Premier said, you can only do so much work at one time. We need to be careful that we're not asking too much of the people in the Yukon and our civil service. They are working hard; they want to feel like they are performing their job in a good way.

Currently, we have over 300,000 active claims. I am wondering: do we have the ability to ensure there are adequate inspections, that there's adequate oversight, and there's adequate enforcement of the activities on these claims? Many of those claims have just recently been staked. There is a threshold of activity that is involved. If those claims are done under that threshold — and I will get into that next time I'm up — if that doesn't create a review, what happens is then they have to make a report after their work is done. When I see the term "300,000 claims" — and it may be off somewhat because it is a moving figure, as the Premier said. Each year there are more and more and more.

If it is not 300,000, it is well over 200,000, and it is a record number. That is almost 10 claims per adult Yukoner. Do we have the capacity to visit those claims, to read the reports on those claims?

Another concern I have in the budget is with Highways and Public Works. Do we have the dollars to make sure that our highways are adequate and that people when they are driving on them are safe and secure? I was reading one of the reports that had been done for the government and it talked about the need for passing lanes and the need for pullouts. As we get more and more traffic — people in motor homes who are coming up for the tourism industry and citizens who are driving around — we need to make sure that those are in advance. We

already know how long it takes this government to build a school. How long will it take to upgrade our road system?

Madam Chair, I move that you report progress.

**Chair:** It has been moved by Mr. Tredger that we report progress on Bill No 6, *First Appropriation Act, 2012-13*.

*Motion agreed to*

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

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

*Motion agreed to*

*Speaker resumes the Chair*

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

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

#### **Chair's report**

**Ms. McLeod:** Mr. Speaker, Committee of the Whole has considered Bill No. 6, entitled *First Appropriation Act, 2012-13*, and directed me to report progress.

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

**Some Hon. Members:** Agreed.

**Speaker:** I declare the report carried.

**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:** The House now stands adjourned until 1:00 p.m. Monday.

*The House adjourned at 5:30 p.m.*

#### **The following Sessional Papers were tabled March 22, 2012:**

33-1-32

Ombudsman 2011 Annual Report (Speaker Laxton)

33-1-33

Information and Privacy Commissioner 2011 Annual Report (Speaker Laxton)