

**Yukon Legislative Assembly
Whitehorse, Yukon
Monday, April 30, 2012 — 1:00 p.m.**

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

Prayers

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of “Not Myself Today” campaign

Hon. Mr. Graham: Mr. Speaker, on behalf of all members of the Legislature today, I wish to make a tribute to April 30, “Not Myself Today” awareness campaign.

I rise in the House today to acknowledge the fact that April 30 is the national day of action to raise awareness about mental health in Canada. The campaign is called “Not Myself Today”. It acknowledges the fact that all Canadians are affected by mental health issues, either directly or indirectly.

We often don’t speak about mental health problems because of the stigma associated with them, yet an estimated one in five people in Canada will experience mental health problems or illnesses. Even if we ourselves don’t suffer from mental health problems, we likely know someone in our family or among our friends or co-workers who will, or do at the present time.

Despite the fact that mental health problems are so common, most people don’t feel comfortable talking about them. People living with mental health problems face challenges getting and keeping a job. Those who are employed often feel uncomfortable talking about their mental health issues with their employers or friends. An estimated 500,000 Canadians miss work each day due to mental health problems.

The cost of addressing these issues is huge, as they account for 70 percent of lost productivity in Canada. As mental health illness rates increase during prime working years, young adults are often the hardest hit. I encourage all Yukoners to mark this day of action by taking the pledge on the “Not Myself Today” website to support mental health sufferers and break down the stereotypes associated with mental illness. Let’s encourage open communication by starting a conversation now about mental illness.

“Not Myself Today” is a good time to think about our own habits and how they affect our mental health. Exercising regularly, getting plenty of sleep and a healthy diet all contribute to improving mental health. Thank you very much.

Speaker: Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Kent: I’d like to ask all members of the House to join me, as MLA for Riverdale North, and my col-

league, the MLA for Riverdale South, in welcoming here Ms. Kristin Innes-Taylor’s grade 5 class from Selkirk Elementary School.

Just further to that, Mr. Speaker, as has become practice during this current sitting of the Legislature, I invite any members who are available to join us in the members’ lounge following Question Period to answer any questions that the students might have.

Applause

Ms. Hanson: I would like to ask the Members of the Legislative Assembly to welcome Megan Leslie, Member of Parliament for Halifax and deputy leader of the Canadian New Democratic Official Opposition; and Meghan Lawson, parliamentary intern.

Applause

Hon. Mr. Dixon: I would like to ask members to join me in welcoming a new constituent of mine and, indeed, a new Yukoner, Mr. Jon Rudolph and his brother, Clayton, to the House today.

Applause

Speaker: Are there any further introductions of visitors?

Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Speaker: The Chair has for tabling the Report of the Chief Electoral Officer of Yukon on election financing and political contributions, 2011.

Are there any other returns or documents for tabling?

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motion?

NOTICES OF MOTION

Ms. McLeod: I rise to give notice of the following motion:

THAT this House urges the Government of Canada to continue to financially support Northern Cultural Expressions Society.

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

THAT this House urges the Yukon government to support development of the agriculture sector with actions including:

(1) working with farmers and industry associations including Yukon Agricultural Association and the Growers of Organic Food Yukon to implement an agriculture multi-year development plan;

(2) developing a Yukon-grown food policy aimed at significantly increasing the production and use of locally grown vegetables, meat and food products;

(3) supporting the development of agriculture infrastructure that improves food security, facilitates access to market, and encourages local production of food;

(4) supporting the development of local markets for Yukon agriculture products through measures including supporting the operation of the Fireweed Community Market; and

(5) working with Yukon farmers to conduct agricultural research.

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

THAT it is the opinion of this House that in order to create excellence in education and support our public schools' vital task of helping young learners to live productive, creative and healthy lives, the Government of Yukon must:

(1) fully implement all tenets of the *Education Act*, including the full participation of all partners, rural and urban, in education; and

(2) reject the skewed findings of think tanks which are committed to the pursuit of free choice, competitive markets and less government regulation and are not the best judges of educational policy.

Speaker: Is there a statement by a minister?
This brings us to Question Period.

QUESTION PERIOD

Question re: Workplace safety

Ms. Stick: The Day of Mourning commemoration on Saturday was a very sad affair and very moving. We mourned the loss of four Yukon men who died on the job. I felt there were people there in the crowd asking why. Previous to the Day of Mourning, we heard in the media that worker injury rates in the Yukon are already up 23 percent for this year. I have a simple question, Mr. Speaker — why?

Hon. Mr. Graham: I wish I could answer that, but there are a number of contributing factors to worker accident rates. First of all, the economic picture in the Yukon is definitely rosier, so more people are working. It usually naturally follows that as there is a larger workforce, the accident rate will also be higher.

Workers' Compensation Health and Safety Board is working continually to improve and better working conditions here in the territory. They will continue to do so. This, I believe, is a temporary aberration.

Ms. Stick: I don't think our larger workforce is up 23 percent, which would correspond to the injury rate. At the Day of Mourning commemoration, the minister publicly committed to making workplaces safer on behalf of the government, and I thank him for his words. We need bold action to stem this tide of rising injuries.

Years ago, Steve Cardiff brought forward the *Young Worker Protection Act*. Years ago, the Yukon Party government conducted a consultation on this. Years ago, the government promised new rules on minimum ages in certain high-risk occupations. There has been no action and this is not acceptable. How does this government explain these delays in bringing in rules to protect young workers?

Hon. Mr. Graham: This government does take young workers' safety very seriously. We proposed regulations on minimum age restrictions. They are under discussion with stakeholders as members opposite are aware. We aren't going to rush into bringing these regulations into place without first of all discussing them with a number of different industries and occupations that have a vested interest in young worker compensation — or young worker legislation. We have committed to having draft legislation in place by the end of 2012 and it will be ready at that time.

Ms. Stick: I'm pleased to hear about draft legislation coming forward because we've already done this. We've heard the recommendations, we've done the consultations and we've gone through the process, but this kind of response that has gone on for years diminishes the importance of protecting young workers, because they are new, less knowledgeable about their jobs and their rights and have a less developed cognitive sense. Young workers are more at risk of workplace injury and death.

That's why this government needs to step up and regulate and say that they have to be a certain age to work in some of these higher risk occupations. Mr. Speaker, when can this government move on the young worker protection in certain industries?

Hon. Mr. Graham: I thought I answered that last time. I gave a fairly specific date. By the end of 2012, we hope to have draft legislation in place.

The member opposite fails to realize, also, that a code of practice for orientation, training and supervision of young workers was instituted January 1, 2010. That was in direct response to the requests for better orientation of young workers in exactly the manner the member opposite was speaking about. We are doing things and we will continue to do them.

Question re: Dawson City waste-water facility

Mr. Barr: Mr. Speaker, the Dawson City sewage treatment plant is in the news again. The sewage treatment plant has been plagued by cost overruns, location changes, legal disputes, technology concerns and delays and more delays — yet another example of this government's inability to manage major capital projects in a responsible and fiscally sound manner.

Mr. Speaker, is the minister aware that Dawson City's operation and maintenance costs for the sewage treatment plant have nearly doubled because of design changes, and if so, when did they become aware of this?

Hon. Mr. Istchenko: Of course we are aware of it; we are the government. This government continues to work with the City of Dawson on the solution. The project is actually progressing well. There have been some different costs out there, but the construction is ongoing and we look to be hopefully up and running by December 31 of this year.

Mr. Barr: Mr. Speaker, the current mayor and former Yukon Party Cabinet minister has called on the Yukon Party government for assistance. Mayor Jenkins has noted that design delays have resulted in the annual operation and maintenance costs going from an original estimate of \$280,000 to over \$415,000 annually for the Dawson sewage treatment plant.

Dawson cannot afford such costs on its limited municipal tax base. Dawson City has already experienced the struggle of bankruptcy twice. None of us wants there to be a third time.

What are the minister's plans to assist Dawson City and avoid further strains on the city's finances?

Hon. Mr. Istchenko: I am not sure where the member opposite is getting his numbers from. There was a higher estimated cost, I will admit to that. Absolutely there was. I do not know if he was talking to the member or our ex-member who was — there is a memorandum of understanding in place — I want to get this across. We have a memorandum of understanding with the Mayor and Council of Dawson City, which includes that we will be operating the facility for the first year. We have projected the costs for O&M, and anything above and beyond the cost, the Government of the Yukon will be assisting them so their O&M is affordable for them and so that we do not bankrupt the City of Dawson.

Mr. Barr: Can the minister provide this House with more details of what he will do to help Dawson City, including a timeline?

Hon. Mr. Istchenko: As I alluded to in the answer before, the O&M costs, compared to other types of mechanical treatment facilities, Yukon Government Services invested a significant additional cost in capital in the development of the facility in order to minimize the longer O&M costs.

Secondly, it installed a set of all-process equipment — heavy recovery pump, extra spare pumps, R44 walls and R60 roof — and training for the first year, so Dawson and the YG staff will continue to meet and discuss the details of our O&M costs. It's guaranteed from this government that we're working feverously with the City of Dawson to get their plant up and running so they can have safe sewage.

Question re: Violence against women prevention

Mr. Silver: The *Sharing Common Ground* report reviewed policies in the Yukon and offered some possible improvements. Among those recommendations were number 3.2, for a new RCMP training framework to be developed by the Northern Institute for Social Justice in consulting with Yukon government, M Division, First Nations and women's organizations. The new training framework was to include, among other matters, how to respond to domestic violence and sexual assaults.

It's an appropriate course of action given Yukon's disproportionately high incidence of these crimes and local women's organizations tell us that roughly nine out of 10 women who are victims of sexual assault won't report it to police.

Could the minister provide an update as to the progress on this recommendation for combating domestic violence and sexual assault?

Hon. Mr. Nixon: I thank the member opposite for his question.

As most members here in the Assembly know, the *Sharing Common Ground* report had many, many recommendations. A lot of those recommendations have been worked on over the last year. There have been training opportunities through the Northern Institute of Social Justice. Those will continue and we'll continue to look at the recommendations from that report.

Mr. Silver: As the minister is aware, northern women and aboriginal women are significantly more likely to experience violence than women in southern Canada. Local women's organizations tell us that Yukon women are three to four times as likely to experience sexual assault, and that number can be seven times higher for aboriginal women. Given how big the problem is, we are glad to see action is being taken to prevent these crimes and to respond effectively when they do occur. The sexual assault response committee is developing public education, training and cooperative priorities that include sexual assault response teams.

Can the minister tell us if the recommendations related to the response teams have been implemented and have there been new resources allocated for their implementation?

Hon. Mr. Nixon: Again, I thank the member opposite for his very, very important question. As I mentioned earlier, there are a number of recommendations that are being rolled out through the recommendations coming from *Sharing Common Ground*.

One of them is the Police Council that I just appointed only a month and half ago. It is recommendations like that that are moving forward. We take all the recommendations very seriously. Rolling them all out, of course, is going to take some time, but we are kind of prioritizing them. The department continues to work with the RCMP, First Nations and the community. Some of that work will be ongoing with the new Police Council.

Mr. Silver: We have had many programs over the years that have addressed violence against women: public service campaigns, a focus on victims of crime, and outreach throughout community organizations, to name a few. Unfortunately, we continue to experience very high rates of violence against women. The programs have not been entirely successful. *Sharing Common Ground* provides some new recommendations and the Department of Justice and its partners are working on implementing them. We want to be sure that these new initiatives will make progress. How will the effectiveness of the new training framework and other recommendations be evaluated?

Hon. Mr. Nixon: I thank the member opposite for his questions. I can tell the member opposite and other members in this Assembly that they are working on a draft one-year progress report for *Sharing Common Ground*. I hope that will come out in the coming weeks but at the present stage, it is just in draft form.

As I mentioned earlier, the Department of Justice continues to work with the RCMP, the Council of Yukon First Nations, the Northern Institute of Social Justice, women's organizations and others to implement the recommendations contained in *Sharing Common Ground*, Mr. Speaker. So the majority of the recommendations have begun to be implemented and the remaining recommendations are expected to begin over the coming months.

Question re: Dawson City waste-water facility

Mr. Silver: Hot topic: Dawson City waste-water treatment plant and my community looking forward to its completion. The \$25-million construction cost is being jointly

funded by federal and territorial governments. The Government of Canada is picking up 75 percent of the cost and the Yukon government is picking up 25 percent of the cost. Part of the funding will pay the builder to run the plant for the first 12 months and to train Dawson City staff to operate it after that.

Can the minister tell us: After those first 12 months, who will be responsible for the operation and maintenance costs of this \$25-million project?

Hon. Mr. Istchenko: As I alluded to in the question from the Member for Mount Lorne-Southern Lakes, the Yukon government will be paying to operate the plant for the first year. As the MOU stated — and I'm sure the mayor was there for when we did sign the MOU — we've agreed to support Dawson if the ongoing costs are unsustainable, to work with them to make sure that the costs are something that they can afford.

Mr. Silver: As of late August, the builder expected construction to be completed by March 2012. That would allow the plant to be operational by late spring. We know that construction has been delayed by a number of factors, pushing that timeline out further. For example, a project subcontractor has stated that the builder made numerous changes to the wastewater treatment plant's original design. These adjustments came through multiple change orders and change directions that substantially altered the project. Presumably these design changes will have an effect on how the plant is operated going forward. Can the minister tell us if there is work underway to revise O&M funding arrangements to reflect these design changes?

Hon. Mr. Istchenko: Yes, as I alluded to in my question before, this government has agreed to work with the City of Dawson on the increased O&M costs to look at the ongoing yearly costs. We will manage this for the first year. We will look at costs and then we will, with our MOU with Dawson, look at the costs and help them if the costs are unsustainable. I'd like to just add to the member opposite that I'll forward him a link to some YouTube videos of the construction of it. If he hasn't been there to see that, I can forward him some links.

Mr. Silver: I appreciate the minister's answers to this question.

There are an awful lot of rumours and there is an awful lot of politics behind this current situation and we want to deal with the facts.

Yukon municipalities, like many communities across Canada, have raised concerns about the downloading of regulatory costs from other levels of government. "Our Towns, Our Future" specifically mentioned community concerns about the high cost to local government of implementing new wastewater and effluent regulations. It also recorded that, "increasing reports and regulatory requirements means municipalities have less to spend on operation and maintenance of facilities and in the provision of these services."

Municipalities suggest that forced growth on the comprehensive municipal grant could offset rising costs. Can the minister provide an update on these discussions and will they affect the money to run the Dawson City treatment facility?

Hon. Ms. Taylor: The "Our Towns, Our Future" review is a very excellent example of how our government is working collaboratively with all Yukon municipalities via the Association of Yukon Communities. We are very proud to be able to work with them on a number of themes that were addressed throughout the review, which include land development, energy, asset management, the comprehensive municipal grant as well as the *Municipal Act* itself. We very much appreciate the work that has been conducted thus far in moving forward. We will be pleased to report a significant progress on all of these and beyond at the upcoming Association of Yukon Communities AGM this weekend.

Just to outline our government's ongoing commitment, this year marks the fifth year of our ongoing municipal grant to Yukon municipalities. In fact, this year's budget reflects over \$16.5 million in support of Yukon municipalities and their O&M costs. Certainly, this government, over the past five years, has been able to increase the annual allotment by over \$800,000.

Question re: Peel watershed land use plan

Ms. Hanson: In February of this year the Premier issued a press release and an advertising campaign trumpeting its new eight points for the Peel land use plan. This came as a surprise to many Yukoners because during the election the Yukon Party avoided specifics on the Peel.

My question for the Premier is clear. When did his government develop the eight points that he insists will guide his government's approach to the Peel?

Hon. Mr. Cathers: Again, members have brought this issue up before as the member herself should recall. The government, in the election, not only criticized the proposed plan — proposed by the commission — but the Yukon Party in fact criticized the Leader of the NDP and the Leader of the Liberal Party for committing to implement the proposed plan.

