

**Yukon Legislative Assembly
Whitehorse, Yukon
Tuesday, September 28, 2010 – 1:00 p.m.**

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

Prayers

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of World Heart Day

Hon. Mr. Hart: I rise today on behalf of the House to pay tribute to World Heart Day. The World Heart Federation created World Heart Day and first celebrated it 10 years ago, on September 24, 2000. World Heart Day was created to inform people around the globe that heart disease and stroke are the world's leading cause of death.

Cardiovascular diseases are the world's largest killers, claiming 17.1 million lives a year.

Les maladies cardiovasculaires sont celles qui font le plus de victimes dans le monde, tuant chaque année 17,1 million de personnes.

The theme for this year's World Heart Day is "Workplace Wellness: Take responsibility for your own heart health." Most of us spend over half of our waking hours in our workplace.

A heart-healthy workplace encourages a healthy diet, physical activity and a smoke-free environment.

Un milieu de travail axé sur la santé cardiovasculaire fait la promotion d'une alimentation saine, de l'activité physique et d'un environnement sans fumée.

Risk factors for heart disease and stroke include raised blood pressure, cholesterol and glucose levels, smoking, inadequate intake of fruit and vegetables, being overweight, obesity and physical inactivity.

According to the 2009 Canadian Community Health Survey, 54 percent of the Yukon population 18 and older is considered overweight or obese. Only 50 percent of Yukoners aged 20 or older are considered active or moderately active. We also know that 35 per cent of Yukoners aged 12 and over are daily or occasional smokers.

The Health Promotion Unit of Health and Social Services currently provides toll-free, personalized counselling and support services for Yukon smokers who want to quit through the Smokers Helpline. The QuitPath program also provides a menu of options available for free to all Yukoners in person or via telehealth.

Health and Social Services has recently struck a wellness committee that is helping get employees out of their offices for some healthy exercise and socializing.

Professionals have identified a few simple steps to promote heart health. I encourage all Yukoners to follow them.

Eat healthy by limiting processed foods, sugary beverages, and eat more fruit and vegetable servings a day.

Get active. Even 30 minutes of activity a day can help.

Say no to tobacco. Get support to cut back or quit smoking, or maintain a smoke-free environment.

Maintain a healthy weight.

Limit your alcohol intake.

Take time to manage your stress by taking breaks during the workday to get some fresh air or do some stretching or light exercises.

On World Heart Day, I call on all Yukoners to take responsibility for their own heart health to be able to say, "I work with Heart."

Thank you, Mr. Speaker. Merci beaucoup.

In recognition of World Tourism Day

Mr. Inverarity: I rise today on behalf of the Legislative Assembly to pay tribute to World Tourism Day. The United Nations World Tourism Day was first celebrated on September 27, 1980, to help raise awareness about the benefits of tourism. The day aims to foster awareness among the international community of the importance of tourism and its social, cultural and economic values.

Tourism is very important to the economy of Yukon by creating local jobs and business opportunities. The tourism industry involves many Yukoners and includes jobs directly related to tourism and jobs that indirectly support tourism. Tourism provides a cultural exchange between hosts and guests and tourism offers Yukon and Yukoners positive economic benefits.

This year the World Tourism Day theme is "Tourism and Biodiversity". Despite repeated global pledges to protect the planet's species and habitats, the variety of life on earth continues to decline at an unprecedented rate. Human activities are the cause. This year the International Year of Biodiversity provides a timely opportunity to focus on the urgency of safeguarding biodiversity for health, wealth and well-being of people of all regions of the world.

Tourism and biodiversity are closely intertwined as millions of people travel each year to experience nature's splendour. In the Yukon, the beauty of our mountains, pristine waters and abundant wildlife offer a unique destination for tourists. Each and every community has something different to offer to the travelling public.

Safeguarding biodiversity is an urgent challenge that concerns all of us, for a healthy tourism industry depends on a solid resource base. The Yukon's tourism community is becoming increasingly aware of its responsibility to help protect our biodiversity. Sustainable tourism represents an important opportunity for safeguarding irreplaceable natural wealth and raising awareness of the importance of life's natural diversity.

We would like to take this opportunity to thank the many government and private sector tourism employees, front-line workers, First Nations and wilderness tourism operators for their dedication and promotion of the Yukon and its unique tourist destination.

In recognition of Right to Know Week

Mr. Cardiff: I rise on behalf of the Legislative Assembly to pay tribute to Right to Know Week, which will continue from today until October 1. Right to Know is celebrated around the world. It began in 2002, at a meeting in Bulgaria, of access-to-information advocates who proposed that a day be set aside dedicated to the promotion of freedom of information worldwide. In Canada, the federal government operates under the *Access to Information and Protection of Privacy Act*.

In addition, every provincial and territorial jurisdiction in Canada has its own legislation to provide access to information and protection against unauthorized use of citizens' personal information. In the Yukon, we're all familiar with our own *Access to Information and Protection of Privacy Act*, or ATIPP, especially on this side of the House.

Governments are the custodian of the public's information. Details produced in the process of governing belong to the public, whom the government serves. Calls for greater accountability and transparency have put pressure on governments to change perspectives and practices to facilitate disclosure.

At the same time, citizens' right of access to information, while protecting their privacy, is a fine balance.

In a democracy, access to complete information allows the public to evaluate the government's practices and policies. Citizens can participate more meaningfully in the democratic process with reliable information. This is a value that needs to underline all requests for access to information. The right to know should be a first consideration when governments receive requests for information.

Objections to full disclosure of information are rooted in the need for security, protection of commercial competition and the danger of injuring a third party. Courts are presently dealing with the problem of journalists whose integrity and trusts are being questioned because of requests for disclosure of contacts who have been assured of anonymity. These are not easy dilemmas to solve, but the choice should be about the right to know as a priority.

Some progress has been made in opening channels and details of information by governments by using proactive disclosure, by giving information before it is asked for. This is becoming more routine as information technology increases access to all kinds of information. Some areas of data that are accessible this way are the expenses of officials and elected members, issuing of contracts, reclassification of public service positions, and grant and contribution awards. Proactive disclosure presents an interesting avenue for responding to the right to know.

Open government affords public institutions the opportunity to directly engage the public in their practice. It supports the renewal of the social contract between government and its citizens. At all levels of government we should commit ourselves to full participation of our citizens in the right to know.

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

INTRODUCTION OF VISITORS

Hon. Mr. Rouble: Mr. Speaker, I would like to take a moment to introduce a couple of visitors to our gallery today. Joining Dr. Terry Weninger, president of Yukon College, is Dr. George Iwama, the president and vice-chancellor of the University of Northern British Columbia.

Dr. Iwama is here to take a look at Yukon College and to visit with some of the Master of Education students that we jointly share between our jurisdictions, and also to take a look at the Northern Institute of Social Justice and Northern Research Centre of Excellence. Welcome.

Applause

Speaker: Are there further introductions of visitors?
Returns or documents for tabling.
Reports of committees.
Are there any petitions?
Are there any bills to be introduced?
Are there any notices of motion?

NOTICES OF MOTION

Mr. Cardiff: I give notice of the following motion:
THAT this House urges the Yukon government to:

(1) provide the chair and the board of the Yukon Hospital Corporation with an annual letter of expectation that provides the hospital board with a written mandate and articulates the expectations of the Minister of Health and Social Services for the board, as well as the minister's obligations to the Hospital Corporation, in order to improve accountability and transparency; and

(2) he table the letter of expectation annually in the Legislative Assembly.

I also give notice of the following motion:

THAT this House urges the Yukon government and the Yukon Hospital Corporation to develop a long-term strategy to retain registered nurses, reduce absenteeism and ensure that their working environments are personally and professionally supportive, by:

- (1) hiring a full complement of permanent nursing staff;
 - (2) offering them more stability in their work practice and scheduling;
 - (3) hiring local nurses on a preferential basis;
 - (4) reviewing the ratio of management to staff;
 - (5) removing non-nursing tasks;
 - (6) providing more support staff;
 - (7) ensuring that the appropriate technology is provided;
- and
- (8) effectively organizing services.

Speaker: Thank you. Any further notices of motion?
Is there a statement by a minister?
Hearing none, that brings us to Question Period.

QUESTION PERIOD

Question re: FASD supportive housing

Mr. Mitchell: Today and tomorrow, Whitehorse is hosting the FASD Walking Together symposium. About 150 people will meet to discuss ways to prevent the disorder and to support those affected by it.

Getting and maintaining safe housing is one of the greatest challenges for people living with FASD. We know this from Yukon's own FASSY, as well as other organizations that work with FASD clients. Our community doesn't have the kind of supportive housing people with FASD need, and that means they are more likely to couch surf, to be homeless and to go without the services they need.

Yukoners living with FASD need supportive housing. Will the Health minister commit to making that happen?

Hon. Mr. Hart: I was there this morning for the opening of the FASD conference at the High Country Inn. I also stood by and participated in the opening address, and listened to the two major speakers brought to this particular conference.

In addition, discussions with regard to assistance to all applicants with regard to fetal alcohol spectrum disorder were discussed this morning, including housing, and we hope to discuss many issues with regard to FASD over the next two days and look forward to the recommendation coming from the conference.

Mr. Mitchell: Well, since the minister was at the conference, he's well aware that there is no cure for FASD; it's a lifelong condition. People with FASD require lifelong support. Without that support, they are more likely to be homeless. They are more likely to come into contact with the justice system.

Health Canada estimates nine in every 1,000 infants is affected by FASD. Sadly, that number is much higher in aboriginal populations and in rural, remote and northern communities. We see its impact every day in the Yukon. Our communities are overdue for supportive living facilities for people living with FASD and that means 24 hour on-site support personnel. Those same facilities would benefit other hard-to-house Yukoners, such as those dealing with mental health and addictions issues.

Will the minister commit to creating the supportive housing that people in our communities need?

Hon. Mr. Hart: For the member opposite, I will commit. As I said previously on this situation with regard to FASD — to assisting and providing assistance to FASSY — Fetal Alcohol Syndrome Society Yukon — where required, and to assist that particular NGO in providing assistance to adults for housing, which we have in the past. We've stepped up to the plate where the federal government has walked away with this process and we have stepped up to provide assistance to those affected with this disease.

For the member opposite, yes, it is a disease that doesn't have a formula to correct it, but it is also preventable. It's a preventable disease and prevention in dealing with FASD is a very important subject that's being discussed the next two days, along with added research on both aspects of dealing with FASD and dealing with the cure and providing assistance for those individuals affected by FASD.

Mr. Mitchell: I will thank the minister for his continued support for FASSY. The Northern City Support Housing Coalition, a consortium of local service organizations, including FASSY, is advancing the need for supportive living in Whitehorse. They envision an environment where residents have on-site access to necessary health and social service programs. These include life skills, medical care, counselling, addiction and mental health services and social activities. These are exactly the kinds of ongoing services those living with FASD need and the Liberals support their efforts to create supported living opportunities in Whitehorse. However, it will take support from the government side to make a project like this happen.

Will the minister get onside with this important initiative and indicate that the government will support such an initiative and move forward with planning it?

Hon. Mr. Hart: I've had discussions with members of the group related to this particular project. We have provided some assistance to allow them to obtain the necessary information to bring forth a best business case for their particular project, and we look forward to seeing what comes out of and develops from the process, and we look forward to the results of same. We look forward to assisting these individuals in their endeavour for new housing.

Question re: Housing for single parents

Mr. Elias: On February 5, 2008, the minister responsible for the Women's Directorate at the time announced a new housing project to address the needs of women and children. The minister at the time identified this project as a key priority. She went on to say, "Housing security is strongly linked to advancing women's equality in the north..."

Well, since then the project has been renamed four times, by four different ministers, and refocused to serve family housing needs, redesigned with less common space and reprioritized. The government has announced this project several times for many years. It's almost complete and we are still waiting for some idea of the eligibility requirements for occupancy.

Can the minister responsible for the Women's Directorate please enlighten us?

Hon. Ms. Horne: I can answer the member opposite by saying that we are very proud of this affordable family housing project. We are taking the lead in Canada in addressing the problems that face single-parent families, both men and women. This facility is completed and is about due to open.

Anyone who wants into the complex can apply to Yukon Housing Corporation.

Mr. Elias: Mr. Speaker, what Yukoners are concerned about here is a shift in priority. In November of 2007, some four years ago, a big priority for the minister at the time was affordable and secure housing for women and children in need and for victims of violence. That was four years ago, Mr. Speaker, and a lot of things about this government have changed in that time, including the priority of secure housing for women and children in need. The minister at the time said, and I quote: "Women with dependants make up the largest percentage of persons on the Whitehorse social housing waiting list."

Mr. Speaker, by the minister's own words, this is the single biggest need for social housing in Whitehorse. This housing project was supposed to address that need, but that's not happening. The purpose of this housing project has been derailed from the original plan, and the government has not yet decided on the new plan. When is this new plan for the housing complex going to be released to the public?

Hon. Ms. Horne: I commend the member opposite for doing his homework. That's exactly what this project is meant for.

Mr. Elias: Over the last three years, this housing complex has been named the "30-unit housing complex for women and children in need", "single-parent housing initiative", "affordable family focused housing project", and now it's named the "Whitehorse affordable family housing project". You can see why the confusion is out there with the Yukon public. I said this three years ago: this project will not be a success story until I actually see single mothers and their children moving into the building and the program objectives are being met. There's no success here — at least not yet — and I don't know when there's going to be. This project was supposed to address our most pressing need for social housing — that of single mothers with children and victims of violence. What is the minister doing to address this lost priority?

Hon. Ms. Horne: Mr. Speaker, again I reiterate, that is exactly what this project is doing. The name of the project is the "Whitehorse affordable family housing project". I think the only confusion is with the members opposite, the official Liberal Party, and they voted against this in the budget. They voted against this pressing need of women in the Yukon.

Question re: Nurse shortages

Mr. Cardiff: I want to read something into the record from the Yukon Hospital Corporation's strategic plan. On page 16, it says, "Our approach to building a stable, skilled workforce will be as follows: we will become both an employer and a workplace of choice. This means offering supportive working environments in which employees can learn, grow and advance within the organization and realize the value they bring to patients and to the organization."

Those nice-sounding sentiments don't mesh with what we are hearing from demoralized and frustrated nurses at Whitehorse General Hospital, where the turnover and burnout rates are unacceptably high.

Does the Minister of Health and Social Services know what the turnover rate for nurses at Whitehorse General Hospital is? If he does not know, will he find out and table that information in the House this week?

Hon. Mr. Hart: Obviously I don't have that kind of information. I'm not in charge of the staff at the Yukon Hospital Corporation or Whitehorse General Hospital, for that matter. The CEO is in charge of that information, along with a board of directors, who handle and provide guidance on policy with regard to the HR people who are involved in the Whitehorse General Hospital.

However, I will endeavour to obtain that information the member opposite has requested and provide it at a later date.

Mr. Cardiff: Well, the Hospital Corporation has unlimited funds to hire agency nurses to work at Whitehorse General Hospital, but it is reluctant to offer permanent positions to new grads with strong ties to the Yukon, who have had their education supported by government grants. The high rates of pay that the Outside hiring agency gives to the nurses is only a fraction of what the agency charges the Hospital Corporation. This practice of relying on agency nurses, along with all the extra overtime the corporation is paying because of the continuing nurse shortage at Whitehorse General, is not only undermining staff morale but it is driving up health care costs.

Can the Minister of Health and Social Services provide me with any documents or studies demonstrating the cost benefits of using a hiring agency to bring up nurses on short-term contracts versus offering full-time positions to the nurses who already live and work here in the Yukon?

Hon. Mr. Hart: With regard to providing services to the Yukon, this government, through the college, has an LPN program that was successfully completed this past year. I might add that this government has hired all of those recipients coming out of that program to positions, either through our continuing care and/or our health system through community nursing.

With regard to Whitehorse General Hospital, I will reiterate what I said before. It is the council and the CEO of the board of directors that take care of the HR issues with regard to Whitehorse General Hospital. It is they who make the decision on policy. It is they who work on providing services for the hospital and also providing direction on how and when they hire their nurses.

Mr. Cardiff: I'll remind the minister that it's the Yukon taxpayers who are on the hook for the bill. The minister has a responsibility to ensure that there is some accountability for the money. Now, the management at the Hospital Corporation is unusually top-heavy for a 49-bed facility. There are currently 22 senior managers at the hospital. This is also contributing to the rise in health care costs. Many of these managers are there to ensure that Whitehorse General gets its accreditation rating and gets named as one of the top 100 employers in the country.

They are not there to address the myriad complaints the nurses have filed with the hospital's Professional Standards and Practices Committee, as a result of the poor working environment. Yesterday the minister mentioned the study with regard to the issues I have raised and the recommendations that are supposedly coming forth. I believe that it is called the "Sanchez report". It is two years old —

Speaker: Ask the question please.

Mr. Cardiff: Will he table that report?

Hon. Mr. Hart: I thank the member opposite for his question; he obviously has a pipeline to some disgruntled employee. I will indicate that the CEO has indicated to me that a study has been completed with regard to the nursing issue as it relates to the Whitehorse General Hospital. Recommendations have been put forth by this report, and that report is being reviewed by the board of directors and the CEO with regard to dealing with the issue. I've been assured by the CEO that they are reviewing the situation in an effort to reduce some of the

casual labour that they have with regard to nurses at Whitehorse General Hospital.

Question re: Lake Laberge road signage

Mr. Cathers: I wanted to follow up with the Minister of Highways and Public Works today on requests I've made on behalf of constituents for new signs.

At mile 946 on the Alaska Highway, there is what might be called a bus turnaround, or pullout. Constituents living near it have asked for a sign like the one that is at a similar pullout at mile 937. That sign reads, "No camping or overnight parking," and has a symbol prohibiting campfires.

Will the minister please confirm that the Department of Highways and Public Works will be following up on my request by installing a similar sign at mile 946?

Hon. Mr. Lang: In addressing the member opposite, we have 5,500 kilometres of road and certainly many hundreds of pullouts that are maintained by the Department of Highways and Public Works. In addressing his request about putting a sign up, I will leave that in the hands of the people who are responsible to do that, and I'm sure that will be done. If he has written a letter, the letter will be replied to by the people in charge of doing just that.

Mr. Cathers: I hope the minister will ensure that I receive a reply with his signature on it since, of course, those responses do come from the ministerial level. I'd also written to the Minister of Highways and Public Works on behalf of constituents living on Grizzly Valley Road. Their road did not have a street sign, and I'd written to the minister to request one. One end of the road did get a sign, but the most commonly used end of Grizzly Valley Road was missed. Would the minister please commit to following up with department staff and ensuring that appropriate street signage is in place at the end of Grizzly Valley Road where it meets Scott's Road?

Hon. Mr. Lang: Mr. Speaker, in reply to the member opposite, any communication will be replied to, but, again, we have hundreds of road signs that go missing every year. Constant situations arise where signs are either taken or demolished in some form or other. This is an ongoing maintenance issue, and I'm sure the Department of Highways and Public Works will do the right thing and put the proper signs on the proper road.

I remind the member opposite that we have many signs that just disappear.

Mr. Cathers: Mr. Speaker, I can appreciate the challenges the minister has, of course, but I'd actually point out in this case that a reply was received, signed by an alternate minister on his behalf, indicating that that signage has been installed on Grizzly Valley Road, and I believe there was an error in communication, because the signage was not installed.

I want to follow up with the minister on one more request I made for signs instructing trucks travelling on the north Klondike Highway to not use engine brakes near residences in Hidden Valley.

As I'm sure the minister knows, that type of signage is in place at the south end of Whitehorse, near the Carcross corner. Will the minister please indicate whether the Department of

Highways and Public Works will be installing signs prohibiting use of engine brakes near Hidden Valley?

Hon. Mr. Lang: That is the pilot project we had on the south end about recommending that truckers not use their airbrakes going through residential areas. We have to be very, very careful with that because of the safety aspect to that. It's a fine line on when you're on a national highway and you're dictating that people not use the equipment they need to manage the load they have. We did put a pilot project together recommending that they don't use their jake brakes, but in fact we've had a legal opinion on that. That puts us in a position where, if something happened, we could be — as a government, all of us; not just me; all of us; the whole — all of the elected members and the Government of Yukon could be responsible for liability in that case.

In answering the member opposite, we won't be putting that sign up on the north highway.

Question re: Employee overpayment policy

Mr. Inverarity: I have a straightforward policy question for the minister responsible for the Public Service Commission. It may occur that a Yukon government employee is occasionally overpaid.

This could happen through no fault of their own, but through an administrative error. At some point, the government's error that led to the overpayment may be discovered. I imagine the Public Service Commission has a standard policy for handling such situations.

Can the minister tell us what the government's policy is regarding overpayments to employees?

Hon. Ms. Taylor: I can't really answer the specific question on a specific personnel-related matter. It refers to individual departments, but if the member opposite would like to raise this after Question Period, I would be more than happy to take it up.

Mr. Inverarity: The policy is this: when an employee is overpaid, they are expected to pay the money back. When someone is paid by the Yukon government, they are being paid by Yukoners. That's public money and the government is responsible for handling Yukoners' money carefully, diligently and with appropriate care. This means that when an employee is accidentally overpaid, they have been overpaid with the public's money.

My question again is for the minister in charge of the Public Service Commission: if an employee was overpaid with Yukoners' money, would they be expected to return that money or would they be allowed to keep it?

Hon. Ms. Taylor: Again, I don't have the specific details surrounding this individual situation that the member opposite speaks to. Surely I would expect that our public servants within Public Service Commission and/or the Department of Finance or the respective department will follow the due process — due diligence — and follow the policies and regulations in place to ensure that diligence is paid.

Again, without knowing the specifics surrounding the individual that the member opposite is clearly making reference to, it is very difficult to make an assumption and, therefore, to make a determination.

Mr. Inverarity: This is a general question. I don't have a specific individual in mind; it's just a policy question. Administrative errors happen, Mr. Speaker. Sometimes those administrative errors result in an employee being accidentally overpaid. Presumably the government considers matters of fairness when it comes to administrative errors and overpayments to employees. After all, when someone is overpaid by the Yukon government, that money belongs to the Yukon public. However, the money still has to be repaid.

Would the minister consider it a fair policy for an employee to return extra public money they received by mistake?

Hon. Ms. Taylor: Again, I will repeat for the member opposite that one would assume that public servants in this regard would follow due process. We would adhere to the *Financial Administration Act*; we would adhere to the collective agreements surrounding individual public servants.

Again, without knowing the specific details I cannot comment, nor would I comment on a specific individual personnel-related matter. I would have full confidence in our public service to do the due diligence that is required to ensure that process or payment is made, if that is in fact what is required.

Question re: Yukon Hospital Corporation board remuneration

Mr. McRobb: Let's follow up with the Premier on the issue of overpayments. Yukoners now know this government treats overpayments differently, depending on who has received them. This government accused the former Liberal campaign manager, who served as workers' advocate for the government, of receiving overpayments and it wrongly fired him. Of course, the Yukon Party was found to be in the wrong and it cost taxpayers more than \$100,000 to right that wrongful dismissal.

Then this government treated the Yukon Party campaign manager, who continues to serve as Hospital Corporation chair, so differently. He gave himself a raise in violation of existing rules, yet what did this government do? Did it request the money back? Did it fire him? No. Instead, this government said, "It's okay. You can keep the extra money." Can the Premier explain to the public why these individuals were treated so differently?

Hon. Ms. Taylor: I believe that this government has provided an explanation with respect to the individual the member opposite has made reference to on occasion. Again, the government supports the collective bargaining process, part of which is to uphold the grievance procedure and, where applicable, the adjudication process. The member opposite knows that full well.

The government also accepts the decisions of labor adjudicators who are appointed under the legislation to arbitrate grievances. Where an adjudicator orders compensation, the government will pay compensation. It is laid out for the member opposite who should know very well that this is in fact what is in place.

Mr. McRobb: This wasn't just a test case or a pilot project. It was a government regulation in place that set out what the Hospital Corporation chair should be paid. It stipulated \$300 a day. Instead, the chair was paid \$600 a day. We've

already heard how this individual was treated so differently than the Liberal campaign manager.

The Yukon Party government fired him and taxpayers ended up having to pay a huge settlement for wrongful dismissal. There are about 3,500 government employees. If any of them are overpaid, they must pay it back. Obviously, there's one set of rules for Yukon public servants and another set of rules for Yukon Party campaign managers. When will this Premier do the right thing and ask his campaign manager to repay this money?

Hon. Mr. Fentie: First, I'd like to inform the Member for Kluane that I'll be stopping at the Casa Loma this evening to pick up some cold beer, as I do enjoy, from time to time, a cold beer and it's very convenient to stop at that establishment so close to where I live.

Now, on the matter of due process, that includes past practice. I think we were very clear in our tabling of our letter that outlined in detail the situation. It includes fairness, it includes equitable treatment, it includes following due process, it includes honouring and being consistent with past practice.

I think what the member opposite is suggesting that there are certain individuals out there who aren't worth a return in the same equitable value for the work that they do on behalf of Yukoners, so I think the Member for Kluane is suggesting that the former Liberal campaign manager was worth more in the work that he did for Yukoners than those individuals who serve on the board of trustees of the Hospital Corporation, who are doing an exemplary job of providing quality health care services to Yukoners.

Mr. McRobb: This is all about fairness. I'm asking the Premier to raise the bar, not go to the bar. Now it's bad enough that the Yukon Party campaign manager got overpaid. To allow this individual to keep the extra money adds insult to injury.

Mr. Speaker, let's review the facts. This government fired the Liberal campaign manager and falsely accused him of being overpaid. Taxpayers ended up paying more than \$100,000 to settle the wrongful dismissal case. If Yukon public servants get overpaid, they must pay it back. The Yukon Party campaign manager gave himself a raise in violation of existing regulations, yet gets to keep the money.

Is this good government? Is this being accountable to the government? Is this fair? Are all people being treated the same by this government? Why is the Premier refusing to make his campaign manager repay this money?

Hon. Mr. Fentie: I haven't refused any such thing, Mr. Speaker. The fact of the matter is the government has openly apologized and admitted an error that was inconsistent with past practice. What money is the member talking about?

The Member for Kluane, in talking about raising the bar, knows full well that the government — this side of the House — does not hire or fire employees. Those are personnel matters, and the member knows that.

What the member is suggesting here is even in error, in terms of his so-called staunch defence of a former Liberal campaign manager. It is all about fairness; it is all about equal treatment; that's what due process is about. That's what past

practice is about; that's why this government has the standard of ethics to stand up and admit it made an error.

Speaker: The time for Question Period has now elapsed.

Notice of government private members' business

Hon. Ms. Taylor: Pursuant to Standing Order 14.2(7), I would like to identify the items standing in the name of the government private member to be called on Wednesday, September 29, 2010. They are Motion No. 1138, standing in the name of the Member for Klondike, and Motion No. 1137, standing in the name of the Member for Klondike.

Speaker: We'll now proceed to Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 22: *Second Appropriation Act, 2010-11* — Second Reading — *continued*

Clerk: Second reading, Bill No. 22, standing in the name of the Hon. Mr. Fentie; adjourned debate.

Hon. Ms. Taylor: Mr. Speaker, it is indeed my honour and privilege to provide second reading remarks to Bill No. 22. There has been much said over the course of the last day or so in regard to this bill, but I would first like to start by extending my heartfelt thanks to my constituents of Whitehorse West. I would like to thank them for the time they have provided me over the last number of years. Over the course of the last year itself, I have had the opportunity to touch base with many constituents during functions and events in the constituency, and at the door.

The summer has been a very busy one this past year. In fact, I just wanted to go over a few of the initiatives that have been raised by constituents in the Whitehorse West area and how this government is working to address some of the issues of importance to my constituents.

I would first like to just point out that this particular bill provides a financial position of just over \$33 million. That is a net financial position and an accumulated surplus of \$519 million. It is this financial framework that has provided the opportunity to provide the flexibility over the last number of years — since this government was first elected in 2002 — to build upon investments that will accrue growth, investments in very integral infrastructure that is so critical to the growth of our economy, but also very critical to the quality of life that we as Yukoners enjoy. Expenditures, of course, include just under \$10 million for wage adjustments, following the ratification of the new collective agreements with both our Yukon Employees Union and the Yukon Teachers Association.

We were very pleased to be able to reach those agreements with our stakeholders, which have provided sound agreements going forward and setting the stage for the next number of years.