We have indicated repeatedly that we will continue to follow all of our obligations under the process. We've also indicated that we believe that improvements to the plan proposed by the commission can be made. We will be providing more information about possible modifications in the remaining stages of public consultation and of course, we will hear from the public, hear from First Nations and from communities prior to making any final decisions.

Ms. Hanson: Mr. Speaker, I think we're all too familiar with the government's criticisms of the Official Opposition — all too familiar with the government's criticisms of the proposed plan, but that wasn't my question. Yukoners were surprised when the government brought out its eight points. Will the Premier share with us when the eight points were developed?

Hon. Mr. Cathers: Again, I have to point out the member and her colleague, the Member for Copperbelt South, have been somewhat confused in their position on this issue at times and have made some accusations that bear no reflection to the facts. I have to remind the members that government, as the Member for Copperbelt South has acknowledged, has the ability to accept the plan, reject the plan or mod-

ify the plan, as do the other parties in that process for land that is settlement land within that area.

We believe it is appropriate, if we believe modifications should be made, to give the public an indication of some of the government's thinking around that prior to the final round of public consultations, rather than after, as it has appeared at times the members were suggesting. Again, more information will be provided to the public during the next stages of the process, and we look forward to hearing from the public, from communities, from First Nations prior to reaching any final decisions on this matter.

Ms. Hanson: It's clear that the minister opposite is the one who is confused. The Official Opposition has been absolutely clear in stating time and time again what the final agreement says, and it's that the final plan, as submitted, is the plan that should be taken to the public.

During the election, the Premier shared some of his views; however, the Premier said it would be premature and irresponsible to take a clear position on the Peel prior to full public consultation. I ask the Premier again about his leadership on this important issue. Did the Yukon Party government develop the new eight points to change the Peel plan before, during, or after the election?

Hon. Mr. Pasloski: I guess I certainly want to comment on something that I did say during the election repeatedly as well.

One of the considerations in anything we have to do regarding this recommended plan and moving forward in that area is to consider financial implications as well. That's something that the NDP, and at that time the Liberal Party as well, didn't think should be considered — one of the things that Yukoners need to consider when looking at the final plan. When it comes to the repeated calls for the Premier's position, I think I have made myself very clear on this in the past. This government, under my leadership, is doing things in a manner in which we are making decisions collectively. We've got an excellent caucus and Cabinet here, and a lot of thoughtful input goes into all the decisions that we make. What I can say is what I've said many times: I respect the responsibilities that these ministers have to their portfolios, and they have my full confidence and will continue to.

Question re: Youth homelessness

Ms. White: Previously, the Minister of Health and Social Services said that he was aware there are problems with the present youth shelter. When asked, the minister said that he would be contacting various groups to meet with the department. These groups were to be included in any planning for any new options for a youth shelter.

Can the minister bring us up to date on who was at that meeting and what was concluded?

Hon. Mr. Graham: I made that statement when it was determined that the proposal we had received from one NGO in particular did not meet our needs and in fact, was much too expensive for what we had planned to do. Since that time, we have had another proposal from the NGO in question to develop a program to relocate and operate a youth shelter, which is currently located at the Sarah Steele Building. So the

preliminary proposal that we have received from this NGO indicates that it's at least within striking distance of the funding that we have available to operate the youth centre, and we're still negotiating with that NGO. So we haven't met with all of the youth centres yet until we have something as a result of the conversations that we're having with the NGOs.

Ms. White: I thank the minister for his answer. During the 2011 election, the Yukon Party committed this government to proceed with the youth shelter. To date, the best this government has done — until I just heard — was to continue operating with its four existing beds at the Sarah Steele Building, the home of Alcohol and Drug Services, more commonly referred to as "detox". Youth are frisked at the door and treated as if they are guilty of some offence when they are only looking for a place to sleep. In replying to my previous questions, the minister called this an "interim youth shelter" and noted that the location was not good and acknowledged that it was probably difficult for some youth to go to it.

Now he has announced that medical detox facilities will be in the same building. How does the minister perceive these new services existing with the youth beds in the already tight quarters of the Sarah Steele Building?

Hon. Mr. Graham: As I said, we are looking to relocate the youth shelter from the Sarah Steele Building to another facility. However, again, I guess the opposition seems to believe that we can do these things instantaneously but they take time. They also take time to go through the process within the government itself, because we have to make sure that we have money available to operate these new facilities and it's not something that's going to happen overnight.

We're working on it, we are fully committed to it and I have to take exception to the way the member opposite started this, because the staff at the Sarah Steele Building are operating within established guidelines. They do everything they possibly can to make youth feel comfortable, but the simple fact of the matter is, the Sarah Steele Building is first and foremost a detox centre and unfortunately there are rules that must be followed. The staff makes every effort to accommodate these young people, but it is a detox centre.

Ms. White: A safe, accessible emergency shelter for homeless or at-risk Yukon youth has been an issue for many years in Whitehorse. Before the election, this Yukon Party government said they would solve the problem.

They had already been government at that point for eight or nine years. The minister has acknowledged that there is a gap in services for youth. A shelter does not have to be run by government. There are many examples nationally of joint responsibilities between governments and NGOs for youth shelters. We tabled the report in this House titled, *Plan to End Youth Homelessness in Calgary*, some weeks ago. It shows clearly how creative thinking and community involvement can solve this problem.

Will the minister commit to investigating all possibilities and continue working with all local youth organizations to see a youth shelter open its doors before this coming winter?

Hon. Mr. Graham: I have to think that possibly there's — I seem to have a problem with communication. I said

we are working with the local NGO because we do not want the youth centre in the Sarah Steel Building. We realized that it was not an appropriate place for a youth centre and so we made the commitment during the election campaign to move it from the Sarah Steele Building. We are in the process of doing that; we are working with an NGO at the present time to try and open a youth centre.

I know the NGO in particular is proposing that not only would they like to operate the youth shelter, but they would also make it part of an enriched process of transitional support that would assist these youth in connecting to other services and programs, not only within the Government of Yukon, but within the NGO community as well. So we're considering that option at the same time that we're considering the NGO option.

Question re: Whitehorse Correctional Centre, aboriginal liaison officer

Mr. Elias: Last week, I did ask the Justice minister about the establishment of an aboriginal liaison position at the Whitehorse Correctional Centre. In the 60 minutes that I had, I tried to lay out an argument. However, the answer that I did hear wasn't satisfactory to me and the many Yukoners who asked the Member for Mount Lorne-Southern Lakes and me to actually bring this to the floor of the House.

The simple fact of the matter is that this is a small piece of the puzzle. When recidivism rates go down and the number of victims of crime goes down, the cost to the public purse eases and it's less stress on the justice system. The minister has had several weeks to think about this now. It has been an issue for a number of years. Can the minister please provide the House with another answer? Thank you.

Hon. Mr. Nixon: I thank the member opposite for his question. Indeed, I received a letter from both the Member for Vuntut Gwitchin and the Member for Mount Lorne-Southern Lakes just a couple of weeks ago. That letter has been forwarded to the department and we are taking that under full consideration at this time.

Mr. Elias: On the floor of the House today — on our agenda, we're going to be discussing human rights.

I've listened to the phone myself in my office several times during this discussion. I think it's important for us to understand and recognize that we're dealing with valued citizens when we're talking about the inmates at the Whitehorse Correctional Centre and we want that facility to be the best that it can be. It's a \$70-million facility and I've said this before: it's not too much to ask. These native liaison coordinators are successful in many other jurisdictions, not only in our country. Australia, for instance, has several programs that are worthwhile recognizing. I think for us to help the inmates prepare for re-entry into regular life has a great deal of benefit. I think that Yukoners and inmates, their families and members from the justice system as well who have approached me deserve an answer. I think the minister has plenty of time to provide this House with a reasonable answer to our reasonable question.

Hon. Mr. Nixon: I agree with the member opposite. That is a very reasonable question. As I stated last week, the staff and management of Whitehorse Correctional Centre are indeed working on rolling out programming over the coming

months and that programming, working with First Nations and elders, will indeed identify some of the target areas of why people continue to reoffend. Those are things that are on the table. We will continue to work on rolling out the programming, as I've mentioned — the substance abuse programming, anger management, spousal assault programming, sexual offending programming, mental health and educational upgrading through Yukon College.

We'll continue to work with First Nation programming, looking at elders counselling and talking circles, traditional crafts, individual counselling, traditional parenting, and solstice gatherings and feasts. Those things are being rolled out. We are taking all that stuff into consideration. It is important to us to decrease the rate of reoffending, and that is on the table.

Mr. Elias: A vast array of social conditions lead to criminality in our society, whether it is separation from families, trauma from residential schools, alcohol and drug abuse, lack of education — the list goes on and on. We were told for several years by this government to be patient, and I thank the Minister of Justice, because I think it was his department that conducted one of the best public consultation efforts that I have ever seen during my time here as an MLA. We were asked to exercise patience and we did. Now that the jail is open, now that these new programs are promised to be delivered in a timely fashion, we are still hearing the same concerns from the same families, public officials, inmates and the public at large. That's why I'm on the floor here asking these questions. We were told to exercise patience: we did. With 17 percent of aboriginal offenders across this country being in federal systems and upwards of 75- to sometimes 90-percent in the Whitehorse Correctional Facility, something along the way is not working.

Again, we want our Whitehorse Correctional Centre to be the best that it can be. Quite frankly, Mr. Speaker, I'm tired of talking about this one piece of the puzzle that has proven to be successful in other ministries in this Yukon Party government. Can the minister please provide an answer or response to that question?

Hon. Mr. Nixon: Mr. Speaker, I have to commend the member opposite for taking the time on the floor of this Legislature to identify that the staff and management really went over and above and did a real first-class job on this consultation. That information is short in coming from the Official Opposition and it would be nice to see more of that on the floor of this Legislature. So I do appreciate the member opposite pointing that out.

Moving forward, there are lots of recommendations as far as programming being rolled out at the WCC. We are taking into consideration the suggestion from the members opposite. Like I said last week, we don't want to start duplicating services, so that will be part of that discussion when we look into their recommendations.

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

ORDERS OF THE DAY

GOVERNMENT MOTIONS

Motion No. 194

Clerk: Motion No. 194, standing in the name of the Hon. Mr. Nixon.

Speaker: It is moved by the Minister of Justice

THAT the Yukon Legislative Assembly, pursuant to section 17(1) of the *Human Rights Act*, does appoint Jolene Waugh as a member of the Yukon Human Rights Commission for a term of three years.

Hon. Mr. Nixon: It is a pleasure to rise and speak to this motion in the Assembly here today. I would like to take a moment to mention both the Yukon Human Rights Commission and the individual we are naming to this commission.

The Human Rights Commission plays an important role in addressing human rights concerns in the Yukon. The Yukon Human Rights Commission is an independent commission created by the Yukon Legislative Assembly. Their mandate is laid out in section 16 of the *Human Rights Act*, and section 16 reads as follows:

“16(1) There shall be a Human Rights Commission accountable to the Legislature and the commission shall

“(a) promote the principle that every individual is free and equal in dignity and rights;

“(b) promote the principle that cultural diversity is a fundamental human value and a basic human right;

“(c) promote education and research designed to eliminate discrimination;

“(d) promote settlement of complaints in accordance with the objects of this Act by agreement of all parties; and

“(e) cause complaints which are not settled by agreement, to be adjudicated and at the adjudication adopt the position which in the opinion of the commission best promotes the objects of the Act.

“(2) The commission shall conduct education and research on the principle of equal pay for work of equal value in the private sector.”

I'd like to provide a brief summary of Jolene Waugh, whom we are appointing to the commission. Ms. Jolene Waugh has a certificate in aboriginal justice from the Native Education College in Vancouver. Since August 2011, she has been an office administrator for Bringing Youth Towards Equality. She was also a lead consultation officer from June to August 2010. Ms. Waugh also has volunteer experience with the Yukon Roller Girls, Many Rivers and BreakOut West.

I would encourage all members of this Assembly to support this motion appointing Ms. Waugh to the commission. Thank you.

Ms. Moorcroft: The work of the independent Yukon Human Rights Commission is very important to upholding every person's right to dignity and to upholding human rights law. As the minister knows, the Official Opposition supports the appointment of Ms. Waugh to the commission. Thank you.

Mr. Elias: We in the Liberal caucus also support the nomination — or the appointment of Jolene Waugh to the Human Rights Commission. It is obvious that her credentials are necessary to do an excellent job. We wish her well on this new journey.

Speaker: If no other member wishes to speak at this time, are you prepared for the question?

Motion No. 194 agreed to

Motion No. 195

Clerk: Motion No. 195, standing in the name of the Hon. Mr. Cathers.

Speaker: It is moved by the Government House Leader

THAT the membership of the Select Committee on Whistle-blower Protection, as established by Motion No. 120 of the First Session of the 33rd Legislative Assembly, be amended by:

(1) rescinding the appointment of Darius Elias to the committee; and

(2) appointing Sandy Silver to the committee and

THAT the mandate of the committee, as stipulated in Motion No. 120, be amended by adding the following:

“THAT if the committee believes that its final report will not be completed in such time as to be tabled during the 2012 fall sitting of the Legislative Assembly, the chair of the committee shall table in the House, during the 2012 fall sitting, an interim report on the committee's progress, which shall inform the House of the committee's expected date for completion of a final report.”

Hon. Mr. Cathers: I will be relatively brief in speaking to this motion. I would simply in introducing it note for the record and for those listening on the radio that this amendment to Motion No. 120, which was passed earlier in this sitting, is based on discussions with the Member for Klondike who is, by this motion, being appointed to the committee in replacement of the Member for Vuntut Gwitchin.

The intention of this was to reach an understanding that would be acceptable to the Third Party and enable this committee to be in its operations with the participation of the government, the Official Opposition and the Third Party. So with that, I commend the amendment to motion — or the membership of the select committee, rather, stipulated in Motion No. 120. This current motion would amend that. Of course, we will be in support of this amendment and hope that all members of this House will be as well.

Ms. Stick: I rise to speak on behalf of the NDP Official Opposition. We do support this motion and have been, in fact, calling for whistle-blower protection for a long time. We are pleased to see this committee moving forward and we welcome the opportunity to work with the Member for Klondike, who has been appointed in this motion.

Most importantly, we are appreciative of the clear timelines and expectations that task this committee. We are pleased to see that they will come forward with either a final report or,

failing that, an interim report on progress this coming 2012 fall sitting. We feel confident that this committee will be meeting soon after this current sitting and are looking forward to working together and coming up with a report to present.

Mr. Silver: I am very pleased to rise today to speak on this motion. Although the need for whistle-blower legislation has been avowed by all parties here, there have been significant differences in the opinions as to how that would be accomplished. It is very important that I speak a bit of the sordid history of whistle-blower legislation and how we got to where we are here today.

Members of the Liberal caucus, along with representatives from the Yukon Party and the NDP, took part on another whistle-blower committee from May 2007 to November 2010.

For three and a half years, our representative participated in good faith on this committee. That was in line with our values and our commitment to Yukoners. We believe the Yukon government employees deserve the protection of whistle-blower legislation. Every day we ask those employees to apply their expertise and their good judgment in pursuing the public interest. We expect them to be the best informed people in the territory about public needs and government projects. It may so happen that in the course of discharging their professional duties, they witness unacceptable abuses of public programs, money and safety. If reporting these abuses through regular channels doesn't work, government employees must be empowered to bring them to the public eye. Doing so is the ultimate exercise and the ultimate extension of their professional duties. In turn, creating whistle-blower protection is the ethical extension of our responsibilities as legislators to enable government employees to do the best possible job on behalf of Yukoners.

As we have said before, we don't believe government employees should have to choose between doing the right thing and keeping their jobs. As a caucus, we have done more than just sit on past whistle-blower committees. We have campaigned on promises to enact whistle-blower legislation, a commitment we repeated in 2002, 2006 and again in 2011.

After the first committee was stalled and failed to produce recommendations, we continued to move forward. We released — with the NDP committee members — the research that had been completed, including submissions from the Yukon Employees Union, the Yukon Federation of Labour and the Yukon Public Service Commission. We tabled draft whistle-blower legislation to return the conversation to this issue. After introducing our *Disclosure Protection Act* in March of last year, government members shut down debate in very short order.

Despite these setbacks, we remain committed to getting together and working this through, which brings me to the motion here today — Motion No. 195. There are several terms for a person who keeps on saying and doing the exact same things, but expecting the results to change, and none of them are flattering. We have no interest in expanding our efforts, or lending our credibility to another select committee on whistle-blower protection if the results of this committee are going to be the same as the last. The motion today represents a step forward

toward protection for government employees and we are cautiously, but hopefully, joining in.

The issue is too important to allow past slights or historical failures to prevent us from trying again. The motion amends Motion No. 120, which originally formed the second Select Committee on Whistle-blower Protection.

We could not support Motion No. 120. As I've said, the Liberal caucus has endeavoured, in good faith, to make whistle-blower protection a reality in the Yukon by championing this issue by tabling legislation and, unfortunately, without result, by participating in that last select committee.

There was no reason to expect a new committee, formed with the same proportions of members, with very similar mandates, to return different results. However, we are very happy to support Motion No. 195 today. We appreciate the government members' flexibility. I'd like to give special recognition to the Member for Porter Creek North and the Member for Pelly-Nisutlin for coming forward and presenting this on a more familiar basis and talking to timelines.

As MLAs, both our time and our credibility ultimately belong to our constituents. The government members accepted that we needed assurances that this committee would be different and that assurances could only be accepted in the form of publicly stated and adhered to deadlines. Having spoken to the other committee members, we intend to complete our research and offer our recommendations by this fall. If that isn't possible, the committee's chair will provide this House with both an interim report and an expectation of the completion date for the final report.

This means the committee is accountable to this House for its progress, just as I am accountable to my constituents for how I serve them in this Legislature. These timelines will help all of us carry out the trust placed in us and we in the Liberal caucus welcome that accountability. Let me be clear as well about what this means should the chair fail to produce the final report or the interim report at the completion date. I don't know how many chances the Yukon public will give this government to carry out its 10-year-old promise to enact whistle-blower protection. They have already given their faith to the government and the government has yet to deliver.

Yukoners are not fools, Mr. Speaker. They will not be delayed or disappointed forever. I will be keeping this government accountable to its whistle-blower promise, and I will keep this select committee accountable for the trust we place in it. I hope we are not simply doing the same thing again, expecting different results from different members of this Legislative Assembly. With that, I again thank the government members for working with us to bring forward this motion on terms we can agree to. Let's get it right this time.

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

Hon. Mr. Cathers: I would like to thank members for their support of the motion. There are a few comments made by the Member for Klondike on behalf of Third Party; however, although I wish to have the focus here, as the government does,

on being constructive, we simply cannot let a few statements go without correcting the record. First of all, I would note that the amendment to the wording proposed is something that I proposed to the Liberal House Leader, the Member for Klondike, at a House Leaders' meeting earlier in this sitting based on the concerns that had been expressed by those members.

I would also note that in terms of talking about the past work of the previous Assembly, that just as the newly elected members from the Liberal Party cannot really be held responsible for the work of their members on that previous select committee, I have to remind the member that, in fact, none of the current sitting members of this Legislative Assembly were on the previous Select Committee on Whistle-blower Protection. Again, for any of us who are not part of it, we really do not know exactly what went on in the dynamic between members from any one of three caucuses that participated in that.

I will note, in reference to the so-called "*Minority Report*," that is something that was twice ruled on by the Speaker — once by you, Mr. Speaker, and once by the Speaker of the previous Assembly. Members were reminded, in fact, that reports of a committee require that committee's consent and approval before they can be tabled in the Assembly. In fact, it's a breach of members' responsibility for them to step outside of that process. It is a breach of our parliamentary procedures.

In reference to the *Disclosure Protection Act* provided by the Liberal Party — both in a previous Legislative Assembly and the current one — the introducer of the original bill, the then Member for Porter Creek South, Mr. Inverarity, acknowledged in his own comments about the bill — that he wasn't sure if it was a good idea, but he hoped there might be something out of it that would be worth talking about. So again, we can't have a half-baked product being put forward into legislation. This matter — whistle-blower protection legislation — is very important, but it is also important that the balance be put in place correctly, as I believe many members of this Assembly are aware. It is important in whistle-blower protection legislation to have a balance that protects the rights of employees who come forward in good faith and make a disclosure, make a report. It is important to protect those employees from any repercussion for those actions.

It has also been recognized in jurisdictions that have dealt with this legislation that it is important to protect other employees from misuse of the legislation and that malicious acts be given appropriate penalties. These are some of the more challenging measures where it is very important that the committee do their work, that they get it right and that there is an appropriate balance struck so that we both protect and recognize the importance of whistle-blowers bringing forward serious matters in good faith and give them the appropriate protection without creating a situation that exposes others to malicious acts by someone.

Again, Mr. Speaker, with that I thank members for their support of this amendment to the motion, and again I would note that members at times, including when discussing the work of the previous whistle-blower protection committee, like to point to areas where they think things could be improved and dwell on negative elements related to that.

If you look back to previous assemblies prior to the Yukon Party's time in office in the last two mandates and this current one, in fact, there had only been other select committee established to provide all-party participation and to hear from Yukoners on important matters and make recommendations to the Legislative Assembly. The recent string of select committees, including the Select Committee on Anti-smoking Legislation, the Select Committee on Human Rights, the Select Committee on the *Landlord and Tenant Act* all offer vehicles. As other ones, these really are examples of our willingness to involve members from all parties in an attempt to be more collaborative and multi-partisan, for lack of a better term, in dealing with matters that are of importance to Yukon citizens.

Again, with the current committee, I would encourage all members of it, from all parties, to put their best efforts into reaching a final product that is a good one and that can lead to legislation that effectively protects whistle-blowers in the Yukon without being open to abuse or misuse. With that, I commend the motion to the House.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Pasloski: Agree.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Mr. Hassard: Agree.

Ms. Hanson: Agree.

Mr. Tredger: Agree.

Ms. Moorcroft: Agree.

Ms. White: Agree.

Ms. Stick: Agree.

Mr. Barr: Agree.

Mr. Elias: Agree.

Mr. Silver: Agree.

Clerk: The results are 18 yeas, nil nays.

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

Motion No. 195 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): Committee of the Whole will now come to order. The matter before the Committee today is Bill No. 6, *First Appropriation Act, 2012-13*. We are continuing with line-by-line examination of Vote 08, Department of Justice.

Would members like a recess?

All Hon. Members: Agreed.

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

Recess

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

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

Department of Justice — *continued*

On Public Safety and Investigations — continued

Chair: The matter before the Committee is Bill No. 6, *First Appropriation Act, 2012-13*. We are continuing line-by-line examination of Vote 8, Department of Justice.

Ms. Moorcroft: When we adjourned debate in the Department of Justice, in the Public Safety and Investigations unit, I was asking the minister some questions relating to the RCMP contract and to the Police Council. I had an outstanding question on the record and, in reviewing the Blues, I wasn't sure that I had received an affirmative response from the minister. After the federal minister signs off on the new 20-year police service agreement, could the minister provide a copy of that agreement for the opposition parties? I'd like to put that question on the record and continue.

The other outstanding questions from reviewing last week's debate in Justice were that I had asked the minister about the issue of appointing members to the Police Council and not accepting the three nominations that had come forward from the Council of Yukon First Nations. Also, the Official Opposition has put on the record both during the 32nd Legislative Assembly — during the time that the review of Yukon's police force 2010 was underway that we supported the recommendation to appoint someone on behalf of Yukon women's groups to the Police Council.

I'd like the minister to indicate why he didn't think that would be worth doing.

Hon. Mr. Nixon: In light of the time, I would like to get Justice cleared fairly quickly. We've been on it for, I don't know, four days. The member opposite asked about the police service agreement and if it would be available to the public. There is some final tweaking that will be done on that agreement, and I did mention that it would be available and likely on-line by the fall.

The Police Council — again, there were recommendations coming forward from all Yukon First Nations. I selected mem-

bers in great consideration and after meeting with a number of the individuals who had applied. I firmly believe that the cross representation of Yukoners we have on that council — and I continue to hear people's gratitude on who the members are on that council — I do believe that they will do us good.

At the end of the day, for the Police Council, I needed to look at all sorts of facets of life in Yukon and I do believe that I was able to do that.

Ms. Moorcroft: Earlier today in debate, the minister asserted that the opposition had never recognized the government for its good work. I want to again put on the record that the review of Yukon's police force was a significant initiative. It was something that I think the government needed to do and did well. In particular, I appreciate that the Yukon government funded the Victoria Faulkner Women's Centre, the Yukon Aboriginal Women's Council, and the Whitehorse Aboriginal Women's Circle in order that women's groups could participate on a review of Yukon's police force and serve as members of the advisory committee without being expected to work for free. All of the other members of the committee were representing either government departments or the Association of Yukon Communities, and groups and organizations were funded.

I again want to thank the government for the fact that they did fund women's groups' participation. Having funded it, we will be looking to see that the Yukon government does implement recommendations of the report of the three co-chairs of the Police Council — the report called *Sharing Common Ground* — in particular, the recommendations that women's groups said were needed to address the very serious problem of high rates of violence against women here in the Yukon.

Yukon women's groups have been very active in calling attention to the problem and putting forward not just public education, but representations that everyone needs to take some responsibility. The theme for Sexual Assault Awareness Month, which starts tomorrow beginning on May 1, is "Men's Role in Stopping Rape."

I put on the record when we adjourned debate in Justice last year that there are seven or eight Yukon's women's groups who would like an opportunity to meet with the minister as well as the work that they are doing to hold a public panel to host educational sessions about sexual consent, and to produce posters and ads explicitly outlining some tactics for men.

To seek real justice and to achieve a real reduction in rates of sexual assault, the government needs to work with women's groups to ensure that dignity is upheld throughout the journey through the criminal justice system. Yukon women's groups have said that they would look forward to having an opportunity to share some ideas with the Minister of Justice. Will the Minister of Justice agree to their formal request to meet with him?

Hon. Mr. Nixon: I think it's important to point out, as the member opposite has indicated, that the department has done a good job of getting the Police Council out. As the member from the Third Party alluded to in Question Period — he was commending their work, saying it was one of the best he had seen. I made a statement in Question Period that the Offi-

cial Opposition maybe doesn't give the staff enough credit where credit is due and actually criticizes them. A perfect example of that was the Member for Takhini-Kopper King talking about the youth going to the youth shelter and the staff treating them as if they were criminals and guilty. I just wanted to get that off my chest, because the department here really did do an exceptional job on this review and in moving forward with the Police Council.

The member opposite asked if I would be interested in meeting with representatives from the women's groups and I'm always happy to meet with stakeholders from any group or organization, so my answer is yes, I'm happy to meet with them. I'd be happier to meet with them after session is over though.

On Operation and Maintenance Expenditures

On Director

Ms. Moorcroft: I'd like a breakdown for the line item, please.

Hon. Mr. Nixon: There was an increase of \$105,000 due to the restructuring of a program to enhance and reallocate the SCAN registrar position to the director's office, to create a criminal reduction and public safety coordinator position, to manage the investigations standards operations and the prolific offender management along with collective agreement and management group and benefit costs.

Director in the amount of \$348,000 agreed to

On Safer Communities and Neighbourhoods

Ms. Moorcroft: Could I get a breakdown, please?

Hon. Mr. Nixon: I thank the member opposite for her question. There was a decrease of \$52,000 due to the restructuring of the program to enhance and reallocate a SCAN registrar position to the director's office, to create a crime reduction and public safety coordinator position, to manage the investigation standards operation and prolific offender management along with the collective agreement and benefit costs.

Ms. Moorcroft: In providing a breakdown for the previous line item, I thought I heard the minister say that there has been an increase of over \$100,000 because of the changes made in relation to staffing for the safer communities and neighbourhoods. So why are the amounts different of the increase in one line item and the decrease in the other line item?

Hon. Mr. Nixon: It's the same director. They are different programs — so, one increased and one decreased.

Safer Communities and Neighbourhoods in the amount of \$364,000 agreed to

On Police Services

Ms. Moorcroft: Could I ask the minister for some information on this line item, please?

Hon. Mr. Nixon: The overall increase for the Police Services is \$2,406,000, which consists of an increase of \$1,266,000 allocated to the Police Services for the 2012-13 fiscal year to fund the following: base salary, force growth for 2012-13 of \$292,000; a new pension-rate increase of \$17,000; major crime investigator costs of \$174,000; M Division for a domestic violence assault team of \$678,000 and the Alberta Serious Incident Response Team, or ASIRT, of \$105,000.

In addition, \$1,140,000 is budgeted for the *Territorial Police Service Agreement* reallocation. The existing funding of \$250,000 for the salaries of the guards and matrons of the Whitehorse RCMP detachment will be moved to the arrest processing unit, and an increase of \$1,390,000 is the Yukon's 70-percent portion to the *Territorial Police Service Agreement* of the recovery for the APU.

Ms. Moorcroft: The minister indicated that there was \$678,000 for the proposed new domestic violence and sexual assault response team. Can the minister tell us how many positions that would be and when that will be enacted? When will they be on the ground and ready to start?

Hon. Mr. Nixon: That will consist of four positions. The hiring is underway. We do believe that by the fall there will be a full complement of staff for that office.

Ms. Moorcroft: I would like to ask the minister for some details regarding the new arrest processing unit. He referred to expenditures for the guards and matrons that previously were employed at the Whitehorse cells. People are now detained — rather than at the detachment in downtown Whitehorse, people are taken up to the arrest processing unit attached to the new Whitehorse Correctional Centre. Is that staffed by guards and matrons or staffed by Department of Justice employees?

Hon. Mr. Nixon: Indeed, when cells were held at the RCMP detachment, it was staffed by the Commissionaires. Now that the APU has moved up to Whitehorse Correctional Centre, it is staffed by trained and very capable Whitehorse Correctional staff.

Ms. Moorcroft: The other question I have for the minister in relation to the police services contract is related to training. Throughout the *Sharing Common Ground* report and a variety of over 20 reports that were submitted by community groups to the police review, there was an acknowledged need for more training for members of the RCMP.

In particular, communities identified the need for training on First Nations' culture. People identified the need for training on the residential school experience of First Nations' people in the Yukon and the historic relationship between the aboriginal peoples of the Yukon and the RCMP. There were also numerous recommendations brought forward relating to dealing with crimes of violence against women. Are there any funds provided to the RCMP for training for members specific to the Yukon? For example, the *Yukon Family Violence Prevention Act* is something that is different from what's in place in other jurisdictions.

Hon. Mr. Nixon: In answering the member's question, we believe that the RCMP have internally allocated funding to send their officers and their staff to the Northern Institute of Social Justice for training. This summer I will attend Depot in Regina. There will be a large focus at Depot on culturally sensitive training for the members graduating in that, so I'm very much looking forward to seeing that first-hand. I continue to look forward to working with the RCMP and the Northern Institute of Social Justice to ensure that they continue accessing that programming and making sure that their staff and police are trained in culturally sensitive approaches.

Ms. Moorcroft: The minister is probably aware that there have been numerous requests coming forward from aboriginal women's groups for funding in order to deal with the high rates of violence and sexualized violence that they experience. The Liard Aboriginal Women's Society had played a leadership role in establishing the Together for Justice project, bringing members of the community and the RCMP together.