I would like to thank our public servants, again, on the public record for enabling this budget to occur — to the De-

partment of Finance personnel and to personnel throughout all the departments and agencies of the Government of Yukon.

It is the political arm of the government that sets the direction and policies, but it is up to our public servants to implement those directions. We are very appreciative of their hard work and ongoing efforts on behalf of Yukon citizens, providing very important services and programs for the Yukon.

This budget also provides about \$6 million for various affordable housing initiatives. There was some discussion about family-focused housing initiatives that this government first announced some years ago. This is a very innovative and creative housing initiative that is designed to meet the largest pressing need in the territory today, and that is the need for affordable housing for lone-parent families.

We are very pleased to be able to work toward delivering that very initiative, with the development of 30 units provided for lone-parent families here in the City of Whitehorse. Construction is well underway. The members opposite, I'm sure, have had the opportunity to see a great degree of progress in this regard, and I commend the Women's Directorate, the women's organizations, and the women's community. I commend the Yukon Housing Corporation and all the other stakeholders that have contributed to the development of this very important initiative.

Likewise, we are very pleased to also provide dollars for seniors facilities in the communities of Watson Lake and Faro, for example — again, very incredible progress is being made throughout the territory. This government has been able to deliver over 150 units of affordable housing over the last number of years. Again, it is integral to addressing poverty and the root cause of crime and poverty, and that, of course, is to find and secure affordable housing throughout the territory.

There are a number of different initiatives underway right now, but it is wonderful to see more housing units being made for lone-parent families and for seniors and elders throughout the territory.

Recently I was very pleased to be able to see the announcement of the creation of a six-unit townhouse complex in the new Ingram subdivision, which is situated right beside the Arkell subdivision in Whitehorse. Again, it's another example of this government's commitment to address some of the social housing needs throughout the territory.

We were able to use over \$2 million in federal stimulus funding to be able to proceed with a six-unit townhouse complex with two four-bedroom units and four three-bedroom housing units for eligible housing clients. Again, it is meeting our SuperGreen home standards.

I'd like to congratulate the Kwanlin Dun First Nation Development Corporation that is constructing the project for Yukon Housing Corporation. They're doing an amazing job. I had the opportunity to tour the facility just the other day when we were able to announce the opening of the oncoming lots within the Ingram subdivision. I commend the quality of work that is going on within those housing units. They will become a very welcome feature within the new neighbourhood in the City of Whitehorse and are very much needed in the City of

Whitehorse. This does build on the commitments of this government to address the needs of affordable housing.

I just made reference to lot availability and was just mentioning that recently, just over a week or so ago, the Minister of Community Services and the Mayor for the City of Whitehorse and I had the opportunity to celebrate or announce a wide range of new building lots in the new Ingram subdivision. Roughly 40 single-family lots will be made available; likewise, multi-family lots will also be made available through a lottery. It will include nine multi-family lots, four duplex lots, 14 development sites for 72 townhouses and so forth.

We are very appreciative of the work that the City of Whitehorse has provided through the land development protocol that has been in place between the City of Whitehorse and the Yukon government in providing the zoning designations for the neighbourhood and the variety in lot sizes. I believe that this initiative will help meet a wide range of housing identified throughout the community and, of course, the overall objective of providing more affordable housing.

Again, I would just like to thank the City of Whitehorse and the Government of Yukon for providing choices and more options available for Yukon families to make the Yukon their home by building upon those options available to them today. Of course, this also builds upon other work that is currently underway, including Whistle Bend, another partnership with the City of Whitehorse. Again, we're looking at additional lots being made available to the public in the fall of 2012. I'm very pleased to take part in that opening and will soon welcome new residents to the area.

Another area that has been identified as an issue of priority by constituents is having enhanced emergency medical care in the City of Whitehorse. We have seen significant growth over the last number of years, particularly individuals who have chosen to live along Hamilton Boulevard — an expansion of Copper Ridge Place, as I've just mentioned, now with an expansion of lots in the new Ingram subdivision, housed between McIntyre and Arkell neighbourhoods.

One of the things we have been able to work on over the last couple of years is planning for a new second ambulance station in the City of Whitehorse. Earlier this year, we saw work progress in this regard with the hiring of a local contractor to provide the design and initial planning for a permanent facility to be located at the Yukon Protective Services building as a means of integrating our emergency services, including Wildland Fire Management, including the fire marshal, including Emergency Medical Services and others.

We're very pleased. I especially am very pleased to see the progress being made at that site. In the interim, there is a facility that is being worked on as we speak. Ambulance crews are dispatched from that particular site in the interim until a new facility is up and running in early November and will soon begin around-the-clock service, seven days a week, from their temporary location at the Yukon protective services building, which is situated at the junction of the Alaska Highway and Hamilton Boulevard.

This will make an incredible difference in being able to enhance response times locally and across the territory. By

having a facility at the top of Two Mile Hill, or at the bottom of Hamilton Boulevard, we'll be able to facilitate enhanced response times to not only the communities that live along Hamilton Boulevard, but also communities along the Alaska Highway and the community of Porter Creek. Of course, we will also be retaining the facility we currently have housed in Riverdale as well. So, again, we're very pleased to be able to see great progress in this very regard.

It's very interesting that Whitehorse Emergency Medical Services has been experiencing an average 10-percent increase in call volume every year with approximately 10 percent of calls coming in from around Riverdale, 40 percent coming in from the downtown core and 50 percent coming in from the rest of the residential areas — much of which is comprised of the communities along Hamilton Boulevard. So, again, we're very pleased to proceed with the work on geotechnical engineering assessment and conceptual design that is currently underway at the new site. Within the next month we will be able to see around-the-clock services being provided by EMS crews. I just wanted to provide my thanks and recognize the ongoing, very important work of our Emergency Medical Services crew and to all the volunteers of the Volunteer Ambulance Society in providing all our medical responders and excellent services to foster healthy and safe communities.

I also wanted to recognize that this year's supplementary budget is also comprised of approximately \$17.5 million in increased expenditure for health funding, of which we see almost \$2 million used to support the opening of beds at the Thomson Centre for continuing care purposes. This builds upon the very important work at Copper Ridge Place, housed within the Whitehorse West constituency. I've said this repeatedly but I am very proud of the work that is provided day in and day out on behalf of Yukon citizens at Copper Ridge Place, providing much-needed services to Yukoners of all ages, both young and elderly, for myriad needs that need to be addressed.

This funding will be providing for the reopening of 19 beds at the Thomson Centre, and going on with the potential for 29 beds and so forth. As we heard earlier from the Minister of Health and Social Services, we're very pleased to be able to hear of the licensed practical nurse students being hired — made offers of employment recently to be able to fulfill these much-needed positions at the Thomson Centre, as we prepare for the opening early next year. Again, this is taking care of Yukoners and putting them to work. I would like to congratulate the Department of Health and Social Services, but also congratulate the Department of Education for working to ensure that we have a new LPN program in place. As the Minister of Education says, although I don't have the mantra in place, it is working tomorrow for the opportunities —

Some Hon. Member: (Inaudible)

Hon. Ms. Taylor: That's right. So, I just wanted to recognize the ongoing work of the Education department in collaboration with the Department of Health and Social Services in meeting the many opportunities ahead of us.

There was also an incredible amount of dollars lent toward a great degree of much-needed infrastructure, which is critical for the continued growth of the Yukon economy.

Tourism — many of these expenditures have to go towards Whitehorse and Carcross waterfronts, Erik Nielsen Whitehorse International Airport expansion, Champagne and Aishihik Cultural Centre and the Tombstone visitor reception centre. The list goes on, including improvements along the north Alaska Highway. Mr. Speaker, all of these expenditures are absolutely critical for continuing to grow tourism in the territory. I've been very pleased to be a part of a government that has recognized the importance of tourism in the territory and has recognized the importance of investing in infrastructure such as airports. Air access is absolutely critical to the continued growth of the tourism industry. We have seen incredible growth at the airport, people getting off and people getting on to those aircrafts. We have seen a growth in service, which has lent success toward our tourism operators, to the travel trade, including overseas.

Again, I would like to thank the tourism industry and the strategic partnerships we have been able to move forward on over the years, and again, ensuring that everything that we do is in fact led by industry, that it is market-driven and research-based, all of which lends to a very strong tourism industry, which has been very flexible.

I see that my time is up. I wish I had a lot more time to talk about all the good measures. Again, I would just commend this budget to all members of the Legislature. I'd like to again thank the public service for making this happen and thank them for the continued success of the territory as we know it today.

Mr. Inverarity: I'd like to take this opportunity to address the second reading of Bill No. 22. Since just last week, I was just up here speaking regarding last year's supplementary. At that time I took an opportunity to thank my constituents in Porter Creek South for all of the support they have given me over the years.

I have to say it was a pleasure to get around this summer in my riding to talk to a number of them. I have to say I didn't quite get around to every single residence in my riding; I'm still trying to work through that. However, as we know, the Premier called an early sitting and it put a bit of a rock in my works for visiting all the houses, but I hope to get through it before the end of the current sitting.

I think that when it comes to the Porter Creek South constituency, there are a number of issues of concern. Some of them were addressed over the past few years and we're happy to see that, at some point, we will be getting a new driver's licence this year. I was particularly interested in the description the minister gave us regarding the security aspects of it. It was nice to see.

I'm hoping that most residents will be able to meet the additional identification they will require to actually get it. I don't see it as a big problem but it's something that needs to be brought forward and they need to be made aware of, so that when they do go in to get their new drivers' licences, they have with them some identification to establish their residency and who in fact they are.

I suspect that once that's done — you know, there are transition things that happen — it will be taken care of over the next few years as everyone gets their new drivers' licences.

Some of the other issues that we have with regard to the constituency I've mentioned before. Some of them were infill. Over the summer we've had, I think, seven lots up on Grove Street that have come available through a lottery. I'm a little concerned about the price — \$130,000 for a lot — pretty much puts it outside of the price range of most of the young people I know — for them to attempt to get a lot and build their own home. I think it needs to be addressed.

There are also other areas, certainly in Porter Creek and in Porter Creek South, that are still being looked at for infill. There's an area on 13th Avenue that was solid rock — I'd mentioned before — that is a concern to the residents in the area. The issue isn't really the infill area around there; it's more the assurance that if there's going to be significant blasting going on, that there's some protection for existing property owners regarding their own property, their foundations and things along those lines.

As always, McIntyre Creek is an issue. I believe that the corridor through there needs some protection for wildlife purposes and there needs to be a bit of a major plan as to how we're going to do that. That is progressing through with the City of Whitehorse. I'm pleased to see that there is continued discussion on it.

For anybody who has driven up Mountain View Drive the last few weeks, there's a major new artery being carved out of the wilderness there to Whistle Bend — substantial roadwork going in. As we move forward with the Whistle Bend development, I'm hoping it will relieve some of the pressure that is caused in the city because of the lack of residential housing for Yukoners and will help stabilize pricing within the area. I know last week I was critical about the current government's availability of lots and the member who stood up after me referred to the MOU they have with the City of Whitehorse regarding lot development within the city. However, it was only within this current sitting that that MOU was signed. The first four years that this government was in place, it did nothing to alleviate lot development within the city and the pressures that it has caused and now we're trying to live through that. It was nice to see that there are some dates the Whistle Bend will be coming on-line.

A couple of the other issues around Porter Creek South involve the trails. I sit on the ATV committee. Again, it's a bit of an issue. We're getting significant responses, both on-line and through the mail. I was particularly concerned about the call of the fall sitting, not just with regard to the ATV select committee, but also the landlord and tenant select committee which are out there doing work.

The Premier stood up the other day when we asked him about why the sitting was called in September and he said, "Well, we've got all our work done and it's time to come to the House. We're ready to go at it." Obviously he didn't talk to the chairs of the LTA and ATV committees, because we were significantly pressured because of other government decisions to try to meet a fall deadline of reporting back to the Legislative

Assembly. Quite frankly, we could have used the time through September and October to meet those deadlines. I'm not sure about the LTA committee, but certainly I know the ATV committee is now significantly stressed to not only go through all of the information we received but also have public meetings with those groups that have asked for meetings.

Talking out of school, I think that you'll be hearing more about that in the coming days. The concern here is that obviously the Premier didn't consult with his ministers regarding the other work that this Legislative Assembly does. If he had, then perhaps the time or the consideration would be given to those committees that still have work to do around here.

One of the emerging issues that we're seeing within the Yukon is one of health care. I know it has always been out there. There are significant dollars being spent. I don't have the number in front of me, but I believe the previous member who was just speaking was referring to, I think, something like \$15 million or \$13 million in additional health care spending this year. It's significant and can't be overlooked. It causes me some distress. I think that, as we go through this sitting, we will continue to see this discussion. We've had some issues brought forward regarding shortages of nurses. I look forward to some more earnest debate regarding not just the issues of the Hospital Corporation but health care in general.

I think we need to have some debates about how we're going to go about that. I know there are some issues of one of our — I believe it was actually one of the pillars from the Yukon Party, and certainly we had brought it forward prior to the last election — collaborative health care. I look forward to some debate about that issue coming up too.

For me, one of the big issues is wait times. I think that this is a constant problem that we have, not just in the Yukon, but nationally, and I think that it will continue to be an issue unless some significant resources are placed into dealing with wait times for specialists or even just to see family doctors. The whole issue is out there. I know that when I was walking around or riding this summer, it's much like the driver's licence — it has sort of cropped up and it's becoming more and more of an issue as we all get a little older — also our young people who are getting married and having children and things along those lines are particularly concerned with it. I think that as we move forward, we will see that that particular issue with regard to health care will be moving forward.

One of the things I haven't mentioned is that recently we had a bit of a shuffle on this side in terms of our portfolios. I am remaining as the Highways and Public Works critic, which I have been for the past year or year and a half, I believe. It might be two years this spring coming. However, I have moved back into the Justice portfolio critic area. I know, on this side of the House, numbers are limited, so periodically we do double duty on other things. Today I asked some questions regarding the Public Service Commission, and earlier in the week I asked about some health care issues, so we do everything, but my primary areas of responsibility will continue to be Highways and Public Works and Justice. I have to say that I look forward to that; I did enjoy my times as the Justice critic. I particularly enjoyed getting out on the Select Committee on Human Rights.

I found that very valuable. In fact, I feel that getting out into the community on any of these select communities is very important. I was a little distressed because of the shortage of time on the ATV committee. We couldn't, in fact, get out and do a full tour at the moment; however, I'm optimistic that maybe that still might be the case as we move forward, and maybe the Premier's decision to call an early sitting might facilitate that.