Is the minister generally in support of base funding for Yukon aboriginal women's groups so that they can participate in improving police services to meet their needs?

Hon. Mr. Nixon: The final report of the review entitled, *Sharing Common Ground*, recommended, among other things, establishing an inter-agency working group — a group of members from Council of Yukon First Nations, women's organizations, Government of Yukon, health providers, the RCMP and the public prosecutions office.

The domestic violence and sexualized assault framework committee was established and it has begun to compile information on current services and structures in Yukon. It's also considering best practices and research on coordinated community responses to domestic violence and sexualized assault. In addition, the committee is exploring a number of specific service-delivery areas identified, including that of clarifying protocols and practices relating to police charging practices, including cases of dual charging and the use of primary aggressor assessments, and also clarifying victim services responsibilities including victim-assistance volunteers.

Finally, they are supporting research being conducted by the Yukon Advisory Council on Women's Issues to better understand the concept and service gaps related to a legal advocate for women.

Police Services in the amount of \$23,369,000 agreed to

Public Safety and Investigations Operation and Maintenance Expenditures in the amount of \$24,081,000 agreed to

On Capital Expenditures

On Operational Equipment

Ms. Moorcroft: Could the minister tell us what this line item is for, please?

Hon. Mr. Nixon: My apologies for taking a bit of time; I just wanted to make sure that we're providing accurate information. As indeed I suspected, this line item is for surveillance equipment for SCAN.

Operational Equipment in the amount of \$8,000 agreed to

Public Safety and Investigations Capital Expenditures in the amount of \$8,000 agreed to

Public Safety and Investigations Total Expenditures in the amount of \$24,089,000 agreed to

Chair: On to page 14-27.

On Human Rights

Chair: Is there any general debate?

On Operation and Maintenance Expenditures

On Human Rights Commission

Ms. Moorcroft: I would like to ask the minister for a breakdown of the line item for the Human Rights Commission.

Hon. Mr. Nixon: Indeed, there is an increase of \$15,000 for the Human Rights Commission. This is an ongoing increase of 2.75 percent to the commission's core budget.

Human Rights Commission in the amount of \$552,000 agreed to.

On Human Rights Adjudication Board

Ms. Moorcroft: Could the minister give us a breakdown for the line item?

Hon. Mr. Nixon: This is an increase of \$60,000 for the Human Rights panel of adjudicators operating costs to fund honoraria of \$20,000; training and travel for a board member of \$7,000; meeting space rental of \$20,000; and legal counsel of \$13,000. This increase is ongoing.

Human Rights Adjudication Board in the amount of \$98,000 agreed to

Human Rights Total Expenditures in the amount of \$650,000 agreed to

On Revenues

Revenues cleared

On Government Transfers

Government Transfers cleared

On Changes in Tangible Capital Assets and Amortization

Changes in Tangible Capital Assets and Amortization cleared

Department of Justice agreed to

Chair: That concludes the Department of Justice. We are going to carry on with the Department of Highways and Public Works. The Committee will recess for five minutes.

Recess

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

Department of Highways and Public Works — continued

On Transportation Division — continued

On Highway Construction — YG Funded: Dempster Highway

Chair: We are continuing with the line-by-line examination of Department of Highways and Public Works, Transportation Division, at page 13-14. The line under discussion is Dempster Highway. Mr. Istchenko has the floor.

Hon. Mr. Istchenko: I await a question.

Highway Construction — YG Funded: Dempster Highway in the amount of \$900,000 agreed to

On Highway Construction — YG Funded: Canol Road

Mr. Elias: I do have some questions possibly under this line item. If the minister could provide a breakdown first and then I'll initiate discussion after that.

Hon. Mr. Istchenko: In addressing the member opposite, \$1 million is designated for the Maintenance branch in which there has been a significant increase in traffic due to the current exploration boom. The current alignment is in need of significant vegetation growth removal, ditching, surfacing and spot repairs to accommodate the existing traffic. It's a safety thing. Also, there is \$450,000 for environmental assessment. It's for our Engineering branch for work that is proposed, which includes geotechnical investigations review of PWGSC

design produced in the 1980s with the goal of modifying it to more closely follow the existing road alignment and to use existing creek and river crossings, geotechnical investigation testing, some pit development for long-term maintenance needs, and finalize environmental assessment to allow future major construction if necessary.

On Highway Construction — YG Funded: Canol Road in the amount of \$1,450,000 agreed to

On Highway Construction — YG Funded: Atlin Road

Ms. Moorcroft: Could the minister give us an update on this project and a breakdown of the line item, please? Can he also tell us how many miles of construction they anticipate for this year's budget?

Hon. Mr. Istchenko: All your questions shall be answered in my breakdown. The BST and revegetation from kilometre 17 to 22 and kilometre 36.5 to 41 — this is reconstruction of the Atlin Road including earthwork, drainage improvements, base course construction, guide rail replacement and BST resurfacing. The resulting road will meet the 80-kilometres-per-hour design standard for light duty asphalt surface.

Work will be done by contract and the BST will be provided by TMB forces. Kilometre 0 to 1 was completed several years ago, and kilometres 1 to 6 grade construction was tendered in 2006-07 with BST in 2007-08; guardrail installation at the highest priority locations in 2009-10; and in 2011-12, kilometres 6 to 17 were reconstructed; earthwork was completed on kilometre 17 to 22 and kilometre 36.5 to 41 in 2011-12. Funds in 2012-13 are required to reconstruct from kilometres 32 to 36.5; and surface with BST on two sections rebuilt in 2011-12 — kilometre 17 to 22 and kilometre 36.5 to 41.

On Highway Construction — YTG Funded: Atlin Road in the amount of \$2,600,000 agreed to

On Highway Construction — YTG Funded: Pavement Rehabilitation and Other Road Improvements

Ms. Moorcroft: Could we get a breakdown for the line item, please?

Hon. Mr. Istchenko: Firstly, I would like to explain that we do have a comprehensive pavement management system. It has been in place for a number of years.

The system includes much of our asphalt pavement, as well as overdue rehabilitation. This project is part of the pavement rehabilitation program, approved by Management Board in 2000.

The 2012-13 projects include the following: primary highway local safety improvements; subgrade strengthening at kilometre 1240 on the Alaska Highway; rock scaling at various locations between kilometres 50 and 60 on the Klondike Highway; guardrail repairs at various locations between kilometre 192 junction with the Alaska Highway and kilometre 538, Stewart Crossing and the Klondike Highway; riprap installation at various locations between kilometres 660 and 675 on the Klondike Highway; installation of active speed limit signs, Beaver Creek and Tagish; Klondike Highway resurfacing from kilometres 24 and 25 and 36 and 37 — this is proposed to repave the existing pavement; Alaska Highway resurfacing kilometres 1437 and 1442; and the last is primary highway local

safety improvements — construction of safety-related improvements of various intersections along the Alaska Highway through the Whitehorse area. Funds also cover engineering and other types of evaluations of sites where there are concerns.

Proposed projects for the 2012-13 season: subgrade strengthening at kilometre 1240 on the Alaska Highway; rock scaling at various locations between kilometres 50 and 60 on the Klondike Highway; guardrail repair locations at kilometre 192 to the junction with Alaska Highway and Stewart Crossing.

Highway Construction — YG Funded: Pavement Rehabilitation and Other Road Improvements in the amount of \$3,960,000 agreed to

On Highway Construction — YG Funded: Bridges — Numbered Highways/Secondary Roads

Highway Construction — YG Funded: Bridges — Numbered Highways/Secondary Roads in the amount of \$1,560,000 agreed to

On Highway Construction — YG Funded: Other Roads

Ms. Moorcroft: I'd like the minister to provide us with a breakdown, please.

Hon. Mr. Istchenko: This project involves a variety of projects on secondary roads throughout the Yukon. These types of projects include the application of BST, small design projects, crushing, vegetation control, bridge abutment replacement and the rural roads upgrading program. So there is \$2 million toward the Takhini Hot Springs Road; \$500,000 Silver Trail aggregate production and haul and place; another \$500,000 for right-of-way vegetation control, which is territory-wide; resource access roads of \$500,000, which is territory-wide; rural road upgrading of \$200,000, which is territory-wide; roadway improvements of \$1,000,000, which is territory-wide.

Ms. Moorcroft: Do the expenditures for the Silver Trail include improvements on the road to Keno?

Hon. Mr. Istchenko: I'm not sure of the answer but I will get back to the member opposite.

On Highways Construction — YG Funded: Other Roads in the amount of \$4,700,000 agreed to

On Aviation/Yukon Airports — Whitehorse Airport Water and Sewer Extension

Ms. Moorcroft: I'm looking for a breakdown for this line item from the minister.

Hon. Mr. Istchenko: I don't have an exact breakdown, but it's the sewer and water system that extends to the south area to meet the current and future development needs. Part of it will be wildfire operations to bring them up to a standard and for Air North to comply with City of Whitehorse fire protection requirements. Those are the two big ones.

Then as for existing development in the future, I know that the end of the line will be opted, so we will continue to work with the City of Whitehorse on future developments.

Ms. Moorcroft: The minister did present some information in general debate about this project. Will this \$3.3 million be the completion of the project in one fiscal year or will this be a multi-year project?

Hon. Mr. Istchenko: I believe it's a two-year project. For most of it, we are working on getting it done this year.

Aviation/Yukon Airports — Whitehorse Airport Water and Sewer Extension in the amount of \$3,321,000 agreed to

On Aviation/Yukon Airports — Other Airports Projects

Mr. Elias: Can the minister provide a breakdown for this line item? If so, can he be specific to the communities that the airports are in?

Hon. Mr. Istchenko: There is \$1 million for the secondary jetway, which is for walking on and off of the plane; hanger A, B and C apron rehabilitation, \$700,000 in Whitehorse; there is \$700,000 for the Mayo aerodrome; Dawson aerodrome, \$275,000; Faro aerodrome, \$200,000; Burwash aerodrome, \$200,000; Yukon-wide aerodromes, \$345,000. That will probably be standard stuff required at each airport. Whitehorse International Airport, \$150,000; pavement patching, \$100,000; extend taxiway G to lease lots, \$30,000; pavement overlay taxiway A and E design, \$25,000; and parallel runway pavement overlay design, \$20,000.

Aviation/Yukon Airports — Other Airports Projects in the amount of \$3,745,000 agreed to

Transportation Division Capital Expenditures in the amount of \$58,181,000 agreed to

Transportation Division Total Expenditures in the amount of \$113,487,000 agreed to

On Supply Services

On Operation and Maintenance Expenditures

On Finance and Administration

Ms. Moorcroft: I would like to ask the minister for a breakdown of the line items, please.

Hon. Mr. Istchenko: This activity includes \$691,000 for personnel costs of five FTEs; \$53,000 for other funding, which breaks down as \$29,000 for communications, \$15,000 for supplies and \$9,000 for other support costs. There is an increase of \$42,000 from the 2011-12 estimates, which is due primarily to collective agreement increases.

Finance and Administration in the amount of \$744,000 agreed to

On Procurement Services

Ms. Moorcroft: I would like a breakdown for this line item as well, please.

Hon. Mr. Istchenko: There are six FTEs at \$549,000; \$8,000 for other funding support costs; and an increase of \$12,000 from the 2011-12 estimates, and that is due to collective agreement increases.

Ms. Moorcroft: For the \$800,000 of other costs, is there a statistics or grants page for where those funds are being allocated?

Hon. Mr. Istchenko: That is \$8,000.

Ms. Moorcroft: Clear.

Procurement Services in the amount of \$557,000 agreed to

On Queen's Printer

Queen's Printer in the amount of \$440,000 agreed to

On Transportation and Communication

Ms. Moorcroft: Could the minister provide a breakdown?

Hon. Mr. Istchenko: There are 12.25 FTEs and that's \$896,000; and then the other funding of \$586,000 breaks down to delivery cost of government-wide mail of \$520,000; rental

expenses, \$39,000; program materials, \$11,000; \$5,000 for travel out of Yukon; \$5,000 for Contract Services for consulting; \$6,000 for other support costs; and collective agreement increases of \$55,000.

Transportation and Communication in the amount of \$1,482,000 agreed to

On Stores and Assets

Ms. Moorcroft: Could I have a breakdown, please?

Hon. Mr. Istchenko: There are six FTEs and that's \$456,000. Then there's \$29,000 of other funding of which \$16,000 is postage and freight for delivery from Central Stores inventory orders; \$9,000 for program materials; \$3,000 for other support costs; \$36,000 for transfer payments. There's an increase of \$11,000 from 2011-12 estimates due to collective agreement increases and a transfer of one FTE and salary to Corporate Services finance and administration.

Stores and Assets in the amount of \$521,000 agreed to

Supply Services Operation and Maintenance Expenditures in the amount of \$3,744,000 agreed to

On Capital Expenditures

On Transportation and Communication

Ms. Moorcroft: Can the minister tell us what project this capital line item will cover?

Hon. Mr. Istchenko: These funds will be used for the replacement of two Pitney Bowes mailroom postage mailing machines, current model 1000. Postage mailing machines are computer-based mechanical devices that process, weigh, seal and apply appropriate postage to each envelope sent out. It's an upgrade to new technology. Our old stuff was too old.

Transportation and Communication in the amount of \$70,000

Supply Services Capital Expenditures in the amount of \$70,000 agreed to

Supply Services Total Expenditures in the amount of \$3,814,000 agreed to

On Property Management

Ms. Moorcroft: We did have some general debate on Property Management and, as well, on meeting the building code health and safety, energy efficiency and sustainability standards in government-owned and leased facilities. The minister stated in general debate that there were certified oil burner mechanics working for Government of Yukon to ensure that government-owned and leased facilities met all those safety standards. Is this the branch in which those employees would be working?

Hon. Mr. Istchenko: Yes, it is. Just to update — we employ a total of five certified oil burner mechanics who oversee the operation and maintenance of Yukon government-owned oil burning furnaces. Every furnace is fully serviced once per year and re-serviced semi-annually. Depending on the site of the facility, some furnaces are inspected on a daily basis, while smaller furnaces are inspected biweekly. Larger schools with larger systems have building engineers who inspect the operation of the furnace daily. Smaller schools with smaller boiler systems have building maintenance staff trained to oversee the operation at least biweekly.

In most government lease agreements, where the Yukon government is the tenant, the landlord is responsible for having the building heating system inspected and serviced.

Chair: We will proceed line by line, Property Management, Vote 55, pages 13 to 24.

On Operation and Maintenance Expenditures

On Finance and Administration

Ms. Moorcroft: I would like to ask the minister for a breakdown of this line item.

Hon. Mr. Istchenko: There are 14 FTEs at \$1,249,000; another \$219,000 for other support costs; and an increase due to collective agreement and manager increases of \$43,000.

Finance and Administration in the amount of \$1,458,000 agreed to

On Facility Management and Regional Services

Ms. Moorcroft: Could I get a breakdown, please?

Hon. Mr. Istchenko: This is the meat and potatoes of Property Management. There are 184 FTEs, and that is \$13,834,000. There is another \$8,966,000 of funding, which is broken down into: repairs and maintenance of \$3,546,000; heating fuels, electricity and utilities of \$3,963,000; program materials of \$825,000; \$137,000 for communications; \$79,000 for travel in the Yukon; \$494,000 for rental expenses; \$78,000 for other support costs and collective agreement increases of \$601,000.

Facility Management and Regional Services in the amount of \$22,958,000 agreed to

On Realty and Capital Asset Planning

Ms. Moorcroft: I'd like a breakdown of this line item, too, please.

Hon. Mr. Istchenko: There is \$798,000 for personnel costs and that's 7.65 FTEs; the other \$11,341,000 is broken down into rental expenses of \$9,859,000; \$1,463,000 for repairs and maintenance, which includes heating, electrical, insurance and \$19,000 of other costs; \$223,000 from the 2011-12 estimates and that's collective agreement and maintenance increases, lease increases and also transfers into the increase.

Ms. Moorcroft: The minister stated that there was over \$9 million for rental expenses. How many buildings is the government leasing and renting?

Hon. Mr. Istchenko: We have 138 separate leases managed by the government — 94 as the lessee and 44 as the lessor.

Ms. Moorcroft: I have had previous discussions with the minister related to the accessibility of government buildings, whether they are government-owned or government-leased facilities. The minister has indicated that the department is working to ensure that accessibility requirements will be incorporated into new leases. I would like to ask the minister how long that will take, given that the time period for leases may differ between a one-year or a three-year lease. How many years will it be before the department can complete the work of ensuring that all government-leased facilities meet the requirements of being fully accessible and in compliance with the *Human Rights Act*?

Hon. Mr. Istchenko: As I alluded to in our previous discussions on this issue, as a lease comes up for renewal, this is the type of stuff — the existing requirements are what we look for in our new leases. An example would be that we are renovating our new library and we are putting Land Claims Secretariat — moving some of the departments with some of the space management we have been talking about. We do not have the money to go and drop everything and do it all at once, but it is an ongoing process and it is a priority in this department — the priority being that this department is working together on space management, which would better suit having the departments closer together, and then looking at our lessees and lessors when we renew that they are code-compliant and they do bring it up to the new standard, so it is an ongoing process. I cannot give an exact time, but it is a priority with this government.

Ms. Moorcroft: If the minister cannot give an exact time, can he tell us what is the longest lease that is currently in place — is it three years or five years until the lease would expire and he would be able to renegotiate the standards for the building space?

Hon. Mr. Istchenko: Most of our leases in the past were three years. An example is we just signed a five-year lease agreement with the Village of Haines Junction for a fire truck and ambulance station, which is all code specific. So that is the sort of thing that we are looking at going on into the future.

If we can lease longer, we can ask for more and it saves taxpayers' money.

Realty and Capital Asset Planning in the amount of \$12,139,000 agreed to

Property Management Operation and Maintenance Expenditures in the amount of \$36,555,000 agreed to

On Capital Expenditures

On Building Overhead

Ms. Moorcroft: Could I have a breakdown, please?

Hon. Mr. Istchenko: This does tie into the last question. The government departments and agencies — this program manages an accountable process for planning, program design and construction of facilities to meet the unique accommodation needs of public programs. This is achieved by managing capital facilities, building development and maintenance projects and procurement facility buildings and services necessary to meet the needs of each project. There are 31.85 FTE personnel at \$1,181,000; realty and capital asset management of \$2,789,000; initiation phase support \$500,000; design \$354,000; other capital development realty capital asset planning \$236,000; tenant improvements of \$50,000; and pre-design of \$41,000.

Building Overhead in the amount of \$3,970,000 agreed to

On Building Maintenance

Ms. Moorcroft: Could I get a breakdown for the line item, please?

Hon. Mr. Istchenko: These types of work projects are services: They are conveyance systems, weigh stations, plumbing, HVAC, fire protection and electrical; there's \$2,198,000 — this is elevator upgrades, semi-potable water, oil separators,

weigh station scales; superstructure exterior closure roofing, a shell, which is \$1 million for replacement of the rooftop, glazing, deck repairs and painting; interiors — interior doors, specialty stair construction, stair finishes, wall finishes, floor finishes, ceiling finishes of \$62,000; sub-structure — epoxy repair, and structural wood, \$124,000; site work, replacing a septic tank for \$322,000. This is septic tank and disposal field.

Building Maintenance in the amount of \$3,748,000 agreed to

On Space Planning/Tenant Improvements

Ms. Moorcroft: I note that there was \$100,000 in the 2011-12 budget for space planning and tenant improvements, and this year it is \$884,000. Is that the completion of a project that was begun last year, or are these new projects?

Hon. Mr. Istchenko: It is largely due to the tenant improvements at the library space which is \$424,000. There is consolidation of the Property Management branch at 113 Industrial Road of \$250,000; accommodate Public Service Commission and ECO, second floor of \$200,000; tenant improvements ICT first floor, \$5,000.

Space Planning/Tenant Improvements in the amount of \$884,000 agreed to

On Project Management Services

Ms. Moorcroft: Can the minister tell us what project management services this is designed for?

Hon. Mr. Istchenko: That is recoverable money. These are projects that we manage on behalf of external clients to enable the project sponsor to achieve desired outcomes, so it is 100-percent recoverable. That money is set aside to run the projects, then we recover the money in the end.

Ms. Moorcroft: Could the minister give us an example of one of the projects that it would cover? Does he recover from the client? Where is the recoverable?

Hon. Mr. Istchenko: Some of the external clients are federal government, Border Services. We manage their building and facilities in Beaver Creek and down the Haines Road. Then it was recoverable. The Liquor Corporation is another example.

Project Management Services in the amount of \$1,000,000 agreed to

On Prior Years' Projects

Prior Years' Projects in the amount of nil cleared

Property Management Capital Expenditures in the amount of \$9,602,000 agreed to

Property Management Total Expenditures in the amount of \$46,157,000 agreed to

On French Language Services Directorate

Hon. Mr. Istchenko: If the member wants a breakdown, I can give a breakdown, Madam Chair. I have also committed to the Member for Takhini-Kopper King to have a meeting and discuss any questions related to French Language Services Directorate, but I can give them a breakdown if they require it.

Ms. Moorcroft: For the French Language Services Directorate, we would appreciate setting this branch aside and being able to have debate with the minister responsible for the French Language Services Directorate and an official available.

Perhaps the minister can give the breakdown and that might assist in some of the questions that we have, but then we would like to set it aside. Thank you.

On Operation and Maintenance Expenditures

Hon. Mr. Istchenko: This activity includes: 17.8 FTEs, which is \$1,696,000, there is \$314,000 for other funding costs, which consist of \$79,000 for program materials; \$68,000 for advertising; \$62,000 for consulting; \$60,000 for rental expenses; \$15,000 for travel out of the Yukon; \$30,000 for other support cost items such as supplies and communications; \$4,000 is transfer payments; and then there is an increase of \$45,000 due to collective agreement increases.

On Administration

Administration in the amount of \$2,014,000 agreed to

Ms. Moorcroft: Madam Chair, the minister indicated that he would be able to give us a breakdown of the expenditures in the line item, but that he had committed to having a meeting with the MLA for Takhini-Kopper King. The minister is not himself the minister responsible for the French Language Services Directorate; those responsibilities have been assigned to the Minister of Community Services. I understood that the minister and the Chair had agreed that this line item would not clear, but that we would set the French Language Services Directorate aside and allow for further debate when the appropriate minister and an official from the French Language Services Directorate could be available.

Ms. Moorcroft: I move that we adjourn debate on the French Language Services Directorate and come back to it.

Chair: It has been moved by Ms. Moorcroft that we adjourn debate on the French Language Services Directorate.

Some Hon. Members: Agree.

Some Hon. Members: Disagree.

Hon. Mr. Istchenko: I did agree to the Member for Takhini-Kopper King to sit at a meeting. We don't have officials. There won't be an official here for the next two weeks. So I've committed to sitting when the official gets back so we can sit down and questions can be asked.

We can meet with the Minister of Community Services and ask all the questions in the world.

Chair: As we are unable to clear these budget items, if one of the members wishes to put forward a motion to stand aside debate for the French Language Services Directorate.

Ms. White: I move that we stand over debate for the French Languages Services Directorate.

Chair: It has been moved by Ms. White that we stand over debate for the French Languages Services Directorate. Are you agreed?

Some Hon. Members: Agree.

Some Hon. Members: Disagree.

Chair: I believe the yeas have it.

French Language Services Directorate stood over

Chair: Order please. The next department will be Finance because we are unable to continue on in Highways and Public Works — Department of Finance, Vote 12. Committee of the Whole will recess for 15 minutes, please.

Recess

Chair: Committee of the Whole will now come to order. We are going to now look at the Department of Finance, Vote 12.

Department of Finance

Hon. Mr. Pasloski: I'd like to take this opportunity to provide the Committee with a few introductory remarks on the Department of Finance 2012-13 budget. The 2012-13 estimates for the department total \$7.9 million. Virtually all of this is for operation and maintenance, with only \$12,000 allocated for capital expenditures. The Finance budget is 0.68 percent of the total 2012-13 budget.

The O&M budget is spread among four program areas as follows: the largest program, and the program to which all departmental staff are assigned, is the treasury program at \$7.5 million. Salary costs account for approximately 79 percent, or \$5.9 million of the treasury budget. Banking services, supplies, telephone, travel, contracts, et cetera, at \$1.4 million, account for 18 percent of the program budget. The public utilities income tax transfer in the amount of \$213,000 accounts for the remaining program budget.

Workers' Compensation supplementary benefits program in the amount of \$426,000 is legislated under an act of similar name. It provides supplements to benefits paid to workers who are insured by private insurers prior to the Yukon Workers' Compensation Health and Safety Board coming into existence. These supplements bring the benefits these workers received up to the sums that would be paid had they been covered by the board.

As stated, the capital budget for the Department of Finance is only \$12,000 and is comprised of computer workstations for \$7,000 and printers for \$5,000, for a total of \$12,000.

On the revenue side of the ledger, growth is again occurring. We all recognize that Canada continues to make an important and significant investment in Yukon.

The mechanisms of a territorial funding agreement have, as members opposite can see, increased the grant from Canada from \$704.7 million to \$767.2 million. This \$62.5-million increase is largely a result of our increased population and an escalator in the grant formula that takes into account the change in provincial and local government expenditures.

Personal and corporate income taxes, as well as other tax revenues, as evident by the projected revenues, are expected to remain very strong and this is seen as a very good indicator of the continued strong economic conditions here in the Yukon. These economic conditions benefit all Yukoners, making us the envy of the rest of Canada. It is something that we worked hard to achieve and something all Yukoners, once again, can be very proud of. Madam Chair, these are the highlights of the Department of Finance's meager 0.68 percent of the budget. I welcome any questions.

Ms. Hanson: I too will keep my opening comments to a minimum with the Minister of Finance. There are two areas I do want to ask him about.

I just want to come back. There are two areas that I do want to ask him off the top. The first one would be with respect

to Bill C-38, an *Act to Implement Certain Provisions of the Budget Tabled in Parliament on March 29, 2012 and Other Measures*. I'd just ask the Minister of Finance if he could explain to this House the implications, if any, of division 4, part 4 of this act. It will amend the *Yukon Act* to provide the authority for the Governor-in-Council to set, on recommendation of the Minister of Finance — not this Minister of Finance, I would add, but the Minister of Finance for Canada — the maximum amount of territorial borrowings and to make regulations in relation to those maximum amounts, including what constitutes borrowing, the relevant entities and the valuation of the borrowings. I can see where that may be necessary, or thought necessary, by Ottawa, with respect to the Northwest Territories and Nunavut, where in fact those governments do not have the quasi-provincial status of a territory like the territorial government which, since 2003, has assumed many of the provincial-like responsibilities. I would be interested in the Minister of Finance's comments with respect to the impact of this amendment to the *Yukon Act* and what, if anything, he has done in terms of speaking with the Minister of Finance to clarify the impact on Yukon.

Hon. Mr. Pasloski: I did touch briefly on this one day in Question Period. The federal government did undertake a process to do a review of the debt limits for the three territories. There has been some varying interpretation as to what was included under the debt limit, and so part of this process was to re-evaluate and to articulate what would be defined to be included under the debt limit and what would not be. Part of that whole process was to do an evaluation of what those debt limits are for each of the three territories and it was through this process of evaluation that the federal government did indeed increase the debt limits for all three territories, and some of them were quite substantial. I believe we stand at the lowest limit in terms of debt limit of the three territories. This was brought forward, as I mentioned, by the federal Finance minister. This was not something that this government asked for as we, in fact, are not at our debt limit by the most stringent of definitions when we compare ourselves to the other two territories. It was part of the federal process. It has raised our debt limit by \$100 million — from \$300 million to \$400 million. The impact to Yukon at this time is zero. We are not using the existing debt limit, so having this increase has not had any impact on the Yukon government or Yukon taxpayers.

Ms. Hanson: I thank the Minister of Finance for that response. I am glad to hear that the prospect of ministerial oversight by a federal minister is not intended to inhibit the flexibility of this government or any future government.

The minister spoke of the grant from Canada having been increased, and my understanding is that this grant is established. I understand that the population and the escalators that are used — I don't understand the complexity of all the escalators, but I do understand the principles of them. The life of the territorial formula financing agreement with Canada is until when? Is it finite? Is it going to expire in two years, or three years? Is it comparable to the life of the Canada health transfer? Is the Government of Yukon in negotiations currently with

Canada with respect to the territorial formula financing agreement?

Hon. Mr. Pasloski: I guess I'll start by commenting on the fact that the relationship with the federal Minister of Finance, and indeed, with the federal government, has been very strong. We have many, many examples of working together — partnering on many projects that have a benefit, not only to people of the Yukon, but to Canada as a whole. I would also like to say that the current federal government reinstated this territorial formula financing agreement that is now in place. This was actually put together by the late Erik Nielsen, the Member of Parliament for Yukon for almost 30 years and the Deputy Prime Minister. It was his vision that this formula came about.

Unfortunately, under the auspices of a former Liberal Finance minister they dramatically changed the formula and really, as a result of that change over that period of time, Yukon, I believe, lost approximately a billion dollars in funding through that period. It was with the election of the Conservative government under the leadership of Prime Minister Stephen Harper that they reinstated the TFF that we are still living with today. It is indeed a very complex formula that factors in many things — as we've mentioned, population — but also very importantly it includes spending of the provinces and local governments, and municipalities as well. As they spend more or spend less, it will have an impact in the north in terms of the grant, which isn't in perpetuity. It currently expires at the end of the 2013-14 fiscal year, but they have — in the last budget and in fact at the Finance ministers' meetings in December, the Finance minister at that time committed to continuing the formula as it exists today.

Ms. Hanson: Just a clarification from the Minister of Finance — he mentions that the Government of Canada has agreed to continue the territorial formula financing agreement. He first said it was not in perpetuity or ad infinitum, but then said it is as it is today. Is that to indicate that similar or the same indices will be applied going forward at the same level? So it's the same indices at the same rate? Does the minister have guarantees from the Minister of Finance? How does he know that?

I guess there are two questions. On the one hand, they are not going to go on forever. On the other hand, he has confidence that the Minister of Finance for the Government of Canada will not change this. I guess, having lived through the cuts that the Minister of Finance speaks to in the mid-1990s and having seen the impact on the federal public service and the impact on the Government of Yukon and services delivered here, I know that I don't necessarily take the word of any federal Minister of Finance. I am hopeful that he too will have a little skepticism, regardless of the political stripe of the government in power.

Hon. Mr. Pasloski: The formula, as it exists today, is committed through the 2013-14 fiscal year. I believe there might be the opportunity — the principles will remain the same. There might be opportunities to tweak it, but the principles will remain the same, and I feel confident in that. In fact, as I mentioned during the budget and during the Finance minis-

ters semi-annual meeting in December, the federal Finance minister committed to support for the TFF. We are talking about a government in Ottawa that, since coming into power in 2006, has not only spoken about the north, but has made a substantial commitment to the north. Reinstating the existing TFF is one of the examples of this government's willingness to not just talk about the north, but actually back it up in creation of other programs, such as the CanNor program as well — another example of the federal government's support for the north.

I am in agreement with the member opposite, in that nothing is forever, but I feel quite confident that we will maintain a strong working relationship with the federal government. The federal government is committed to dealing with its financial situation without off-loading to the provinces and territories, as was the case in the 1990s, where they balanced their budget by cutting back on the investment to provinces and territories. I have given the example for the territories of the significant reinvestment that has occurred by the federal government since the current Conservative government has taken office, which has resulted in significant opportunities to grow, develop and mature as a government here in the Yukon, as has been evident, especially since devolution in 2003.