With regard to the budget changes, they are pretty straightforward. I noticed that within Highways and Public Works there's a \$3.3-million increase. I'm assuming as we get into the actual debate the minister will tell us what those increases will be; however, I'm still waiting for the master space plan that was talked about at the Public Accounts Committee two or three years ago. It would be nice to see where we are with that, in light of the fact there will probably be some significant changes with regard to housing the government employees in the coming months, with the new staff residence across the river — which is what they call it, but I think the majority of the space in there is office space. We might need to think of a new name for it — Health and Social Services building or whatever, if they are the ones who are moving in.

That will lead to some significant changes within the community of commercial lease space. I suspect that the Department of Highways and Public Works are probably in the process of terminating leases to commercial enterprises around town to — as they look to fill this staff residence with Health and Social Services staff and other staff who may be there. I'm not sure how the business community feels about that whole issue, but I guess we'll hear about it shortly as those notices start to come forward. Either way, that would indicate that there will be some major reshuffling of departments, I suspect, from a space point of view. I would look forward to seeing this master space plan so that we have some idea of where everyone is going to be.

Within the Department of Justice, I see there's a \$1.4-million increase to the budget. I see the bulk of that is going to community justice. I look forward to hearing how that's going and what it's doing when we get to question period. It should be worthwhile dealing with that when we get into Committee of the Whole.

The other areas — obviously there's a \$10.2-million increase in the Highways and Public Works capital. I see a lot of that is going to the mobile radio system, MRS. I'd be curious. I thought that this was pretty much a complete system and to have a \$2.2-million increase — I'd be interested in knowing why that happens.

Also, it looks like the Whitehorse airport terminal has a \$1.7-million increase, which brings up an interesting point. I had an opportunity recently to do some traveling, and I know in the big picture of life these things are not paramount on people's mind until they're actually confronted with it. I had an opportunity to fly Condor just a week or so ago from Frankfurt to Whitehorse, and I got into Customs and I have to say the area looks pretty good. It smells new, and it was an interesting process to go through. Of course, I came out waiting for my baggage. I saw the baggage cart there and I immediately searched in my pocket for a loonie so I could go get a cart.

When I discovered I didn't have one, I said, "Well, how is someone in Customs going to get a loonie?" There were no change machines, but anyway, turns out that within Customs you don't have to pay for the baggage cart, that only if you're a domestic customer you have to have a loonie in your pocket to get a cart to haul your bags around.

I thought about this a little bit and, as I say, this is not one of those major issues in life but, in my tours, I was in the Frankfurt airport, the Amsterdam airport, the Nairobi airport and a couple of other areas around. At not one of those airports — I've been to Vancouver airport and certainly Toronto — was there a requirement to have a loonie in your pocket to get a baggage cart. I know at 40-below it's pretty important you have something to haul your baggage around with, but it seems when you get off a plane — first of all, to get on it, you want to make sure you don't have any change in your pocket because of security purposes, so when you get off, the likelihood of having a loonie to get a cart is pretty slim.

I would ask the Minister of Highways and Public Works and airports, or maybe the Minister of Community Services, to revisit the idea of having to have spare change. I know you get it back, but international passengers don't need to have it. If you can travel around the world and not have to rent a baggage cart, surely the Whitehorse airport could revisit that particular issue.

I understand it's a lot like the Canadian Superstore mentality but, let's face it, that's our doorstep to the world. For people coming into the Yukon, it's probably the first thing they're confronted with — having to look for a cart and hoping they have a loonie in their pocket in order to get one for the short time they're here. As I say, it's just one of those niggling little things that happen.

I'd like to address the issue of good governance at this point, Mr. Deputy Speaker. I know we attempted to debate this issue last week on —

Some Hon. Member: (Inaudible)

Mr. Inverarity: Thank you — on private members' day, and of course we were filibustered out of the ability to do that. I have a 20-page speech here ready to go that I'd like to talk about. I see my time is starting to run out. I think, rather than reading through the speech that I prepared last week regarding good governance of this government, I'll just take an opportunity to say that I think we need to seriously look at good governance. It's everybody's responsibility here, not just the government side — it's our side. I think that the government as a whole needs to be more forthcoming with their information. When we stand up and ask simple questions in the House — ask any questions in the House — we should expect a reasonable response to those. I'd also like to encourage the Premier to ensure that he allows his ministers to speak on behalf of their departments.

I know there is a tendency for him to bail them out a little bit, but it goes to good governance.

On that note, I think I will finish up my remarks and again thank all the government workers out there who spend long hours trying to show a balanced budget. I'd also like to thank my constituents in Porter Creek South, and tell them that if I

haven't got around to them yet, I will be shortly. I look forward to hearing their views on the major outstanding issues that are before us in this current sitting. As we get closer and closer to an election, I know that they will become more and more vocal regarding this government. Thank you.

Hon. Mr. Lang: In addressing the House today on Bill No. 22, I'd first of all like to thank the departments I have the pleasure of working with, those being Community Services and Highways and Public Works. I have been responsible for those departments in the House here for a number of years, and I've certainly grown to respect the individuals who work in the departments. I certainly see where they benefit the territory greatly in the work they do — and certainly as they listen to the opposition.

As a lifelong Yukoner, I take exception to a few things that we do in this House. Over the last couple of days, we've taken issue with an individual who sits as a chair of a board, and we have spent hours discussing that member and his work ethics and whether he's qualified to do the work that he does. I find that offensive — the fact that the opposition can stand up in this House and point at an individual who works on a board, for Yukoners, and say the things they do, Mr. Speaker. I'm not quite sure why these people sit on boards, if, in fact, we target members on boards and do what we do in this House. I find that offensive. It might just be me, as an individual Yukoner, a lifelong Yukoner, but I think other Yukoners find it offensive too. I don't think the opposition wins kudos for doing what they're doing to individuals in this House. That's my opinion.

We listened to the opposition — especially the Leader of the Official Opposition — take exception to government employees by saying one thing in here and then saying another thing outside. That again does not sit well with me, because they are defenceless in this House. They're not in this House and, when individuals, like the Leader of the Official Opposition, say what they do and insinuate what they do about those defenceless individuals — as a lifelong Yukoner, I take offence to that.

But if that's the way the opposition wants to — I guess it's a game to them. I'm more serious about it. I don't think it's a game. I think the Yukon is better than that. The Leader of the Official Opposition can stand up and play his game about assassinating individuals, whether it's a board member or a board, or an individual who works here in the government, and then walk out and say, "It's just politics. This is just politics." Well, I take this more seriously. I don't think it's politics. As a member of the government — as a member of this House — I take this job very, very seriously. What I say in this House is what I will say outside of this House. It's not politics. It's the business of the Yukon. It's the business of the individuals who live in the territory and elect all of us to be responsible — responsible to the individuals who sit on our boards and do the good work that they do — and we're responsible to work with the bureaucracy that works within this government. I thank those individuals. I thank the individuals who sit on the boards. I don't question their party affiliation. I just thank Yukoners for doing the good work they do — because it's all around us —

regardless of what the Leader of the Official Opposition says about it being just politics.

Look at the Yukon. Look at what we're doing in the community of Old Crow — the improvements that have gone in there in the last eight years. Look at Mayo and the community complex there — and the bureaucracy and the government working together to make sure people in Mayo have a community complex that they can be proud of.

Look at Pelly Crossing. The bridge is being painted; they're getting a new college. All those investments on the ground are just that: they're investments for Yukoners. Carmacks has a brand new school. I was in it a year ago and it's fabulous. It's for the people of Carmacks. The people of Carmacks deserved better and we as a government gave that school consideration, not because it was our riding. It was because we, as a responsible government or as members of this House, knew the urgency of what they needed as a community, and we reacted to that.

Community Services couldn't be busier. The staff in place there, the bureaucracy that works there, is exceptional, regardless of what the Leader of the Opposition says. These people are above reproach. I spend hours with those individuals, and what they've done in a year — I'll list a few things they've done.

In infrastructure, the Member for Porter Creek South somehow insinuated in the House today that we haven't had an agreement with the City of Whitehorse — only the last 12 months — on who directs and is the lead on lot development. In fact he's dead wrong.

That's how it works. I would recommend to that member that he go back to the drawing board and learn how the process works before standing up in the House and questioning me or any other member of this House about how the partnership between the municipal government and the territorial government works. Again, dead wrong.

Is there a reason for that? Is it playing politics? Maybe. I give that member more credit for knowledge than when he stands up here. So again, maybe it's just politics and it doesn't really matter.

Going back to Community Services and what they've done — Whistle Bend subdivision is another thing that the opposition can vote against — a huge development in the City of Whitehorse, by the way, being led by the City of Whitehorse. We in Community Services are working with them. We have \$30 million that is going to be invested next year on the development of Whistle Bend to the benefit of all Yukoners. That's what this government has done. We're not playing politics with it. There is a need out there and we are working for that need. We're looking forward to that, Mr. Speaker.

The Ingram subdivision — as the Minister of Tourism said, it was a pleasure to go up the other day, not only to see the Ingram subdivision come to a point in its building with access to the public as of next month, but Kwanlin Dun — everybody in this House, if you're interested not in the politics of it but in the First Nation and what they've done on that six-plex that Yukon Housing Corporation is building there, walk through that. What a compliment to Kwanlin Dun and the peo-

ple who are working there, working in partnership with Challenge and creating a six-plex that is as good as any six-plex you'll see anywhere in western Canada. There's nothing political about it, just a job well done and I compliment the Kwanlin Dun and their development corporation for that job.

As we move forward, the little community of Carcross, waterfront projects — there are seven. Carcross waterfront projects are finished, including the most recent project, the *SS Tutshi* memorial, and four more projects are currently underway. Think about that. The investment on the ground — the members opposite voted against it but Carcross didn't vote against it. Carcross is very pleased with what's happening in their community.

You only have to go there to see what is transpiring in the community of Carcross. It is going to become a destination point for tourism in the Yukon and it's going to be in conjunction with the Carcross-Tagish First Nation. It is going to become a diamond in the territory. I'm certainly looking forward to that being finalized.

The Whitehorse waterfront projects — four Whitehorse waterfront projects are completed and 13 are underway, including the KDFN cultural centre and public library project. That's another partnership between this government and the local First Nation, Kwanlin Dun. You only have to walk — I hope everybody in this House takes a few minutes and walk by that cultural centre. It is going to be fabulous. It is being led by the Kwanlin Dun, but we, in partnership with them, are going to build a brand new library. That gives a rental unit to the Kwanlin Dun to make that cultural centre work. Again, kudos to the Kwanlin Dun and their project managers for what they're doing today.

As we move forward into the investments we're making on the ground in every community, if you were to look at the list of things that Community Services does — wildland fire management. We had a hot, dry start this year in 2010. It triggered almost 90 fires and it was a challenge to the wildland fire management team because it was the earliest we had ever experienced that kind of wildfire season. That was in question and we were concerned that this thing would grow into something bigger than it was; in fact, it didn't, but we had the crews on the ground. Not only that, our crews are on the ground not only in the Yukon but in B.C. too, so they had a full summer.

The Ross River fire department took delivery of a new state-of-the-art pumper truck. I was there for the actual arrival of the truck. It's a pleasure to go to our communities — and I know they are rural communities and there's some question of us investing in rural communities, from the opposition.

It's a pleasure to go to these fire halls and see the investment volunteers make on a daily basis to keep them at the standard they are — the pride that they show in their job and their training and, by the way, in the equipment we supply them. So, that is good news for Ross River.

Of course, we're working at the top of the Two Mile Hill. We're having an integrated emergency response facility. It's going to be a \$7 million to \$8 million investment to build a central ambulance facility at the top of the hill. As the Minister of Tourism said, the growth of the population at the top of the

hill is getting to the point where we have to break down these ambulance facilities and have a presence up in that area. It certainly doesn't mean we're going to shut down the ambulance facility at the hospital. We still have to facilitate air ambulance and all the other things that happen on that side of the river. But we are going to have a facility on the top of the hill that we can all be proud of as Yukoners.

Not politics, just a need is there, and we're going to address that need as a government here today. That's what we're committed to do.

The engineering is almost done on that and we look forward to the final plans so we can get people on the ground next summer and get it up and running for the staff and for the service to that part of the City of Whitehorse.

The department worked very, very hard to get a new three-year agreement with the volunteer emergency medical service provider, so that has been a work-in-progress and now has been finalized.

Here's another — there were a couple of things — I guess what you would have to do if you were to look at what the Liberals stand for, or what the opposition brings to the table. One of the things they cancelled — they cancelled a few things: they cancelled the Department of Tourism and Culture; they cancelled Economic Development; they cancelled the community development fund; they cancelled FireSmart; and of course, the Women's Directorate, which was very important. They cancelled five very important things that Yukon depended on.

In essence, that was the first thing this government did: revitalize those parts of the government that the Liberal government of the day had cancelled.

We invested \$819,000 in FireSmart funding to 28 Yukon projects across this great territory of ours. That's almost \$900,000 spent in FireSmart. That wouldn't have happened under the Liberal government because they cancelled that.

Community development — I only have a limited amount of time to go through this because Highways and Public Works has a massive portfolio of jobs done, looking forward to what we're going to do in the future, but here's one thing we did do: the rural domestic water well program, which this government instituted. Last year, 140 projects were completed under the rural domestic water well program to ensure Yukoners have access to safe drinking water. That's in conjunction with our rural electrical program to provide electricity and telecommunication services to Yukon. This is a way this government, our government, can help rural Yukoners get access to potable water and energy, which is very important.

I know my time is running out but I would like to make it very clear that I look forward to the debate on the supplementary here as it pertains to Community Services. I look forward to talking and debating Highways and Public Works. It's a large department with many employees, and there isn't a community in the territory that isn't touched by the Department of Highways and Public Works. Whether you go to our most northern communities or our most southern communities, they have a presence. The Department of Highways and Public Works has a presence.

As we go through others — the Emergency Measures Organization, the fire marshal's office, the infrastructure branch and what we're doing in there. We will be discussing that and it will give the opposition many things to vote against. The Whitehorse Public Library and the move that is going to happen there; sports and recreation, another thing that the opposition can vote against; and all the resources that we put into the fire season.