Ms. Hanson: I do acknowledge that during the international financial crisis, Canada did respond with significant stimulus financing, and that was a great boon to the Yukon Territory. The reality of the fact is that Bill C-38, which we are now seeing rolled out day by day, has significant implications for this territory. I will not dwell on this today, but I will be expecting the Minister of Finance to reflect upon and give clear indications of how this government is going to be impressing upon the federal Conservatives that there are not just public service implications to the cuts being made, but there are structural changes that are going to impact the economy of this territory.

In that context, as the Minister of Finance participates in the federal-provincial-territorial negotiations and discussions with the Finance minister of Canada, I would like to step up a little bit from the discussion here with respect to just the territorial formula financing agreement — just because he raised the issue of the significant investments that Yukon has benefited from, and that is in the context of a much larger context.

We've just seen that despite all of what I would call rhetoric about the stability of Canada's banking system; we now know that Canada's banks were the recipients of about \$114 billion in support from Canada and the Bank of Canada and the Canada Mortgage and Housing Corporation during that period of international recession. The bulk of that bailout to the Canadian banking sector came in the form of \$50 billion in cash in exchange for the mortgage-backed securities of CMHC's insured mortgage purchase program. I'm wondering in the context of the implications of CMHC, and through it Yukon Housing Corporation, what are the implications for this bailout? As Finance minister, when he meets with Mr. Flaherty and the other territorial and provincial Finance ministers, does the issue of financial regulation to avoid these kinds of huge payoffs come up and what does he say on Yukon's behalf? These do

have implications for the effective management of our fiscal resources here.

Hon. Mr. Pasloski: I can start this by taking us back to 2007. Around Christmastime, the Prime Minister traditionally does end-of-the-year interviews with all the media, and 2007 was an unbelievable year economically in this country. I remember listening to these interviews where they were looking for this great, rosy picture from the Prime Minister. The Prime Minister at that time said that he had concerns about where the world economy — and in particular, the United States economy — was going. We needed to look at the banks; we needed to shore some things up, because he had some concerns about what was going to happen. At that time, I remember the naysayers on the other side of the House in the House of Commons all saying that things are great, but that the Prime Minister is talking about how the sky is falling and how could he be naysaying. I just remember very vividly then what began to happen in September and October of 2008.

I think it's as a result of the foresight of the federal government and the Prime Minister, as an economist, and his Finance minister, that we did in fact weather a storm that was like nothing since the Great Depression. Of course, there were investments made and debt accrued by the Government of Canada, but really if we look around today, for example, our Finance department and our federal Minister of Finance has really become the envy of the G-20 of the developed countries of the world. The rest of the world is looking to Canada and what we have done with our banks and how we have protected ourselves while still being a free-market country. In fact, I look at the role that the governor of the Bank of Canada today is playing now in the G-20. There are rumours that he is being lured to the Bank of England and other places.

So I think that in terms of whether there is risk to Canada and Yukon, yes, there is. We are not an insulated island. We are part of the world economy.

There are risks out there, but I think that where Canada has taken us, and where we are specifically here in the Yukon, we are in a very good place. As you are aware, Madam Chair, we are one of only two jurisdictions in this country that has a surplus and no net debt — ourselves and Alberta. There are provinces, like Saskatchewan, that are now coming to a point of balancing their budget — still have some debt, but I look at where they are, in terms of their debt as a percentage of their GDP and how it is reduced significantly. We are one of only two jurisdictions that have money in the bank, and we have this year projected — original projection for this budget of an \$80-million surplus and over \$100-million net financial resources.

These are the things that will help us moving forward but, as I have mentioned, there are risks out there. There are risks in terms of Shakkwak; there are risks with the territorial health system sustainability initiative — the THSSI funding. There is the French school decision with the courts. There are many things that are out there, and there are also risks, as I have said about the TFF as well. So we need to be prudent moving forward at a time when, as provinces and municipalities and local governments start to spend less money, there will be the risk that that will impact on our funding. So we need to be able to

continue to manage prudently and effectively and have money set aside for those times, when something comes up that we do not anticipate or where there is an opportunity in which the government, on behalf of the people of this territory, would like to invest.

Ms. Hanson: I appreciate what the Minister of Finance is saying — but he is clearly not paying attention to what the financial analysts and economists are saying — that what is going on and has gone on in the current world situation is precarious. In fact, when the Prime Minister was talking about everything being fine, he was ordering CMHC to take on a bigger debt burden, and right to the very day of the election being called, the Minister of Finance and the Prime Minister were denying that we were on the cusp of a recession.

But if the minister wants to believe in those old shibboleths, that's fine — you know, you can reinforce what you want to believe, but the reality we are seeing played out day by day is the concern, I think, Yukoners have: Are we being clear-headed enough about what the world situation is? That leads to all sorts of assumptions we make as government about sources of funding and their reliability.

The minister himself just raised a really important point that, as the Leader of the Official Opposition, I have raised with him before, so I'm glad he did. He talked about the need to be prudent and to set aside funds because his comment just now was that he had originally projected a surplus of \$80 million. I guess the assumption that I can make from that is that the original projection, just like every other projected surplus by Yukon Party government, is that it will not carry through.

The Yukon NDP has raised the question, on a repeated basis, about the need for — for want of a better term — a rainy day fund. In other jurisdictions there are heritage funds or some sort of a savings account. The Premier's response is repeatedly to suggest that there is a surplus — there is a surplus that equals a rainy day fund. But, you know, based on, and given the boom-and-bust cycle of resource-based economies, and we have seen this in jurisdictions and even the one he refers to — Alberta is a classic example of that. He has acknowledged in the Budget Address that other jurisdictions have funds established for tough economic times. I don't believe that anybody in this Legislature would agree or accept the notion that an annual surplus is the same as a rainy day fund. It is subject to too many vagaries.

A rainy day fund, a heritage fund, a savings account means it's in a safe place; it cannot be touched and used for political wants or desires. Yukon people need that; they need that security. So with the previous Yukon Party government, we saw a projecting surplus that turned to deficits or were significantly reduced. So as the minister himself just referred to this original projection of \$80 million, I guess my question is this: What's the basis for any credibility of that, given past practices? Does the minister now see that there may be some merit in creating a safe place for a rainy day fund or some savings account for future?

Hon. Mr. Pasloski: The member opposite brought up quite a few things. I'll maybe just try to touch base briefly on some of them. I think what we're talking about is nothing new.

Things have not changed since 2008 within the global economy. We continue to see huge financial risk, most notably in those countries in Europe, who have, for years, been spending beyond their means and, as a result, are facing the truancy and problems in places like Greece really as a result of governments who thought that they could continue to spend money and print money and not be accountable.

The reality is that we have to be accountable, as we are in our personal lives. We have to live within our means. That is what this government has been doing. While the member opposite talks about all the people who are speaking differently, I assume that what she is talking about are those people such as in the Broadbent Institute and places like that. Unfortunately, we just don't agree with the assumptions that they are making.

Some Hon. Member: (Inaudible)

Hon. Mr. Pasloski: Yes, exactly, nor do any credible economists.

When it comes to rainy day accounts and heritage funds that is exactly what we have. We call it "net financial resources". That is the name and that's what it is. The member opposite is confused between the difference in surplus and net financial resources. They are not the same thing. Our heritage fund — our rainy day fund — where we have money put away for when we need it — is evident in the net financial resources that we are projecting to be in excess of \$100 million by the end of this year.

It is about accountability. I guess I could go back to where we were in terms of financial management the last time the NDP were in government where we had massive deficits. In fact, the Yukon Party government created the *Taxpayer Protection Act* to ensure that such spending did not occur by the government again without having to go to the people to ensure that they would be supporting such an initiative. We listen every day to the insistence of the members opposite that we look at legislating and regulating everything and truly infringing upon almost every aspect of people's lives. That comes also with a cost. The members opposite are always asking about — you know, what the strategy is, but you know — fortunately, this government also looks at what the financial cost is. As I stated again just today in Question Period about the Peel — you cannot endeavour to look at a piece of the Yukon that is larger than Nova Scotia or the country of Scotland and essentially put a fence around almost all of it and not think that the financial ramifications should be one of the things that we need to consider as a government. On this side of the House, we disagree with that. We feel that this is something that needs to be done, and we will continue to look into the future to see what is coming ahead, do our best at projections to ensure that we can continue to live within our means.

As for the budget itself, I've been on the record already saying, "Do I expect the surplus to be at \$80 million at the end of the year?" I don't think there's anybody here who could logically predict — whether they're doing their own banking — could look a year in advance and say this is exactly where I'll be at the end of the year, because you can't do that. You cannot do that. Things come up that you don't anticipate. Opportunities come up that you need to be able to act upon. That

is why we have money in the bank. That's why we have that flexibility to be able to react if we have a bad forest fire season or if we see an opportunity. We have the money to do that; we have the capital to invest in projects that we have committed to through our platform, or through our long range capital investment plan, so we'll continue to manage Yukon's money prudently, effectively, responsibly and ensure that we continue to look for all the dollars we spend resulting in the best possible impact for Yukoners.

Ms. Hanson: I was not going to go there, but the Minister of Finance has continued to make — I was trying to be polite earlier when I talked about shibboleth. There is this notion that the Yukon's Party's communication strategy, I would say, seems to be that if they say things often enough and say it repeatedly, perhaps people will start to believe it. There is this notion that the NDP were poor managers and I actually went back to check in the *Hansard* that I believe he is referring to, and what I found there was very interesting, very interesting. The minister refers to this notion that the NDP government left some significant deficit. In fact, what happened in that election when the Hon. Mr. Ostashek was elected was that they made, just like this government, huge promises — promises, promises, promises — between \$100 million to \$400 million, depending to whom we are talking, and then got into office and said that they didn't like the reports of the Auditor General that showed that the NDP government, for the past five years, had posted surpluses.

So they tabled — or hired, for want of a better term — an independent person, or somewhat independent, who was a former Social Credit advisor from British Columbia with a great financial background, I guess. It didn't look like he had, because he seemed to have been dismissed and discredited very rapidly. But his report completely contrasted and contradicted the Auditor General of Canada's reports. So this review of change and accumulated surplus for the two years ending March 1993 suddenly disputed what the Auditor General said. I would suggest, Madam Chair, that before the Minister of Finance opposite makes repeated assertions about history, he might want to check the history, because in fact — and I will say this — he is wrong.

Madam Chair, rather than getting into a further useless debate and raising the spectre of him raising that again, perhaps we can go back to the issue of the Canada health transfer, which is a subject of Canada's transfers to Yukon. There has been some significant discussion across the country — although the Minister of Finance doesn't seem to share the concerns of any of the economists or other Premiers — but I would like to dwell on this or explore this a bit with the minister.

We will recall — and we raised this in the Legislature — that it was at a meeting of Finance ministers I believe in Victoria, where the Minister of Finance made his rather infamous take-it-or-leave-it announcement on health budgets. We all know that health budgets, or health transfers, were increasing by six percent, and have increased by six percent annually. Starting in 2017, Ottawa has indicated that it will peg any future increases to growth in the economy and inflation. That, Madam Chair, has significant implications for this territory and

for provinces. There is a potential that provinces and territories will be left with a large, financial shortfall under the proposed new health transfer plan. This is not something I am making up; the Parliamentary Budget Officer has been very clear about that. He anticipates health transfers to grow — the transfers would grow at a rate of an average of about 3.9 percent from 2017 to 2024, while provincial health spending will continue to grow at about 5.1 percent. So, there is a significant funding gap.

This will leave territorial and provincial governments with a couple of options. We could either be seeing raises by hiking taxes or levying fees, such as health premiums, or offering fewer health services. Madam Chair, I'll remind you that in 2008 the Yukon Party government mandated and established a Yukon health review that looked at a whole range of issues with respect to sustainability of health care in this territory. One of the options explored was the imposition of health premiums. I'll remind you that in 2009 in *Taking the Pulse* — which is a response to that consultation — the Yukon Party government didn't wait for that in terms of making its decisions, but was very clear that Yukoners had made it clear that they do not support the notion of health premiums. They don't. We also know that nearly one-third of the government's expenses go toward health and social services.

Our Minister of Finance has been rather muted in his response. He said that he thinks there needs to be discussion now and I guess my question for the Minister of Finance is this: What has been the discussion? I understand there's a working group led by the Manitoba premier to look at the fiscal impact of Ottawa's proposed approach on the health budget. My question: Does Yukon participate?

Since we know from the conversation earlier this afternoon that the health transfer will expire in 2016 — that's two years from now — that's a very short time in federal-provincial relations. Can the Finance minister update the House on these negotiations?

Hon. Mr. Pasloski: I guess I'll talk a bit about borrowing as to a reply to the member opposite before she actually got to the question. Now the Yukon Party government has borrowed money and we all know that the NDP certainly did when they were on this side of the House. Between 1987 and 1998, successive NDP governments borrowed in excess of \$100 million. By March 2009, the Yukon Party government had reduced these debts to under \$51 million. We continue to pay for the debts that were accrued by the NDP government. At March 31, 1992, for example, the last Public Accounts under Tony Penikett's NDP government, showed that debts totalled \$88 million; Yukon Housing Corporation, a \$25-million debt; Yukon Development Corporation, a \$55-million debt; Yukon government, an \$8-million debt, for a total of \$88 million. The budget for the year ended March 31, 1992, totalled \$334 million.

This meant borrowing represented 26 percent of the entire budget. Interest rates were in the nine- to 13-percent range at that time, so servicing the debt of \$88 million would then be equivalent to servicing in the range of \$160- to \$230 million today. In other words, the cost of servicing that debt was likely as large or larger than what it will be to service any borrowings

the Yukon government has done in the past two mandates. Yukon Development Corporation, at the time, financed the failed sawmill in Watson Lake and Totem Oil's presence to compete with local businesses. The NDP lent money to private companies to compete with other companies. Shame.

Other examples of failed NDP capital projects include building a 25-person correctional centre in Teslin that mainly sat empty, except for the 20 staff members who cost the taxpayers in 1993 dollars more than \$700,000 a year. The Taga Ku convention centre was another NDP disaster, one in 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 the 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's bungling. Comparisons on debt should be made to the merits of those failed projects versus the hospitals and the power plans that will provide needed infrastructure for citizens, essentially for generations. We are very proud of what we are doing in meeting those needs and building for the future for Yukoners.

On Yukon spending — as of March 31, 2002, the last fiscal year that the Liberal government was in power, the corporations and the governments had debts of approximately \$76 million. The government has been paying down this legacy debt at a rate of approximately \$5 million every year. Much of that legacy debt was incurred to fund day-to-day operations as opposed to building capital assets that will benefit multiple generations of Yukoners. To use an analogy, past governments were using their VISA to buy groceries and to fix the car. We have taken out mortgages to buy a house. Financial planners will tell you there is a difference between good debt and bad debt. Let's just look at some of the recent borrowing.

Yukon Development Corporation borrowed \$100 million primarily to fund Mayo B and the Carmacks-Stewart transmission line second phase. I am sure all members of the Legislature are aware that utilities across Canada borrow for all major capital projects. In fact, it is a requirement by regulators in every province. B.C. Hydro, for example, is allowed to borrow up to 80 percent of the cost of the project, and it is no different here. I am not going to get into the complexities to explain what it is, and if you actually used cash money to do that, that the borrowing — you know, the public utilities would insist that there be a return on that investment, which I would suggest would actually end up costing us even more money. That is why these major capital projects are financed. In fact, if we would have done it entirely out of equity, which equity is really taxpayers' contributions to the Yukon, the request on the return on equity would ultimately be paid. How would it be paid? It would have to be paid by higher power bills. Unlike the opposition, the regulator realizes that ultimately it is a cheaper option for the taxpayer to borrow the money than to pay cash up front and then expect a return on that money, which is expected.