In closing, I would like to thank the House and of course again thank my constituency, Porter Creek Centre, for their support over the last few years, and I would like to thank the Department of Community Services and of course Highways and Public Works. They do a stellar job for all Yukoners and it's a pleasure to represent them in the House, so thank you.

Mr. Cardiff: It is a pleasure to be back again, debating the supplementary budget. Last week we were debating the *Fourth Appropriation Act, 2009-10*. As I said then, second reading speeches are largely about philosophy and the principles behind budgeting.

This isn't necessarily a time to be debating individual issues. It was interesting listening to the previous speaker relive history. The government has been in power for eight years. They have been governing the Yukon and have been responsible for budgets, and they continually insist on revisiting history about what happened nine or 10 or 15 years ago. I don't really think that that adds to the discussion, so I'm not going to go there too much.

So, it is about philosophy. Obviously, there are different political philosophies in the Yukon and there are different priorities. I'd like to talk a little bit about what the government's job is when it comes to budgeting. A lot of it is about planning — long-term planning. It's about visioning for the Yukon and involving Yukoners in that vision.

As I was saying last week, we are currently — and there are a number of reasons for it — in what some economists would call a "boom period". There are lots of signs of that, as I said earlier — mineral activity, there are more jobs, our population is growing, there's new construction. A lot of that economic activity is being driven either by high mineral prices, hence the exploration and the mining activity, or through economic stimulus funding from the federal government. We continue here in the territory — and to give the government some credit, they've negotiated more money from the federal government. But we can't continue to rely on the federal government forever and ever. The government has to look at own-source revenues. Some of those own-source revenues have actually been increasing. Others have been decreasing. As I mentioned in my second reading speech on the *Fourth Appropriation Act, 2009-10*, some of this economic activity also has a downside.

But I think that when it comes to planning and managing the Yukon's finances, we need to look at those own-source revenues. We need to look at maximizing the benefit of the economic development that's taking place, here in the territory. We need to maximize it for Yukoners — not just today, but into the future. We need to create good jobs for Yukoners —

not short-term jobs for transients, which is what we're seeing on some of the construction projects in the Yukon. We're seeing that at the correctional facility; we're seeing that on the Mayo B project. There are transient workers working in some of the mines. So we need to look at training and education, but we also need to look at how we schedule some of these projects.

We need to look, as well, when we're talking about economic development, at things like — today was World Tourism Day — how we can increase marketing and make the Yukon a destination — not just a destination to come and get a job on a construction project, or in a mine, or on big infrastructure, but for real jobs that are here and that last.

We have to think about the other values and resources that we have here. We need to look at mitigating environmental impacts and accepting that there are other values in society that have an economic benefit rather than just infrastructure projects and economic growth. There is a need for sustainable economic development, which is essentially about managing and exploiting, in an environmentally friendly way and in a sustainable way, the resources that we have here, both for jobs and development, in such a way that future generations are not deprived of earning a living. I was reading a report the other day — and there's a poll — it goes contrary to something I said the other day — I still believe that our children, our young people, are the most valuable resource that we have today in the Yukon. The most valuable resource, when you poll Canadians, is water, so when it comes to resource development, we need to ensure that our waters are protected. We need to ensure that the sewage treatment facilities for communities are upgraded and that we're protecting our waters, because that is a valuable resource.

Some of the other evidence that we're going through a boom is the other infrastructure projects: the hospitals that are being built to serve local communities, as well as anticipated economic growth in secondary industries and the mining industry, but the secondary industries that go along with servicing those industries and the tourism industry — but we need to go cautiously.

The government has committed a major amount of money in all these budgets to pursue this boom economy. It spends a lot of money encouraging, regulating, monitoring mining activity, and it has made rules for mining in the territory making it relatively easy for the mining industries to come here.

The Premier was quoting the other day, I believe it was the Fraser Institute's report, that this is the fourth most attractive jurisdiction, according to global mining companies.

The thing is — and it was a retired miner who told me this — the system we're operating under is privatizing the assets. It's privatizing Yukoners' assets; for a small fee, companies — whether they're from the Yukon or from outside the territory — are given the right to exploit those mineral resources of the territory. It socializes the liability, which is the cleanup. We've seen numerous examples of this at the Faro mine, at Mount Nansen and at other mines that were federally regulated.

Yukoners are concerned that we're not ensuring that there's adequate security to clean up after some of these re-

sources have been exploited. We need to ensure that there are adequate funds there to do the reclamation work and to ensure that, if there were an accident of some kind, it can be paid for — to mitigate that — and to ensure that these practices are being done in an environmentally friendly and sustainable way and that there are no accidents. That's the important thing: ensuring that the funds are there to make sure that that doesn't happen. Maybe we need to have a discussion in our society whether or not that method of privatizing the assets and socializing the liability is the correct one. It might be a little radical, but maybe we should socialize the assets, because they do really belong to the people. Jobs get created and, in Faro, there was a town created. It created revenues, but was it really worth it in the end, when you look at the cost of cleaning it up.

We need to learn lessons about cautious development that maximizes benefits and limits, or minimizes, the liabilities that are left for taxpayers to pay for. So there are questions. Is the government maximizing the benefits and mitigating the negatives of resource development in the territory? In the Finance briefing, we found out that mining companies pay no corporate income tax in the Yukon. Is that a function of our tax structure or are there loopholes that allow huge mining corporations to show losses and to transfer money around, and hence, they pay no taxes? I'm not sure exactly why that is, but we need to ensure that Yukoners are receiving an adequate benefit for the resources that are being extracted. Income taxes from mining jobs — all those jobs that are being created on these projects, whether it's the Wolverine project, or at the Sherwood Copper project. All those people are paying taxes, but as I said earlier, some of those jobs — just like some of the jobs I was talking about in the construction industry — are being staffed by outsiders who don't file income tax in the Yukon. Where is the benefit to the taxpayer then? Those taxes are being paid in southern jurisdictions.

In the Northwest Territories they actually have a way to mitigate that. They have what's called a payroll tax that they collect from workers, and it actually encourages companies to hire locally. The payroll tax is paid by all employees, but it is refunded to those who file their income tax in the Northwest Territories.

The royalties regime when it comes to minerals — we had a discussion about that when we discussed the *Quartz Mining Act*, and we need to have a discussion with Yukoners — not the government talking to itself. For instance, placer mining royalties — the royalty regime for placer gold currently is set at gold being priced at a value of \$15 U.S. an ounce when it's currently \$1,300 an ounce, not \$15 an ounce. The royalty regime was set up over 100 years ago.

Do we pay enough attention to the value of a pristine environment? I don't believe we do. We have to put a value on that, and that value needs to be quantified and the benefits that come with that. The lands and resources of this territory were managed for hundreds of years — if not thousands of years — by First Nations, and we need to recognize that and recognize that that is also part of our economy.

There's much I could say about this. As I said earlier, there are downsides to the boom. It contributes to social displace-

ment; it contributes to substance abuse; it creates drains on social safety nets; it creates problems around housing, which is why we have a 0.6 percent vacancy rate in Whitehorse.

So it is about priorities, and I talked a little bit about this the other day. One of the lines the government has come up with, largely in response to the Official Opposition but, to some extent, this side of the House, is this: what would you cut? It seems to be a mantra. We're actually wondering — given the trajectory of spending of the government — what it is that they might intend to cut down the road.

But it is about priorities, and the question about what you would cut is nothing more than a red herring. It's a crude means, basically, to deflect scrutiny. The Minister of Economic Development spent three-plus hours the other day talking about demonstrated needs. So it's not about what we would cut; it's about where there are real demonstrated needs. It's about the pursuit of their priorities versus the pursuit of the priorities that we on this side of the House see. It's about reducing — I know there was a question today about how we can help bring down health care costs by changing the way we staff the hospital, by changing the way we deliver health care, by providing people with a hand up — providing assistance to them.

So it is about a youth shelter — a permanent youth shelter. It is about second-stage housing, which is sorely lacking here in Whitehorse. It is about literacy. I know I touched on literacy the other day and I said I would return to it. The reality is that literacy is power. The Minister of Education will tell us about the millions of dollars that are being spent on literacy and a lot of it is focused on the public school system. I don't disagree that we need to focus there, but where we're creating a problem in our society is with adults who are illiterate — young adults who are illiterate, and who have been failed by our public school system. They have a hard time filling out health care forms; they have a hard time filling out a driver's licence application; they have a hard time filling out their probation forms; they have a hard time filling out a job application — because they're illiterate.

They have a hard time participating in society. That's what social inclusion is: giving these people the opportunity to participate in society. This is so important that we give these people the power to do that.

We have another non-governmental organization on Main Street that can't keep up. They didn't have the funding to keep the computer lab open because it was oversubscribed — there's a demonstrated need. But what did the government do? Did they respond with, "There's a demonstrated need; we need to respond to this"? They didn't.

As I said, it's about priorities. It's about doing what's right. It's about looking after those who are most in need.

The Premier is fond of repeating that the government has increased the Yukon's fiscal capacity. There is a lot of money out there and it's being spent on infrastructure, but what about the social capital of the Yukon? What about that social side of the ledger that the minister and the Premier talk about as being so important? I realize my time has run out, and I would just like to close by saying that obviously the priorities on this side of the House are different from those on the other side of the

House, but I would encourage them to listen, not just to Yukoners, but also to those on this side of the House who reflect what Yukoners are telling us.

Hon. Mr. Kenyon: It gives me great pleasure to respond to the second reading of Bill No. 22, *Second Appropriation Act, 2010-11*. It is about philosophy, to a large degree, in second reading speeches. The member opposite is correct on that. The philosophical approach to a budget is much more important than most people realize. You have to look at the general concepts of how things are going to come along.

I think often that's not really appreciated by many of the general public. For instance, the Member for Kluane mentioned a couple of times and referred to our government as the longest government on record, and that's true. It's worth pointing out that the *Yukon Act* of 2003, the federal act, created a five-year mandate, but the fact of the matter is we've been here eight years. We are the longest and we're very much different from the former Liberal government, which was the shortest government on record — the shortest lived majority government in the history of the entire Commonwealth of Nations. I mean, you have to be working to be that bad, I think, but again it is philosophy. What was the philosophy?

The Minister of Community Services referred to some of the things that the Liberals did at the time. The Department of Tourism was folded into a few other things and essentially cut. Last spring Liberal members went on and on about how terrible tourism was going to be this year and the reality is it came out not bad, even with the road closures, which would have made it much better, so that criticism didn't really work out too well for them.

They also cancelled and closed the Department of Economic Development. It still causes me to scratch my head why this is a philosophy of developing Economic Development by cancelling the department and cancelling and disbanding the very people who look at this and evaluate this. Community development fund — we've put millions into a wide variety of projects, and I'll get into a couple of those in specific comments that some people have made. The community development fund has projects under \$20,000, from \$20,000 to 70,000, and from \$70,000 up in various intakes. I won't get into the details of that because it's all on the website. You have to look at what can be done in that. It has had its interesting ebbs and wanes. For instance, during the preparation for the Canada Winter Games and all of the activity around that, the average number of applications seemed — to me, anyway — to have gone a bit lower. We encouraged people to get applications in for that. After the Canada Winter Games, the number of applications went up and they went up further out of proportion and we ended up having to be very selective in what these programs did. FireSmart was, of course, the other one — reduction of fuel loads in populated areas — doing this by employing local people, et cetera, et cetera.

The member opposite has just referred to literacy initiatives. We have done a number of literacy programs that are outside of the Department of Education, although that should obviously be the main home for that. One of the things that was

funded through the community development fund was the Dolly Parton Foundation. Dolly Parton, of course, is quite famous in her own right, and started a literacy program in the State of Tennessee, utilizing books from, basically, birth to age five, where every month the child would get an age-appropriate book that parents could read to the kid, and on and on and on. It promotes literacy; it shows the value of the written word. It doesn't utilize books that are just leftovers that nobody could sell, but they're developed in conjunction with Penguin Books and published specifically for this so that when that child enters school, they have a library and hopefully they have an appreciation of what a library can do.

That was all funded through Economic Development — and guess what? Two jurisdictions now have virtually 100 percent involvement in that. That is, of course, the State of Tennessee, since that's where she's from, and the Yukon. We've been very pleased to get involved in that whole program. We do appreciate the value of literacy and the fact that that is a demonstrated need. That is something that really does need to be funded.

Another argument that came up in the last couple of speeches is the idea of economic development in the Yukon being the result of mineral activity. Well, I will remind people of previous years — mineral activity is based on several factors. First of all, availability of land or access to the land — can they explore and make their mining decisions? Do they have certainty and they can develop that according to all established regulations, all established guidelines, all established environmental concerns — wherever in the world these companies come from? They have to know that they are going to invest in something that they will have in the future. The Yukon protected areas strategy was horribly, horrible flawed, because it gave the government the ability to go in and say, "We like this area; we're going to drop a park on it." Who in their right mind would invest in mining exploration or development in an area knowing full that the likelihood of having a mine dropped on you is pretty good actually?

When we were first elected in 2002, that was a situation we had to get involved in quickly because there was in fact a park dropped on some mining claims. Bring that to the current day, nobody's arguing that there are areas that need to be protected. That's absolutely a necessity, but bring that into today by drawing a huge circle in the centre of the map and saying that's the Peel region and we want to protect it 100 percent. Well, I draw to people who hold that — and I don't disagree with the fact that there are areas — but to draw a circle and say that whole area is going to be protected —

In this case, there are 2,700 mineral claims — many of them pre-existing for many years. What are you going to do when the lineup starts at the courthouse and the lawsuits start flying, when the government has to start laying out huge sums of money in embarrassment then try to settle these things out?

In my own profession, we have the saying: "No money, no medicine". Well, to a large degree, that's a variation on this, which says, "No money, no environment."

Without the economic activity and the ability to invest in the environment and to really look at that, you've got a really

big problem. The other aspect of that, in terms of mineral activity, the mineral activity is also, and correctly so, based on world mineral prices. Now think about that. The mineral prices are the same anywhere in the world. If you are selling that ounce of gold here, or you're selling it in Brazil, the price is the same. Why did we go from somewhere, I believe in the 1970s, in terms of a reasonable place to invest for mining, to number four last year? We're fourth best in the world to look at, and to invest in. Why, in the early years, after our election, were we showing improvements in the range of sixteen times — 1,600 percent better than the Canadian national average, with the same mineral prices? It's philosophy and that's a huge part of it. I don't want anyone to get the wrong idea in the Peel. Obviously it should be protected. In many areas, it should be properly evaluated. We are obligated by the *Umbrella Final Agreement* and other agreements to follow a process, and we are committed to follow that process.

We can't go out with a magic wand — ain't got one. I wish I did some days, but I don't. Nobody on this side does, and I would suggest that no one on the other side does either — as much as they'd like to think that they do. What would they do with all of these potential lawsuits that are out there? There is a demonstrated need to react on that issue, but the demonstrated need isn't dictated by shooting yourself in the foot and continually reloading. That doesn't make sense.

Now, if you look at history — one of the members opposite had made the comment that a lot of this is revisiting history, and he doesn't believe in the fact that we should be revisiting history. Well, there's an old saying that those who aren't aware of history are doomed to repeat it. I think you have to go back and look at that history. You have to go back and say, "What has happened? What have we done? Did it work? Is there a different way to do it?" The very definition of a "fool" is someone who continually does the same thing but continually expects a different result. If you keep doing the same thing, the chance is pretty good you're going to get the same result. That really is the definition of "foolish", unfortunately. As I say, we haven't got the magic wand, but others don't either.

That's what gets frustrating on this side — when people say, "You've got lots of money in the piggy bank." The Member for Klwane says it's empty. I guess he didn't notice the \$30 million to \$40 million that's in there. But, you know, perhaps the level of debate would come up dramatically if people would read the documents that are on the table. When there is money in the piggy bank, then you start looking at your demonstrated need, your priorities. How do you want to go? How do you want to use it? Members opposite pounded on the very tables across the way here and said, "You've got to spend it. You've got to do this, and you've got to do that. You've got the money, why don't you use it?"

Well, Mr. Speaker, we did and the piggy bank did drop. So now they're sitting over there and saying, "My god, it's dropping. The sky is falling." You know, I thought Chicken Little was a mythical character, but he seems to live in the Klwane riding. I just find that very, very difficult. I think anyone who does have a savings account sees that savings account go up and down slightly. If you have a demonstrated need — the car

breaks down, well you have to tap into that piggy bank a little bit, but that doesn't say that next year you're not going to put a little bit more back in. There is an ebb and flow. There has to be. That's only good fiscal management. But the Chicken Little approach that the sky is falling is very frustrating to deal with.

We sometimes have to sit here and enjoy the humour coming from across the floor. As I've argued many times before, Mr. Speaker, with your offices, please don't do anything that removes the humour from this Assembly. But when the humour comes down to just bland stupidity, I have to really wonder what some of these arguments are accomplishing.

We also do get somewhat frustrated with some of the approaches. When I came to the Yukon, much like when I first was in Toronto — which I managed to escape during the Rae regime — it was a reasonable thing to buy a house and take out a mortgage. A mortgage is a way of life; a mortgage is something that's nice if you don't have — either don't have yet or have managed to pay off. A mortgage is a reasonable way to do business.

So it's very frustrating when one real estate agent says, "This is a good thing. You should look at this. You should take out a mortgage. There's a really good rate. Enjoy your home. Enjoy your business premises." And then you have another real estate agent turn around and say, "It's terrible. You can't do that. You can't possibly have a mortgage. You should be saving your money until you've got the money to write a cheque or you should simply do without."

Okay, doing without is a reasonable approach. I don't have a problem with that. Do without what? That's the question that we have to ask from this side: so without what? Would they have not gotten involved with the Habitat for Humanity and the Yukon Housing Corporation, when we joined forces to create the new project at 810 Wheeler Street? I was very pleased to work with the Member for Whitehorse Centre and develop that. The Yukon Housing Corporation bought the lot from a family who sold it at — I have to admit — lower than market value. They were very much a part of this. For that we are very deeply grateful. Then we donated it to Habitat for Humanity, provided assistance with carpenters, provided the college with assistance to put out an extra class of carpentry — apprentices — to train them in the SuperGreen technology, so that they will be able to go out and show this to contractors. It was a great partnership, and three more housing units were created.

Would the opposition not have gotten involved? Is that something they would do without because they didn't want to tap that piggy bank?

Somehow the concept, the implication I hear from the Leader of the Liberal Party is that when we have money in a savings account, we should never touch it. Let that build for a rainy day. Guess what, Mr. Speaker? In the world economy, it has been raining the last couple of years. What happened in those couple of years? We had major problems worldwide — major problems in the United States.

Look at what is happening down there, what happened there, what happened in Europe and what happened in Asia. What happened in much of Canada wasn't as bad. What happened last year in the Yukon? We're one of two jurisdictions in

all of Canada that have a savings account. We have no net debt whatsoever. We have a savings account. We have money in the bank. We can play; we can ebb and flow with what we need and react to demonstrated needs.

How did we do on that economy? Only two jurisdictions in all of Canada had a positive GDP, a positive gross domestic product — Yukon and tiny Prince Edward Island. Big Prince Edward Island, I guess, with the population, but tiny when you look at the Yukon, which is something like 5.8 percent of the land mass of the second largest country in the world.

We had a positive GDP — one of two jurisdictions in Canada. The Canadian GDP went down significantly.

So we utilized what we had in the bank; we didn't run it out; we never went into debt. We never showed a debt to any degree, as much as the members opposite like to confuse their terminology and claim that it was a debt. Even the Member for Mayo-Tatchun referred to a no-debt budget. He was right — rare moment, but he was quite right on that one, but he's not giving us alternatives. The Liberals aren't giving us alternatives. The NDP have their heart in the right place, and again, it's a matter of priorities. I would argue — and I know I have this argument all the time with friends and colleagues — that the idea of politics is not left to right. When you go far enough left, you have to come up on the right, and when you go far enough on the right, you have to come up on the left. If you've developed your economy to a degree, you have to provide the social safety net. If you go so far to the left and have a social safety net, at some point you have to figure out how you're going to pay for it. Paying for it is creating an economy. Supporting another welding shop to make gates for another national park is not developing an economy. You need to have the jobs created; you need to have the projects created; you need to have the infrastructure; you need to have roads; you need to have bridges.

If you can't get to where that job is — and this is a big thing now in Newfoundland and Labrador with Hurricane Igor where a couple of communities can't get to where the jobs are. They're unemployed. They're still there, and in some of those cases, the jobs are still there, but with no infrastructure, they can't get there. So it is about philosophy, and I do ask the members opposite — and particularly the Liberals — to stop pretending that they have a magic wand. If they don't agree with a spending pattern, what are they trying to reduce and what would they cut?

Mr. Nordick: It gives me great pleasure to rise today to speak to Bill No. 22, the *Second Appropriation Act, 2010-11*. Mr. Speaker, the reason it gives me great pleasure, is because it reflects directly what we promised to do in our election campaign. When I was elected, I promised my constituents, the constituents of Dawson City, that we would achieve a better quality of life for Yukoners. I committed to protecting and preserving our environment and wildlife. We also committed to creating a diverse, strong economy. We also committed to practising good governance, which is a motion that we tabled today for debate tomorrow.

We also agreed to have good quality working relationships with other levels of government, including municipalities and First Nation governments. I am committed to what we committed to Yukoners.

I'd like to thank the constituents in my riding, my family and friends for supporting me in developing a better life for the Yukon, a better quality of life for Yukoners. I'd like to thank them for electing me to help and protect and preserve the Yukon's environment and to promote a strong, diverse economy. How do we do that?

You know, we do that by building hospitals in small communities, in rural Yukon. I know it's against the wishes of the Liberal Party, but we do that. We also expand education facilities in the Yukon. We've built a school in Carmacks. We've built two schools in Dawson City — a school of visual arts and we're currently building a new college in Dawson City. We're supporting quality of life in rural Yukon and throughout the territory in building infrastructure for housing. In Dawson City, we're building a 20-unit apartment building — affordable housing apartment building — which is helping achieve a better quality of life for Yukoners, which is promoting a diverse and strong economy.

We're building a waste-water treatment plant in Dawson City, something the Liberal government of the past ignored. Speaking about reliving history, Dawson is still reliving the history of a former Liberal government that allowed and facilitated the city to go bankrupt — allowed the city not to build a waste-water treatment plant and facilitated the city in destroying a rec facility so the citizens of my community had no place to skate, no place to play hockey. This government, the Yukon Party government, is fixing those mistakes of the former Liberal government.

Not only are we fixing those mistakes, we're building on those mistakes and adding more benefit from negative consequences of a Liberal government. We're building a district heating system to help heat the water supply in Dawson City, to lower the taxes in the community — lower our water and sewer taxes to help provide a better quality of life for citizens of Dawson City, and to help promote a diverse economy, because you can actually afford to live in a community.

I'd like to know how the Liberal opposition would say, "Move to a community," when they wouldn't build health care facilities, and when they'd proven they had allowed the community to go bankrupt and proven they would not help with infrastructure, like waste-water infrastructure. It just boggles my mind.

For quality of life in a community, you need recreation facilities, you need health care facilities, you need education facilities. You even need little things like playgrounds for children. It promotes healthy living, it promotes activity. We're even building a new playground in Dawson City.

Economy — how do you get an economy? You get an economy with infrastructure. We've invested in infrastructure in Dawson City with regard to cellphones — across the territory. I think it's 17 communities that now have cellphone service — infrastructure needed to promote a diverse, healthy economy, and we did that through these budgets. The budget

we're debating today has more initiatives, which has constantly been voted down by the opposition.

We're investing in museums. We're investing in walking trails. We even built a visitors centre at the Tombstone Territorial Park, promoting a diverse economy. We partnered with Tr'ondëk Hwëch'in in managing that park. That is what we do with our budgets. We back up our words — our commitment — with actions.

I sometimes envision a Liberal Party government where there is no economy, there are no investments in communities, where you remove Tourism departments, you cut the Economic Development department, and get rid of the Women's Directorate. But we don't actually have to imagine it because we lived it. We lived it a couple of years ago, so we don't even have to envision that; we just have to look back in history.

In this budget and previous budgets we built a strong, diverse economy by clearing and grubbing work for subdivisions like the Whistle Bend subdivision. We invested in waste-water infrastructure by undertaking upgrades and repairs in Burwash Landing, Carcross and Destruction Bay. We've promoted a strong, diverse economy by continuing to provide facility upgrades, renovation and repair improvements for 17 volunteer fire departments throughout the Yukon. A new \$1.5-million Golden Horn volunteer fire department was opened. It was built by local contractors and employed 20 tradespeople promoting a diverse, strong economy. We developed a framework for the Building Canada funding, and \$183 million in federal funding flowed over seven years and it will end in 2013-14. We are using that funding to build a diverse, strong economy.

The Yukon government, the Canadian government and the Champagne and Aishihik First Nations announced more than a \$14-million joint funding venture for the construction of the cultural centre in Haines Junction.

We are supporting the Kwanlin Dun First Nation's efforts to build a cultural centre on the waterfront, which you can see today. That's something the Liberal government opposed. They voted against that. Community Services is working to develop and supply residential, commercial and industrial lots in Yukon communities. We're completing the Ingram residential subdivision in Whitehorse. We're beginning the construction of Whistle Bend in Whitehorse. We're completing the Callison industrial subdivision in Dawson City. I believe there will actually be groundwork done in Dawson City this fall for those industrial lots.

The list goes on — we're planning for developments in Carmacks, Destruction Bay, Mayo, Watson Lake, and Mount Lorne. We are backing up our commitments with action.

This government continues to work toward sewage treatment options in Dawson City, as I listed before — a court-ordered Yukon Liberal problem of a waste-water treatment facility in Dawson City.

If it was allowed, and the citizens of Dawson City were able to build it themselves, I know they would have, but Dawson City cannot afford what the court ordered the city to do. The population of around 2,000 people year-round was ordered to build close to a \$30-million waste-water treatment facility. If

it wasn't this Yukon Party government stepping up and saying, "We will help you," what would my constituents do?

Not only did Dawson City go bankrupt under the Liberal government watch, they had a miserable attempt at building a recreation facility overseen by the Liberal government. It failed. This government bailed out the city and committed another \$4 million to that facility. Recently, through discussion with the Minister of Community Services and me, we have worked out a partnership with Dawson City and the Tr'ondëk Hwëch'in to focus some of that \$4 million on the construction of a youth facility in Dawson City. The community deserves a place for their children, their grandchildren, their brothers and sisters, to be able to skate, play hockey and curl.

The Yukon government has allocated \$1.5 million for the rural infrastructure fund in assisting rural communities with capital infrastructure projects, like Faro, Haines Junction, Teslin, Tagish, Mount Lorne, Ross River, Mayo, Watson Lake and Carcross — all receiving program funding under this program in the last couple of years.

The rural domestic water well program helps ensure Yukoners have access to safe drinking water. To date, there have been 102 projects completed and 26 projects are in progress or have been completed this year.

This government funded and completed the riverbank stabilization in Old Crow and dike protection in Mayo. It wasn't a Liberal government that did that — it was this government.

In 2008, FireSmart created about 28,000 hours of employment on 31 projects. That would have been 28,000 more hours created than if we were under a Liberal government watch. We increased funding from \$1 million to \$1.5 million in 2009 and we've budgeted \$1 million in 2010.

Mr. Speaker, speaking of economic development, the Economic Development officials participated in various business and investment events at the Vancouver 2010 Olympics, with the focus on investment attraction and business opportunities. We just have to look outside of this building to see all of the work that is being invested and taking place throughout the Yukon. In Whitehorse, rural Yukon — it's happening all over. There's construction happening.

When we think about policies and we think about past decisions, another past decision that this government made, and is continuing to make, is a decision like the \$1.5-million rebate to reduce Yukoners' monthly residential electrical bills — helping our families, helping our citizens.

One of the things I committed to when I was elected was to improve the infrastructure of Dawson City. One of the main pieces of infrastructure is Front Street. We completed that, and when we completed that, we completed it with a state-of-the-art material to study the effects that paving a street or a highway would have on permafrost.

That is proving to be very successful. The permafrost isn't melting. That's another thing that this government did. We've invested in the upgrading of the resource roads through the resource roads access roads project. Through the program, resource-based companies can apply for assistance in upgrading existing roads and, under particular circumstances, develop new roads or airstrips. \$31 million for a three-year project to

upgrade the Robert Campbell Highway — we invested in dust suppression and surface binder in the Old Crow airport runway and Dawson City — investing in our communities. Not only are we using dust suppressant to help our airline land at these communities, we've invested in the turn buttons to help facilitate our local airline land a larger plane for jet service in the communities. We completed resurfacing the Dempster Highway for the fifth consecutive year — 270 kilometres of the Dempster Highway were resurfaced between 2005 and 2009. Another 21 kilometres were resurfaced in 2009.