The hospital intends to borrow \$76 million to build two new hospitals and improve facilities at the Whitehorse Hospital

campus. These facilities will provide health care for multiple generations to come, and it is only fair that all users bear that cost, not just today's taxpayer. Our debt limit, as we talked about, has already gone up to \$400 million as a federal order-in-council, and I think I have already spoken to that.

In the context of the bigger picture, the government expects that after borrowing by the Hospital Corporation, the Yukon's debt as a ratio GDP will still be less than 15 percent. Only Alberta has less debt as a percentage of GDP, although, as I mentioned, I see Saskatchewan's is getting down there as well. Most provinces exceed 30-percent debt to GDP ratio, with Quebec at approximately 50 percent. Clearly, I think a 15-percent debt-to-GDP ratio would be considered very enviable by most jurisdictions in this country.

In terms of the health transfers, I take offense to the member opposite's implication that this Finance minister and this territory is standing alone and that everybody else is on the other side crying wolf. That, in fact, is just not the case. The federal government has committed to tying funding for health care to economic growth, but having a three-percent basement. It will never be less than three percent. So there are never any cuts, but potentially reducing the rate of increase to what's coming.

I think it is the responsibility of all of us. Unfortunately, the members opposite think that we can continue to just ring up that credit card. We can spend; we can borrow money; we can fund everything. I do believe that we need to be responsible. I do think that the citizens and the taxpayers of the Yukon Territory are expecting us to manage the money prudently and wisely and ensure going forward that we are looking at where we are spending money and ensuring that we are getting the most value for all the dollars that we invest — whether it's in health care; whether it's in roads or wherever we are in terms of making sure that we are spending their money wisely.

In terms of health, there are a couple of different committees that came out of the CoF meetings in January. One of them is in fact being led by the Premier of Manitoba; the other one is co-chaired between the Premier of Saskatchewan and the Premier of Prince Edward Island — in fact, I think the Minister of Health and Social Services was at that meeting just last week — to collectively look at what we can do to address the issue of ensuring that we can deliver the level of health care that is expected and demanded by Yukoners and by all Canadians in a fiscally responsible way.

Of course we are part of those meetings. As I just mentioned, the Minister of Health and Social Services was in attendance and we will continue to work forward. I will be meeting again with the premiers at the Council of the Federation meeting in July. There is a biannual Finance ministers meeting as well, so this government is committed to ensuring we can deliver the health care for Yukoners, but ensuring that we also need to be able to live within our means.

Ms. Hanson: The Minister of Finance has just gone on at some length and demonstrated yet again the repetition of old shibboleths. One of the comments that I would make is that oftentimes he will talk about the change in accounting prac-

tices, and there is a significant impact to that. He's almost, I would suggest, comparing apples to oranges.

I would suggest to him that this whole notion of comparisons — and comparisons as we know are odious, but we do have two concrete examples at hand here. We have a Yukon Party government that, without a demonstrated business case, but having access to significant amount of federal stimulus dollars, leapt at the opportunity to spend \$100 million or more on 10 megawatts — probably the most expensive 10 megawatts of power anywhere in Canada.

We know that in the last couple of years when any opportunity was raised to ask questions about what alternatives were considered or anything else, none were considered; it was just that the money is available and we will spend it. Yes, in fact, the decision was made, but it does saddle taxpayers with ongoing debt.

Similarly, as I mentioned earlier with the *Health Care Review*, the commitment made by the Yukon Party government and stated in the review itself was that before any decisions were made with respect to what kinds of healthcare services would be developed or provided in the communities of Watson Lake and Dawson City to replace or change, if necessary, the service delivery model there, it would come back to this Legislative Assembly. Not only did it not come back to this Legislative Assembly, it did not wait until the review was complete. We made a decision, as the Auditor General and others have commented, the Yukon government, in terms of the Department of Health, has no business case with exception of one decision, which is the decision around MRIs.

So we are again, as he said, now at \$76 million on these potentially very expensive acute care hospitals, which will not be able to deliver on acute care, but we'll come to that later.

My question, Madam Chair, is this: What are the annual payments to service both of these debts and when will the debt be paid off?

Hon. Mr. Pasloski: While he's getting the numbers for the member opposite in terms of what the payments are, I will again say that our debt-to-GDP ratio is among the lowest in the country when you look across the broad spectrum. They go as high, as I say, probably a little bit over 50 percent for Quebec.

In terms of transparency and accountability, I think that we've shown examples of that with this exact 2012-13 budget by including for people a summary of the consolidated budget as well, listing everything, not just the departments of which we debate and approve a budget, but all the components of the government as well and also consolidating the O&M and capital into one book, instead of two different books.

I think that certainly allows for more clarity and ease of use for people who want to look at the budget, so I think that these are things that we've done really to ensure transparency and ensure that we're moving forward.

It never ceases to amaze me about some of the comments of where we are with greenhouse gases. I keep thinking about how the member opposite talked about the largest contributor of greenhouse gas emissions in the territory being the trucks that haul all the goods and services up here. They're concerned

about that but they're also opposed to any sort of development of the resource energy sector here in the Yukon. So, they're opposed to seeing us have responsible development and resources on the energy side here, but they also are opposed to the impact on emissions by hauling those trucks up. I don't ever hear any cry or concern at all about the source of that energy — where it is coming from and how it is extracted and the potentially massive environmental, ecological impacts it is having on those areas where that energy is coming from. I think it just kind of goes back to what we've talked about: painting a picture but only telling a part of the story, or just selectively cherry-picking things to be able to highlight.

In terms of hospitals, for the record, we should just say that the NDP government is opposed to providing health care for communities like Watson Lake and Dawson City by having those hospitals. These are decisions that were made by the Yukon Party government. Those projects are moving forward. We are committing to meeting those needs and those projects that are described. I think for those people who are listening or who read this — it is disappointing for those people who live in those communities that the NDP government in fact is opposed to providing enhanced health care in those communities.

In terms of the costs of servicing those debts, debts are the responsibility of the corporations. For the Hospital Corporation, it is \$6.2 million; for Yukon Development Corporation it is \$2.6 million, for a collective total of \$8.8 million.

Ms. Hanson: I am not quite sure — at the beginning or the middle of that rambling discourse — how we got on to the Finance minister's interpretation or assertions of what is almost imputing the motives or the intentions of the Official Opposition. At some point, perhaps, we will get that clarified because it was really unclear. But I do thank the minister opposite for twice elevating the NDP to government. I appreciate that because he referred to us as "NDP as government" and, in fact, if it were an NDP government, I can tell you that we would have made a really concerted effort, in terms of consultation, with both communities about the location of that hospital and about the model of care. I can assert right now, with some clarity, that neither of those communities have a clear understanding of the model of care to be delivered in their own communities. We know that acute care — if I ask the Premier to define for us "acute care", and then tell me how he will deliver acute care in those two communities, we will find a disconnect. Without wanting to belabour that, I do appreciate his recognition that the NDP will be government — we are government-in-waiting. So it is nice of him to acknowledge that.

Let us move on, then, since there was one aspect the Premier did not respond to when giving me the response about the debt-servicing costs for the Yukon Development Corporation and the hospital, and that was when it would be paid off. I'm sure the Premier will come back to that.

I mentioned earlier that the Premier uses often this notion that the surplus is the same as some financial assurance for Yukoners. That really does relate to accountability. I want to refer to the C.D. Howe Institute. Now, I know the Premier, the Finance minister, doesn't have much faith in external analyses — he doesn't like the Broadbent Institute; he doesn't like oth-

ers; and he, as his predecessor, clearly doesn't like the Auditor General. At some point, I would be curious to hear what —

Some Hon. Member: (Inaudible)

Point of order

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

Hon. Mr. Cathers: The member is going far beyond what has been ruled out of order in the past in the House. Suggesting that the Premier doesn't like the Auditor General is certainly, in my view, imputing motive, contrary to our Standing Orders. The member has made a number of assertions about the Premier's views on organizations, for which he has never expressed a viewpoint in this House, and I'd ask you to call the member to order for that.

Chair's ruling

Chair: There is no point of order. This is a dispute between members.

Ms. Hanson: I guess that's one of the privileges we have in a democracy, to have disputes among members — sometimes more interesting than others.

I do want to come back to the issue of accountability and how we can approve matters of accountability. The Premier, the Finance minister, will recall that in December I wrote to him and asked him to consider ways that we, as members of this Legislative Assembly, could work together to fulfill his government's commitment to practising open, accountable and fiscally responsible government. At that time he talked about working constructively with all of us. The issue that I was referencing was about ensuring that members of this Legislative Assembly aren't caught in an after-loop in terms of being able to monitor the financial performance of government.

So, I reference the report of the C.D. Howe Institute of September 2011 which spoke about Canada's 2011 fiscal accountability rankings. One of the things that I'm sure that most of the members in this Legislative Assembly, with one or two exceptions, who come to the business of being a Member of the Legislative Assembly — we come to it with a bit different backgrounds, but few of us are accountants. The C.D. Howe Institute's premise behind their survey of government's fiscal accountability was straightforward. First, they said that without poring over dozens of pages, tables of numbers and footnotes, or doing lots of arithmetic, a person of reasonable intelligence — and I would assume that would apply to all of us in this Chamber —

Some Hon. Member: (Inaudible)

Ms. Hanson: Some days; most days, I would hope. I would include the Minister of Health and Social Services in all days — where a motivated but time-constrained elected representative should be able to pick the key revenue and spending totals out of a budget or a set of public accounts. Second, with no inordinate effort or expertise — again, I don't think most of us have that deep expertise — this person should be able to compare the same totals between the two documents.

Ideally then, the figures this person would use, and ones that C.D. Howe Institute would use, would be displayed early and prominently. One of the criteria they used in terms of try-

ing to talk about the fiscal transparency and accountability of Canada's governments — federally, provincially, and territorially: does the jurisdiction use quarterly or mid-year updates to show deviations from budget plans? I had asked the Minister of Finance in my letter of December 20 to consider applying some aspect of that, something that the Parliamentary Budget Officer does with considerable success at the federal level. I understand that there is a degree of complexity to what the PBO is doing in Ottawa. In that case, given the fact that the scale of our departments here and the scale of our government is much smaller, it seems to me that it would be possible for us to do as the Parliamentary Budget Officer has done, pursuant to the federal *Financial Administration Act*, where every department shall prepare a quarterly report for each of the three fiscal quarters of each fiscal year and that these reports would be made public 60 days after the end of the quarter.

So instead of waiting for a full eight months after the end of the fiscal year to get public accounts, in fact, all of us as legislators would be apprised and knowledgeable about where the changes are coming, where there are differences in terms of what was planned, with explanatory notes. What I would suggest is sometimes I observe that the budget debate becomes less of a focus on the budget and we are forced into larger issues.

The C.D. Howe Institute noted in its report of September 2011 — and admittedly it was referring to the public accounts of 2009-10 — that the criteria that they were looking for was: Do the public accounts match with budget figures? And their response in the Yukon was that budget figures do not match. They say that there is some reconciliation with the budget — an explanation with variations — but they are located in a separate document. So, we are forcing elected officials to be hunting all over the place. I am not even going into it, but they do talk about the fact that when you have that, you can probably avoid some unfortunate incidents.

They do point out their reservations about the Auditor General, and the most recent one was, of course, the violation of the *Financial Administration Act* around asset-backed papers, but I'm not going to go there. There has been too much talk about that in the past. My real question to the Minister of Finance: Is he, as Minister of Finance, open to providing opportunities to even having a discussion with members of this Legislative Assembly about how we provide more current, up-to-date and accessible financial accountability?

Hon. Mr. Pasloski: I really appreciate the acknowledgment and the thanks that the Leader of the NDP is giving us, in terms of addressing some of the issues that were identified by the C.D. Howe Institute. I also appreciate the fact that she's acknowledging a right-wing think-tank, such as the C.D. Howe Institute; however, I do notice that the Member for Mayo-Tatchun was dispelling the results of the Fraser Institute just earlier today.

You're right, Madam Chair — we have looked, as we continue — as I've just mentioned recently — to create a document that is easier to access and more transparent and more accountable. That's exactly what we did this year by adding the consolidated report, which does tie everything back together.

Putting the O&M and the capital together in the same book, as well, clearly allows for those people of average — whatever the description was — as I believe it will certainly make it a lot easier to review the budget and be able to go forward with it. As for reporting, we do this now. Basically, this comes forward four times a year. We present our budget in the spring, and then twice during the year we come forward with supps through the end of period 5, which we will report in this House in the fall, and through the end of period 8, which we report in this House in the spring, and then with public accounts, which is duly, fully and completely audited by the Office of the Auditor General of Canada by the end of October of each year. That is something that is not actually done by the federal government. In fact, what they do is — they don't bring it here for the House to debate it. They just table those documents. So, you know, we actually have the opportunity for members opposite to look at these documents as we table them, and to be able to provide comment and debate at that time.

As for the hospitals and corporations — the Hospital Corporation, through its diligence, came forward making recommendations, and the government of the day supported it in its decisions to move forward with their plans on the development of hospitals.

As for NDP governments, I just have to think back as to where we are with the NDP government because she was talking about NDP government. All I can think about is decreasing population, decreasing jobs, spiralling debt, no economy. Actually, we clearly articulated that in the last election when we put forward some very clear graphs depicting the economic activity that occurred during the NDP government years. Certainly, their solution to the energy and to the housing market is just to get rid of the economy, then they don't have to worry about the fact that we don't have enough energy, or that there aren't enough houses to live in because, after all, when the people leave again, it won't be a problem.

Ms. Hanson: I'm not really sure what that rant was about. I was asking a specific question, and it is unfortunate that the —

Point of order

Hon. Mr. Cathers: Point of order, Madam Chair.

Chair: Hon. Mr. Cathers on a point of order.

Hon. Mr. Cathers: I believe that a number of times in the past, virtually without exception — if there are any — to the best of my knowledge, characterizing another member's comments in the House as a "rant", as the Leader of the NDP just did, has been ruled out of order.

Chair's ruling

Chair: I would ask the member to refrain from using words like "rant". It can lead to disorder.

Ms. Hanson: Thank you, Madam Chair. The aforementioned discourse was unconnected to the points made, and that's fine. I was not speaking about supplementary budgets, but I will come back to that in a minute. I was really speaking to the government providing members of this Legislative Assembly with accurate, regular updates of expenditures against the budget projections and estimates for each year.

Unlike the Premier and the Minister of Finance, I don't look at the partisan nature of analyses. If that's how he views it, that is his prerogative, of course. But I do think that I consider the content as opposed to the assumed political background of those who write. Oftentimes, the assumptions are incorrect.

Picking up on his point with respect to the use of supplementary budgets to signal changes against what is estimated, I would ask the member opposite then if he would accept what the C.D. Howe Institute suggests, where they say that a complementary change would be a better presentation of information than the supplementary estimates that legislatures vote to approve in-year changes, just as he said. "A complementary change would be better presentation of information in the supplementary estimates that legislatures vote to approve in-year changes, after the voting of the main estimates that reflect the budget plans". This is where it gets different from what our current practice is: "Each set of supplementary estimates should show item-by-item comparisons to budget plans, and show how the supplementary estimates, if approved, would work with or against the plans. For instance, was spending in a given program announced in the budget? Does it indirectly flow from a budget initiative? Or, depending on whether it is voted or statutory, is the amount different from what was planned in the budget? Such presentations might have inclined parliamentarians" — "legislators" in this House — "to ask different questions about how their decision affected the overall fiscal plan: in general," it is the view of the C.D. Howe Institute that "they would equip legislators with better information on how the fiscal year is unfolding differently from what was anticipated in a spring budget, and whether we should be doing anything about it."

So right now, we get the selected items and no explanation except what is provided in a political context rather than a performance based against the estimates.