Like I said earlier, the Old Crow runway received an addition of runway turnaround buttons to support the landing of the Boeing 737. We did that upgrade last year in Dawson City.

I committed when I got elected under this Yukon Party government to achieve a better quality of life for Yukoners. We did this by having the Employment Standards branch successfully launch their student and parental guide called, *You Need More Than a Job to Start Work*, which provides students with information they need to know when entering the workforce. We support Yukon sport and recreation groups and have awarded them over \$935,000 in grants in 2010-11. We invested \$423,000 in Yukon Sport for Life and elite athlete funding in 2010-11. The Ross River fire department took delivery of a state-of-the-art fire truck — 28 Yukon projects benefited through FireSmart.

Earlier I mentioned how we could possibly imagine a Liberal government, but we don't really have to imagine it because we lived through it. One of the things we lived through was them cutting the community development fund. On September 15 of this year, \$812,000 worth of community projects were funded under that fund, creating substantial work in communities.

On July 28, \$263,000 in community development projects were announced. On May 7, \$880,000 worth of community-driven projects were funded, which wouldn't have been funded under the former Liberal government, because they removed that program. That's how they develop communities. On April 14, there was another \$282,000 of local projects throughout the Yukon, grassroots projects, driven by citizens of this territory and funded by this Yukon Party government. On January 26, 2010, there was over \$500,000 in funding. The list goes on. That's how you promote a diverse and strong economy.

I know I only have 20 minutes and I have pages and pages of examples of how we are achieving a better quality of life for Yukoners; how we are protecting and preserving the environment; how we are promoting a strong, diverse economy; and how we are practising good governance.

I noticed one of the last members of the Official Opposition was upset about the last motion day, how we spent three hours explaining how we practise good governance, giving concrete examples — and how they didn't have a chance to debate it. Well, Mr. Speaker, tomorrow the second motion we're debating is about good governance. We're giving them a chance again. We have so much to debate that we've brought that motion back; a motion to debate practising good governance. So I challenge the opposition members, let's debate it. Let's get on record what they would do if they were in gov-

ernment, because a past track record sure wasn't very good. Two years of removing the Women's Directorate, two years of gutting the economy and two years of allowing communities to go bankrupt. I think I'm just going to rest my case.

Mr. Cathers: I'll be very brief in my comments today on the 2010-11 supplementary budget. I look forward to discussing more of the details during debate in Committee of the Whole, as well as in Question Period. As I have repeatedly indicated, my focus during this sitting will continue to be on representing my constituents on issues that are important to them and trying to engage in a constructive dialogue with ministers on those issues.

There are many good things and good projects within the budget, reflecting continuing hard work by ministers and staff. While there are, of course, things I would do a little differently if I held the pen in writing the budget, I will be following the wishes of the majority of my constituents who shared their views — a view I agree with — in continuing to vote in favour of the budget.

In 2006, all of us who ran for the Yukon Party told Yukoners we intended to complete a five-year mandate. Few constituents tell me they want a general election now. Many more want to see the government fulfill the commitment to govern until fall 2011. I look forward to continuing to focus on trying to work constructively on behalf of my constituents during the rest of this sitting as well as outside the Legislature. In closing, I thank ministers, MLAs and staff who've worked hard in preparation of this budget and look forward to discussing the budget further during the remaining days of the sitting.

Hon. Mr. Hart: It's my pleasure to get up today and speak to Bill No. 22, *Second Appropriation Act, 2010-11*. First of all, let me just say that it's my pleasure to stand up here for the first time in the House to represent my constituents from Riverdale South. Again, it's my pleasure to act on their behalf and bring forth their interests here in the Legislature.

With regard to Riverdale South, we've had some interesting changes over the last few months. One of the major issues relating to the constituency is dealing with the infill situation with regard to Riverdale South. We've had many meetings both with the city and with the constituents regarding the proposed infill area, especially with the area indicated that was previously classified as parks and recreation under the city's official plan.

I have provided some correspondence through the Riverdale Community Association, along with the residents directly affected, and I have conveyed those messages to the city on their behalf. We are awaiting the results from the city on their plans for the future there in Riverdale South.

Also, there has been the completion of the new sidewalk on Lewes Boulevard this summer just across from F.H. Collins and Selkirk School, which has made it easier to walk on both sides of the road for both winter and summer, coming in and out of Riverdale.

There has also been a tremendous amount of work on the trails. I would have to say that one of the most successful as-

pects with regard to Riverdale has been the completion of the Millennium Trail and the amount of use that trail has been getting from all citizens of the Yukon, not just those in Riverdale.

The eagles have a permanent nest there, and a number of birdwatchers go there on a daily basis to watch them during the summer. It's amazing that the birds will just sit in that cage and watch the people underneath as they are being viewed. It's very successful; they had two chicks this year. I see one is perched just outside the fish ladder — a very convenient spot for an eagle. In any event, it's a very good trail — well used — and I must say I'm very happy the city is maintaining that facility properly. I'm also happy that many of the citizens of Whitehorse are using the trail and maintaining it as they use it.

A substantial amount of work has been done on the power line on the clearing end, which has allowed for more trails and people utilizing those facilities for walking and working out behind the Riverdale community and allowing them to enjoy nature at its finest just outside their back door.

As you well know, planning and design for the new F.H. Collins school is well underway and we look forward to the results of that in the very near future. We think that will provide a very important new facility with much-needed improvements for F.H. Collins.

In addition, the single-family unit in Riverdale is nearing completion. As I walked by yesterday, I noticed the paving has been completed for that facility. It looks to me as if there's a little bit of work with regard to providing lamps and things like that — just minor details to be completed, but it looks very much like it's well-underway and it should be available later on this fall for occupation.

Also, there has been good work with the Riverdale Community Association in relationship to these facilities and we look forward to continuing to work with both groups to ensure that these facilities carry on with the agreement that was reached with them prior to the commencement of the construction.

Now, with regard to the budget, I'd like to be somewhat brief since many of my colleagues have already discussed many of the issues. But I will recall that this government has increased our budget by almost 100 percent from when we first came to office. And on that, in parallel with increasing the availability of our budget to Yukoners, we had been providing a great economic stimulus for the Yukon, and also providing good services on the social side of the agenda to accommodate the large increase in population that we've had since we came into power, in addition to providing additional health care services and social services for individuals throughout the territory.

Mr. Speaker, I think I will just touch lightly on a few of these items when I get to the health care review side, but I intend to follow through for the members opposite and the general public tomorrow during our motion day on a substantial number of issues that we provided across the government on the social agenda. I plan to do that tomorrow during my address here in the House.

The member of the Third Party talked about it being a matter of priorities. It is a question of priorities. We on this side of

the House have, on many occasions, provided and responded to the needs of Yukoners. We have provided that information where it was needed the most, and it was based on consultation we had with the general public on what would be their first area of priority — i.e. the Riverdale community affordable housing is one of those items.

Now, members on the other side talked about dealing with the resource and making sure we have protection for our resource. Well, we've come a long way since the federal government has been working with and dealing with the environment. The mining companies have come a long way since then, and the ways mining companies do their mining now have come a long way since the federal government was in charge of dealing and working with places such as Faro.

So, obviously, there is a substantial amount of work being done in this area. I believe that this government is working very well with Energy, Mines and Resources, as well as the local First Nations and the boards — the requirements for permits and such — to ensure that the greatest amount of safety is provided for Yukoners, both now and in the future. It's also important to understand that jobs are required in the Yukon to ensure that we have a healthy economy now and into the future.

In approximately 2000-01, people were leaving the Yukon in droves — literally. Again, there were no mines operating. Most of the kids had to go outside to get jobs. At that time, for example, I know for many of my constituents, when I went to knock on their doors just prior to the election — the husbands were outside in Alberta. That was the only place they could get work. The value of real estate was way down at the time. So, it was this government's reaction to stimulate the economy, to get things moving, to help out in ensuring that we could stave off the reduction of the populace as it was back then. We have been very successful in that — very successful in increasing our population since that time until now. I believe we've been successful because we had been providing — not only in mining, but in all other aspects of industry, whether it's tourism, whether it's IT, you name it — the avenues for small companies to increase and provide assistance to Yukoners. This ensures that they all get the benefit of the increase in populace and also the increase in stimulus initially provided by this government to assist them. So when the private sector came along, as they have in the last couple of years, they could take a bigger portion of the responsibility of providing that stimulus to the Yukon people as they have in great numbers and with great dollars, provided that stimulus to the government so that this government doesn't have to be the lone holder in providing that stimulus to the general public throughout the Yukon. Again, we have provided additional monies to stimulate throughout the Yukon and we are providing those services. For example, we are providing services in Watson Lake for the hospital to reconstruct that facility so it gets up to modern standards and provides facilities to our rural residents. We're also looking at the same facility for Dawson City, again to provide facilities for our rural clients.

We are looking at providing our infrastructure now for the future so that everyone, both now and in the future, can participate in the legacy that we are working on now to ensure that

Yukoners, both now and in the future, can maintain and have excellent health services.

As I stated, I'll get into a lot more information tomorrow on this subject, but the member opposite brought up an interesting comment when he talked about trying to come up with a value for the pristine wilderness and how he's going to do that — very interesting. He talks about protection of the environment against mining, and then we're going to talk about the pristine environment and that it should have a value. Well, if you're going to have a value for that pristine environment, then the people who use that pristine environment will have to be taxed accordingly, using the same analogy the member opposite used. In other words, the wilderness operators and the outfitters are all going to have to take the same kind of responsibility in using that pristine wilderness. They are using that pristine wilderness.

So, yes, that's an interesting concept and I look forward to maybe some further follow-up on that with the member opposite. Now, he also talked about trying to concentrate on the tourism industry and — as a better focus than the mining industry — as it has more longevity. Well, I might remind the member opposite that the current situation in the United States and the economy that they're in is way down in the process. That has substantially affected our U.S. traveller here in the Yukon. So we are feeling a little bit of pressure on that side, but again, because of the fact that we are reasonably balanced with regard to the economy and dealing with other aspects of the economy, we are able to shoulder this aspect without any great deal of hardship. Now, the member also talked about making sure that we don't have all the things done at once. Now I must admit that the federal government's stimulus money has put a little bit of pressure on us.

But we have been working directly with the construction industry over the past year and a half — almost two years — to ensure that we can maximize the use of the local construction industry in all our government projects so we can avoid, where possible, the Outside companies coming in and participating in projects, even if they are here in the Yukon on an interim basis.

In some cases, Mr. Speaker, we can't avoid that. For example, there are specialty items — specialty projects — that require special firms to complete those projects. If those have to be done, they would be done elsewhere under the same circumstances. I look forward to dealing with it but, as I stated, we have done great work with the local construction industry to try and help so that we get the projects out the door and so that a good portion of the local construction industry can participate in the projects that are being built and tendered by this Yukon government. We have done a substantial amount of work in this area with the hope of them getting those projects.

Again, as I said, we've had a little difficulty with the federal government stimulus project, which has put a little pressure on us. But we seem to have gotten by quite nicely with them on that. Also, I'd like to just focus a little bit on a lot of the education aspects that we have right now at Yukon College — our LPN program is very, very successful. We've had 43 applicants apply for the 12 positions on the first go-round and we had a little over 35 apply this time around also. So that pro-

gram is very successful. Again, as I stated previously in this House, we have hired all those successful candidates coming out of that program. We look forward to doing that again in the future.

Again, I look forward to tomorrow afternoon. I look forward to voting on this budget and I look forward to further conversation as it pertains to this budget.

Hon. Mr. Fentie: Well, first, I'd like to thank all members for their comments and their input regarding another very important supplementary budget, extending further the significant investments in Yukon and the quality of life that Yukoners so deserve.

I must say that there were certainly some very constructive opinions brought forward, but I'm going to have to focus a lot of my closing remarks on a matter that is becoming more and more of concern in what's transpiring in this House in terms of making sure Yukoners are being provided with the exact and factual financial picture of the Yukon Territory.

Let me begin by making this point: there is no doubt that the Yukon Territory is one of only two jurisdictions that has a net financial resource position. In fact in many cases across this country, governments are struggling with structural deficits. That is not the case in the Yukon; we do have a savings account. The only other jurisdiction — and it would only make sense if this other jurisdiction had the same fiscal position of a savings account — is Alberta which, of course, is a province that has long since been paying its way and has annually not been a recipient of equalization.

That said, we have to delve into the issues that are very much about trust and what's being articulated in this Assembly.

The fiscal position of the Yukon Territory is all-inclusive of revenues, expenditures, calculations of tangible capital assets and many other calculations that are required by simple basic public sector accounting guidelines and any fundamental accounting procedures. The result of all that shows that the Yukon has a very healthy position. I will get to where the problem is momentarily.

The position is simply this: not only do we have a savings account, we have a substantial amount of cash plus assets available, well in excess of \$200 million. Furthermore, if we were to extinguish liabilities, we would still maintain a very healthy savings account at year-end. That's important because that is the position the Yukon Territory is in, unlike most jurisdictions or governments in Canada.

Here's what the Official Opposition says: the changes in certain areas of the financial statement are the result of wild, massive, going-for-broke spending. Here's what they're not telling Yukoners and here's where the issue of trust comes in: they're not telling Yukoners that changes in areas of the financial statements are directly reflecting direction from the Auditor General on re-accounting for the Building Canada fund. They're not explaining to Yukoners that a large percentage of changes in the financial statements are due to revotes. It's not new spending; it is revotes of amounts carried forward from a previous year.

They're also not explaining to Yukoners that spending down the net financial resource, or savings account, is not all about wild spending; they're not telling Yukoners that it also includes the effect of changes to tangible capital assets. These are important notations to make because Yukoners — from the Official Opposition, the Liberals — are not receiving the facts. They're not receiving the information that they should receive.

I go further by making the point that if the Official Opposition stands here and commits to Yukoners that they would maintain a strict adherence to the estimates provided in the mains as tabled, then they have to explain to Yukoners what expenses they would then reduce.

During the course of the fiscal year there will be changes. There always are. That's why we have variances. We go through period 5 variances and other variances. These are all matters of financial management and good governance that we practise that have to be addressed.