Hon. Mr. Pasloski: As we have been discussing, there is opportunity throughout the year to make changes to the initial budget, because that's what happens in real life. Things happen and we need to be able to react to that, to seize on an opportunity to deal with something that was not anticipated at the beginning of the year, to continue to provide those services and programs addressing the needs of Yukoners in a manner that is responsible financially as well.

I guess I am confused as to what the member opposite is asking, because we do present supplementaries twice a year. They are not just tabled in the House for members to have a look at, but there is an opportunity to debate them and to talk about the changes that are made through the supplementary process, and in fact debate it on a line-by-line basis, as we are currently doing with the mains right now.

That opportunity does exist out there. It is something that does not happen on the federal process where they actually just table those changes. I guess I am failing to understand what part that she is not seeing, where they have an opportunity to look at what the changes are from the original budgeted mains that we are debating right now. We go through the fall in the spring and we come forward with those first and second supplementaries. And then once we are through that process, there

is the opportunity for the opposition to do a review when we do table the fully audited public accounts that are audited by the federal government's Office of the Auditor General.

Ms. Hanson: I think it's not that the Leader of the Official Opposition does not get it; it's that she is trying to suggest to the Minister of Finance that there is a better way. In fact what he is demonstrating is that the notion of what I've put forward, what the Parliamentary Budget Officer has put forward and what the C.D. Howe Institute has put forward is now we work as legislators to ensure more transparency and more accountability.

It is one thing when we have a Legislative Assembly that sits, as Parliament does, or in other jurisdictions where they sit in excess of the 60 days we currently allocate. When we are in Parliament for most months of the year, where there are quarterly reports provided to parliamentarians, those issues can come up within a timely nature — in a timely manner — so that questions can be raised and issues can be resolved in a timely manner, not after the fact. So, yes, I would agree with the Minister of Finance that there are supplementary budgets that come forward, but they are after, much after, the fact and it is talking about in retrospect the "woulda, shoulda, coulda".

What I'm suggesting is that there is an opportunity for us, as legislators in this small Yukon Legislative Assembly, to be more effective managers of the financial resources of all Yukoners. I'm simply looking for some signal from the Minister of Finance, looking to see if he's willing to apply some creativity, without just giving me the standard answer of the past.

The Parliamentary Budget Officer's initiatives are relatively new. I'm not suggesting maintaining the status quo. I'm saying that we are a government that represents 35,000-plus with a billion and some dollars to manage on their behalf. It's a far cry from the small budgets that small territorial governments had in the past. The scope of the responsibilities of this government — provincial-like responsibilities — is very different from when they came into power and assumed the devolution agreement in 2003. We need to demonstrate that this Yukon government understands that increased scope of both power and responsibility and the accountability that goes with that. I'm looking, not for a push-off and a similar — you know, that's not how we do it.

I'm saying that the challenge to the Minister of Finance is to demonstrate that he has the creativity and the willingness to show Yukoners that he's willing to work with legislators in here, through whatever committee structure and whatever reporting structure, to have better accountability and better reporting, so that all of us have better confidence when we come to the process of budget review and budget debate, including the supplementaries.

Hon. Mr. Pasloski: I think that, as we've been having the discussion already and we've been reviewing the fact that under this new Yukon Party government one of the things that we are trying to do is create more transparency with the budgeting process by creating a single document — putting O&M and capital together. By tying it all together and also by putting in the consolidated reports, this is really speaking to some fundamental changes that we haven't seen before. While we ha-

ven't heard it on that side, I will take for the record right now that I want to appreciate the hard work that has been done by all of the departments within this government to be able to get us to the point that we are at today.

I especially want to acknowledge the work of the Deputy Minister of Finance and his team for the incredible work that they have done and continue to do to ensure that we deliver the information, as is required. I look at this, and I look at the fact that the member opposite acknowledged how many people — we only have 35,000 people here — and is really requesting more information and more reports that really don't add any more value because, quite honestly, all of the information is there already. But this is, again, you know, a party that doesn't consider cost to anything they talk about. I mean, it's not one of the considerations — it wasn't on the Peel, and it isn't on anything else in the attempt, as they were saying, to legislate and regulate everything we do.

But, you know, I believe that what we are doing is putting forward, as I have mentioned — there is reporting that goes on, and there is the ability to debate changes with supplementaries that we do through the year, and the members opposite have the opportunity at that time to review that, to debate it with the ministers, to go through it line by line. When it comes to the confidence of Yukoners, all I can say is that there can be no more confidence than the fact that we have money in the bank.

Ms. Hanson: That is interesting — strange, but interesting. One of the areas we have not touched on yet, and I would like to come back to — I think that it is generally acknowledged, regardless of your partisan nature, and I hope that we do not get into that. But the tax system is one of the main tools a government has to stimulate economic development and redistribute wealth. That may be offensive to the minister, but that is actually what it does do. It seems we are at a stage now, with this government and as our economy matures, where it would be interesting to have a mature discussion on taxation. The discussion that I was suggesting earlier was about trying to engage the Minister of Finance in a discussion here or in other venues with respect to financial accountability and how to keep moving forward with more creative ways and more responsible and responsive ways.

I'm hopeful that he will be open to engaging in a discussion with the public, with Yukoners, and with the legislators in this Assembly over the next year or two. A mature discussion on how we can use tax credits, for example, to tackle poverty and other social goals — the example of tackling climate change and how we use tax credits to stimulate key industries; whether or not our personal tax brackets across the board are fair; questions about rates of corporate taxation and fairness.

Canadians, and regardless of the source — EKOS just recently also came out with another poll, and there is an international study done about two or three years ago. It's called "The Spirit Level", and it looked at comparative data on a whole range of indices about the growing gap — it's called the "inequality gap." It speaks to the implications of this, not just on health and social indices, but on economic indices in many, many countries.

I have a couple of questions with respect to this discussion — or the openness of the Minister of Finance for discussion — on taxation in the Yukon. We've seen some initiatives in this current budget that will provide support to an arts and recreation tax credit and a caregiver tax credit. When some of these were put forward, we raised the issue that, for example, low-income Yukoners really don't have \$500 available to put into a kid's piano lessons or art camp. So low-income Yukoners are not likely to be able to take advantage of the tax credit to the same extent as Yukoners with higher incomes.

I'm curious as to how the decisions are made and how the Department of Finance and the Minister of Finance determine when to go with a tax credit compared to financing a program.

For example, we talked about the fact that — I'm curious to see what the anticipated costs of these credits are and what would Yukon have paid out in the 2011-12 fiscal year if those two tax credits I referenced were in place. I used the example of the arts and recreation tax credit, so how does the Minister of Finance balance what the value of that is versus putting money into a program that would provide more children and their parents with the ability to access programs? This is as opposed to relying upon a credit which, if they don't have the money in the first place, they can't spend. So, really, I am expressing a curiosity as to how the Minister of Finance plans his tax strategy. Has there been a review and does he anticipate as Minister of Finance conducting a review of tax strategy for this territorial government?

Hon. Mr. Pasloski: I think our tax strategy — we talked about it quite clearly during the election and that was no tax increases. That is our tax strategy. We want to continue to ensure that we can put as much money in the pockets of Yukon people as we can to allow them to be able to make choices about what to do with that money. With that money, sometimes they put money away; sometimes they are going to go out for dinner or treat themselves to a new TV or car. Allowing people to pay less creates more economy.

I think we've spoken about this a number of times — money does not grow on a tree for the government. We are committed to continuing to foster and develop a strong private sector economy. When we have more people working here and more people paying taxes here, the government has more money to deliver on programs where it can help people who need assistance. That is fundamentally it. If we don't have people paying taxes, then it becomes difficult to provide the services. They go together.

That's why I spoke about the problems that ensued in the previous NDP government. People were leaving by the thousands and there were no more jobs. It becomes very difficult in that environment to be able to deliver to people who need help. We are committed to ensuring that we continue to foster and develop the private sector economy. Part of that is allowing people to have that money, to reinvest that money, for businesses to reinvest that money — to be able to afford to buy new equipment, hire more staff and so on. As a result, it creates more wealth for the territory.

There was a bit of confusion as she went through her statement in talking about tax credits. Those people who are at

the lowest levels of income are essentially paying little or no tax. I wasn't sure how she was trying to talk about that. Certainly we are proud of not increasing taxes, but also providing an opportunity to keep a little more money in the pockets of working families through the childcare tax credit and the new one that we just talked about and will introduce this calendar year — credit for putting one's children in arts, music and tutoring. This is along with the sports one and other credits that are out there. We are not only not raising taxes, but where we can provide some assistance for working families — those people who are working and have a couple of kids engaged in doing things — and help out there, as well.

As the members opposite fully well know, along with that we are delivering, in many different ways, for those people who are in need — through subsidizing daycare; through social assistance for people; kids recreation fund. There is a very long list of how we continue to support families in these situations, to give them the opportunity.

The low-income family tax credit remains to provide some assistance to low-income families when filing their tax return at the end of the year. This government amended the legislation to ensure that the federal universal child benefit was not included as income for low-income family tax credit calculation — that is, the receipt of the federal benefit does not reduce the credit available to Yukoners. Yukon child tax benefit has been enhanced in 2006 by 53 percent, from \$450 to \$690, and the threshold where low-income families received the full benefit was increased by 20 percent, from \$25,000 to \$30,000. Low-income families receive this benefit monthly and, unlike low-income family tax credit, do not need to wait until the end of the year to receive the monies. We announced a 25-percent increase in childcare subsidies in 2007. The amount received was increased to \$625 per month.

The Yukon seniors income supplement was doubled in 2008 to a maximum amount of \$2,400 a year, as an investment in our seniors of \$810,000 per year. We were the first government to index this benefit for inflation, realizing that those on a fixed income have the least ability to cope with the effects of inflation. Like the child benefit, this money arrives monthly on a dependable schedule. We have increased the pioneer utility grant by 10 percent and indexed that to the consumer price index as well. The territorial supplementary allowance, TSA, for persons with disabilities and seniors receiving social assistance was increased 100 percent in 2005, at a cost of \$306,000 a year.

The Government of Yukon, in 2005, increased its contribution for the kids recreation fund by an additional \$140,000. The additional funding raises the level of government assistance to the fund from \$60,000 to \$200,000 — greater than a 200-percent increase. We increased the foster parent funding by 17 percent and indexed that, as well, to CPI in 2009. Social assistance reform was implemented in 2008 as part of our commitment to review the social assistance program to ensure adequacy of rates and provide incentives to recipients to help them enter the workforce and scale over the “welfare wall”.

Improvements, including increasing the amount of earned income retained to 50 percent from 25 percent, and increases to

the basic allowance for food, shelter and clothing reduce red tape and enhance services for those SA recipients with severe disabilities.

So, really, Madam Chair, people with low income need the benefits when needed and not always when filing their tax returns once a year. Yukon government's spending programs are there for Yukoners throughout the year, not just once a year.

We are doing our part to help those who need the help. We're doing our part to try to continue to keep a few more dollars in the pockets of those people who are working, with the full knowledge that what that really does is foster more jobs within this economy, which then has more people paying taxes, which means we can then continue to deliver more programming for those people.

Ms. Hanson: I do hope the Minister of Finance, the Premier, never has to see history repeat itself. He wasn't here but, you know, in the mid-1980s, when Curragh went down, it wasn't because of government.

This government has based the whole of its boom economy on a reliance — and I would add: a reliance exclusively on the world commodity prices, refusing to look at diversifying the economy. When you do that, you put yourself at the same risk as the federal government which primarily ran this territory in the mid-1980s. The territorial government had no control over decisions on mining and the mining industry at the time. I hate to think that in a few short years, he could be experiencing the huge challenges that the governments of the mid-1980s faced when that single largest employer crashed. In that case, the NDP government had the resilience; they went and they developed a long-term strategic plan for this territory — the Yukon 2000 report, from which now we have many of the benefits — many of the benefits that this government likes to recite, just like now in his incantation or recitation of the many diverse funding programs. One of them just came to mind as he was talking about augmenting the kids recreation fund.

That was an NDP contribution. The Yukon College — all of these were visionary pieces that came — the small business tax credit, the mining incentive program, the prospectors fund. All of these are initiatives that the NDP developed in a concrete understanding that you need to have a diversified economy.

I asked the minister the question: Was there an intended review of the Government of Yukon's tax strategy? And I got a recitation of everything from a number of tax credits to income assistance rates and, quite frankly, although spending of Yukon revenues — 90 percent of which come from Canada and 11 percent that comes from us through personal income taxes and other own-source revenues — it's interesting that those are all considered. I asked him the question and he didn't answer this, so I'll try it one more time. How does the Department of Finance — how does the Minister of Finance — determine or decide when to go with a tax credit, as compared to financing a program?

I understand fully that most of the people in this room are middle-class and you file income tax and have adequate income to be able to finance your children's or your grandchildren's engagement and activities.

There are many, many people in this territory who cannot afford to put their children in a Heart of Riverdale program at several hundred dollars a month. We're talking about ordinary people. When I asked the question, it's really to get an understanding so that when people say to me, "Geez, I can't do that. Why are they doing that?" at least I can explain what the government's intentions are. My question is fairly direct and fairly simple: Can the Minister of Finance just explain how he determines when to go with a tax credit as opposed to financing programs for broader accessibility of Yukon children and families?

Hon. Mr. Pasloski: What we need to say is that the government doesn't run the economy; we don't. The government doesn't run the economy. We have the opportunity — governments can either create opportunities or deny opportunities for economies to grow.

As for the NDP's strategic plan coming out of Curragh Resources in the 1980s, quite honestly, we are still paying for that strategic plan today. In fact, Madam Chair, all that we have to do is look at our power bill to see the result of that strategic plan. We continue to pay for it and will continue to pay for it for a long, long time.

For the record, the TFF funding from the federal government is not 90 percent. In fact, when the Yukon Party government took office, it was 69 percent; that has now decreased to 63 percent. It is not growing. It is decreasing as a result of the investment of the Yukon Party government in creating an economy; in attracting more people to the Yukon; attracting more businesses; attracting investors here to invest in opportunities, all of which is creating a very strong financial position for this government.

Exploration in 2002 was under \$7 million. Today, in 2011, it is probably in excess of \$300 million on the exploration side. The results of this mean that we are looking at potentially more mines. Victoria Gold has said that they want to start construction by this fall. There are 400 people plus in the construction phase and almost 400 people to be employed in that one mine, once it goes into production, and the number of spinoff jobs just from that one opportunity are numerous and very difficult to count. Certainly it counts into the thousands. As a result of exploration, we are looking at potentially a number of other opportunities and what that does is create more jobs. It gives this government more money to deliver on programs.

The member opposite has asked me how we make the decision. I just finished talking about all of the significant changes that this government has done since coming into power to help support those people who need help. So, we will continue to look at that. As part of our agenda we have identified things where we think we need to continue to do better, for example, on the addictions side. We didn't hear any strategy for that from either other party in this House during the election.

We will continue — and I don't know if she's implying that what we need to do is to increase taxes, which we said we won't do. Increasing taxes does nothing but kill the economy. It takes more money out of people's pockets. They have less money to spend to go out for that dinner, to buy that car or that

TV. Businesses have less money and we go down that road that we very eloquently graphed during the last election as to what happened during the last time that the NDP had power over this territory. Let's just all hope that doesn't happen again for a long, long period of time.

Having said that, Madam Chair, and seeing the time, I move that we report progress.

Chair: It has been moved by the Hon. Mr. Pasloski that the Chair report progress.

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, *First Appropriation Act, 2012-13*, and directed me to report progress.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

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

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

Motion agreed to

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

The House adjourned at 5:29 p.m.

The following Sessional Paper was tabled April 30, 2012:

33-1-39

Election Financing and Political Contributions 2011, Report of the Chief Electoral Officer of Yukon (Speaker Laxton)