Would they have cut or refused to allow Yukoners access to physicians during the course of a fiscal year that would have changed the financial statement and the main estimates as tabled? Is that what the Liberals are suggesting? They would refuse Yukoners' access to physicians.

Would they refuse Yukoners the cost of medical travel to access health care outside of this territory that was needed? Is that what they're saying? Would they say to our employees that they would not honour the collective bargaining agreement and provide the wages as agreed to in the collective bargaining agreement? Is that what they are saying?

There is an issue here — it's a big one — and the Official Opposition, the Liberals in this House, have really gotten themselves in a predicament because they are only reflecting on one small portion of the overall financial position of the Yukon Territory.

Therefore, in closing, the Yukon Territory is fortunate today that we do have a healthy financial position. We are indeed fortunate that we were able to double the financial capacity of the Yukon Territory. This has resulted in significant investment throughout Yukon in addressing that quality-of-life question, and quality of life is being established that Yukoners rightly deserve. It also includes the ability of Yukoners to access comparable services, and that is a fundamental principle in this country. We are fortunate that we have achieved that objective. In doing so, we have maintained a savings account, which keeps more options open for us, for Yukoners, for the future.

Not only is our financial position very relevant to a brighter future, so is our economy, so is our health care system, so is our education system, so is our social safety net, so is the protection of our environment — all because of good governance, sound fiscal management and delivering what we committed to do when we stood before Yukoners and committed to do the things that we have been successful in achieving. We have backed up our commitments with action.

The Liberals in this House have failed miserably to back up their statements with any credible information. Thank you.

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. Fentie: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Hart: Agree.

Hon. Mr. Kenyon: Agree.

Hon. Mr. Rouble: Agree.

Hon. Mr. Lang: Agree.

Hon. Ms. Horne: Agree.

Hon. Mr. Edzerza: Agree.

Mr. Nordick: Agree.

Mr. Mitchell: Disagree.

Mr. McRobb: Disagree.

Mr. Elias: Disagree.

Mr. Fairclough: Disagree.

Mr. Inverarity: Disagree.

Mr. Cardiff: Disagree.

Mr. Cathers: Agree.

Clerk: Mr. Speaker, the results are 10 yea, six nay.

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

Motion for second reading of Bill No. 22 agreed to

Bill No. 92: Act to Amend the Income Tax Act (2010)
— Second Reading

Clerk: Second reading, Bill No. 92, standing in the name of the Hon. Mr. Fentie.

Hon. Mr. Fentie: I move that Bill No. 92, entitled *Act to Amend the Income Tax Act (2010)*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 92, entitled *Act to Amend the Income Tax Act, 2010*, be now read a second time.

Hon. Mr. Fentie: It is indeed a great pleasure to introduce another amendment to the Yukon *Income Tax Act*, which will provide further benefit to Yukoners. In a country where today many jurisdictions and governments are pondering tax increases, harmonizing the sales tax, the Yukon, in total contradiction of those trends, is actually reducing the tax burden for Yukoners.

The purpose of this bill is twofold: first, the corporate income tax small business deduction limit is being increased from \$400,000 to \$500,000 and will be harmonized with the federal amount on a go-forward basis. What this means is that small business corporations here in Yukon will pay less tax than they otherwise would have. It's an example of putting money back into the pockets and hands of Yukoners, especially in the private sector, to further contribute to Yukon's prosperity and its future.

Second, the personal income tax dividend tax credit is being amended to ensure future changes to the federal *Income Tax Act* do not have unintended consequences for the Yukon income taxpayer and the territorial treasury. This change will

leave more money, once again, in individual taxpayers' pockets, and that is indeed a fiscal capacity that they can invest back into Yukon's economy.

This bill also includes a significant number of consequential amendments that include changing references to sections of the federal *Income Tax Act* as a result of federal legislative actions and changes to terminology that is, at this time, outdated. These changes have no effect on taxpayers and are housekeeping in nature. In "Imagine Tomorrow", this government has stated it will provide business with tax incentives — incentives to promote economic growth — and not to increase income taxes. In keeping with this commitment, by backing up that commitment with action, we are constantly monitoring the changing political and economic environment in Canada and adjusting our tax policies to stay competitive and offer Yukon what we now call the Yukon advantage. This is evidenced by the fact that this is our ninth income tax amendment during our two mandates, all of which have resulted in lower tax burdens for families and individuals and/or small business and other businesses. The reduced tax burden is a direct result of our successful efforts to grow the Yukon's economy.

So returning to the first of the two substantive changes, the small business deduction limit is increased from \$400,000 to \$500,000, as said, and will be harmonized with the federal amount on a go-forward basis. The small business deduction limit is the threshold amount of income where a small business is taxed at the lower corporate tax rate of only four percent. The harmonization with the federal act simplifies the tax return process for our small business community but, more importantly, it leaves more money in the hands of small business. I'm sure we can all agree that much of the Yukon's economy is made up of small business. This is money that can be used to grow our economy and contribute to our prosperity.

The second substantive change involves changes to the dividend tax credit and the provisions therein. The dividend tax credit is a simple concept in principle but, as you can see in the act, has some degree of complexity in practice. In principle, the credit is designed to integrate the corporate and personal parts of the *Income Tax Act*. For example, one dollar earned by a corporation will be taxed at the corporate rate. If the after-tax income is then transferred to a shareholder, it is taxed again at the appropriate marginal personal tax rate for that particular individual.

In effect, that dollar is taxed twice. This is not something we want Yukoners to be subjected to. The credit is intended to compensate the individual for taxes already incurred at the corporate level on that same dollar of income.

As mentioned in practice, the application has some degree of complexity. The federal government has legislated a series of changes to the federal corporate tax rates and the corresponding federal dividend tax credit. These federal changes are being phased in by the year 2012. Given the current wording of the Yukon *Income Tax Act*, these federal changes would automatically create an unintended consequence for Yukon taxpayers if they are not addressed by amendments to our Yukon tax act. The unintended consequences would cause, by 2012,

Yukon taxpayers in all tax brackets to pay more tax on this form of income.

Dividend income is an important source of income for a large number of Yukoners. Approximately 3,200 Yukoners have dividend income. About two-thirds of those Yukoners are in the bottom two income tax brackets, and the majority is in the 40-60 year old age range.

Clearly, the dividends are an important source of income for all Yukoners, but particularly for those approaching the latter part of their working years. We have no intention of increasing the tax burden on Yukoners, especially in this age category, and with this bill we plan to forego any unintended consequences and also any unplanned, unnecessary burden to Yukoners. The elegant little formula in this bill has the effect of dynamically adjusting our dividend tax credit to any future changes in the federal tax act, preventing future unintended consequences, as stated.

So, Mr. Speaker, if this legislation is not passed, the mechanism in the current *Income Tax Act* would result in the Yukon government taxing corporate and personal income, roughly by some \$460,000 more in taxes on their dividends than they would on a similar amount of income from other sources. Finally, this government is proud to once again further reduce the tax burden on Yukoners to once again put more money in the pockets of our taxpayers, to once again contribute to the prosperity of Yukon and its future.

Mr. Mitchell: I'll be pretty brief in my response. First of all, I'd like to thank the Premier for arranging the excellent briefing on this act from the officials — oh no, we didn't get that, Mr. Speaker. That's right; there hasn't been a briefing. It would have been beneficial to have had a briefing on this legislation, because income tax legislation is always complex. There are little formulas in this act. But we're sure that, once the bill has been passed, the government will get around to finding one of the 3,500 excellent employees to brief us, because that would be good governance.

We'll try to address it based on the Premier's briefing. The Premier indicated that the purpose of this act is twofold: first to raise the threshold on small business corporations — those that qualify — for the deduction limit from \$400,000 to \$500,000 of annual earned income. We certainly can support that; it's a good idea and we're pleased this bill does that.

Secondly, we understand that the purpose of the second major aspect, as the Premier referred to it, is to address the double taxation factor on dividend income that exists when the dividend is first taxed by the corporation that earns it and then when it is taxed again by the recipient of the dividends from that corporation.

That would be a good principle to follow, so we can support that. We might ask why the government waited eight years to get around to doing something that the Premier so clearly explained just a few moments ago, but we will presume, in the absence of a briefing, that we had to await the Government of Canada making tax changes in order for us to make them, and that we couldn't make them by ourselves. I'm sure that when

the Premier gives his closing explanation he will say that that is so, so we can accept that.

There are some other references in the act to things that are being changed that require one to refer back to the main acts that this is amending. Again, in the absence of the briefing, although we have questions, we will have to address those in committee. There are things such as income-sharing being deleted and things that also include the mineral exploration tax credit, so we are presuming that while it looks like these things are being deleted, they are being replaced with other wording. We look forward to the explanation for that.

We do appreciate the efforts to reduce the tax burden on individuals and businesses but, since the Premier has taken an opportunity to present an election message in his opening remarks about what he considers the accomplishments of his government in the area of lowering taxes and good fiscal management, we will again just point out that we do think the Premier is wrong on some counts. We think he is spending dangerously close to the limit with ongoing obligations for building a new high school, for building health care centres, and for addressing the yet unaddressed request for another \$50 million in modifications to Whitehorse General Hospital to enlarge the emergency room and the critical care areas — or intensive care areas — and many other projects, such as the future project to replace the seniors facility, McDonald Lodge, in Dawson. These remain unanswered by this Premier with his buy-now and pay-later approach.

Just a few minutes ago, when he gave his closing comments on Bill No. 22, the supplementary budget for the current year, the Premier again referred to having to look at the overall picture and said we shouldn't cherry-pick one aspect of it.

Well, we have to again remind the Premier that when he refers to this \$521-million accumulated surplus of the Yukon government, you can't spend it. What would the Premier sell in order to generate revenue? Would it be Elijah Smith Elementary School in my riding? Is that going to go up for sale by the Premier's description of all the resources that we have to look at together? Would it perhaps be the building that we're in today? We know the Premier finds it an annoyance to come here and debate bills and finds it shocking that the opposition would ever disagree with the Premier's view of events and the Premier's view of the finances, but we do serve an important purpose here. We think the Yukon government should focus on managing finances without continuing to pile debt on the Crown corporations and without continuing to run annual deficits. We know that the Crown corporations have been saddled already with \$167 million in new debt between the Yukon Hospital Corporation and Yukon Energy Corporation and there's more to come. We know that this government didn't contribute any down payment to the construction being undertaken by the Yukon Development Corporation and the Hospital Corporation because they didn't have the money to spend.

So we can agree with the Premier that the focus should be on the big picture, and we're hearing from many Yukoners that they're very concerned about this inner big-spender coming to the surface of the Premier and that the government spending needs to be under control.

We're also concerned when the Premier talks about cuts because we know that the Yukon Party government — as the Premier earlier talked about honouring our obligations and our collective bargaining agreements — is the only government I'm aware of that has ever done a two-percent rollback of all government employees' wages. So when the Yukon Employees Union and the Yukon Teachers Association, in good faith, negotiate collective agreements, we can say that we'll honour those collective agreements. We're not so certain whether that's the intent on the Yukon Party side of the House, based on past action.

With that, Mr. Speaker, I know that there are others who want to speak, and we will get into more detail in Committee.

Hon. Mr. Rouble: It's my honour and pleasure to rise today in the Assembly to debate this legislation before us, *Act to Amend the Income Tax Act (2010)*. I think it's every politician's dream to amend an income tax act to tax citizens less.

When we campaigned — a campaign that was soundly supported by Yukoners throughout the territory — we campaigned on a number of different pillars. One was achieving a better quality of life by building healthy and safe communities with skilled and adaptable people. Another one was developing and promoting a strong and diversified private sector economy. This is another step in accomplishing the pillars that we put forward in our election campaign and that we have worked toward for the last number of years.

Immediately before having the honour to serve as the MLA for the beautiful Southern Lakes, I worked for Dana Naye Ventures, a First Nation-owned and controlled organization in town that helps to build the capacity of Yukoners to run businesses. I had the privilege there of teaching business planning class. In working with entrepreneurs, whether they were youth or adults — people with experience — to help them to create the plan for starting to manage and operate their own successful business.

I have to tell you, it's an exhilarating time. There's nothing more optimistic than a group of entrepreneurs looking at implementing their ideas. As we've seen from the economic statistics, this is an incredible climate here in Yukon today for new businesses to start, to foster and to grow.

Working with entrepreneurs, they have enough issues on their plates: identifying who their customers are and the products or services that they're going to use to satisfy their clients' needs; worrying about the accounting and the processes of it; worrying about all the expenses of a business; and indeed, worrying about the taxes that they are going to pay. I think worrying about the taxes that we as Canadian citizens pay is a common worry, among all Canadians, and it's not just a concern at the time of year when we sit down and do our tax return, but really on a day-to-day basis when we go to the till. Now we've seen the federal Conservative government reduce the GST across the country from seven percent to six percent to five percent, and with this legislation, we're also reducing taxes. We've seen other amendments that have gone through this Yukon Party government in recent years to address different tax situations affecting different Yukoners. This one will affect

the small business owner. This is the backbone of our economy throughout the territory. We all rely on small business owners every day for the services and goods that we require.

When I was working with small business owners, one of the issues that they had concerns about was the rate of taxation. One of the issues that companies look at when deciding to move to another jurisdiction or not is the rate of taxation. Indeed, these changes make Yukon a very attractive place to start and conduct business.

Here we are in second reading; it's an opportunity to discuss the principles behind the bill, its merits and whether, on the face of it, people think it's a good idea or not. Right from the first page of the document on the explanatory notes, we see that the purpose of this bill is to make the Yukon dividend tax credit automatically reflect changing corporate tax rates and harmonize the Yukon and federal small business deduction limits. The bill also makes a number of updates, removes outdated provisions and results in minor technical deficiencies in the act. Here in second reading debate, we just have to ask the members opposite: do they agree with that or not? That's the point of second reading: to discuss the principles and the object behind the act. We'll have time to go through the intricacies of the formulas in due course in Committee of the Whole, when we go through things line by line. For that, I would expect that people need a briefing.

If we need to take a look at it and say, "Would members opposite be in support of increasing the corporate income tax small business deduction limit from \$400,000 to \$500,000?" I'm not really sure how much more of a briefing on that they would like. I think all members of this Assembly would be in support of that.

This bill amends the personal income tax dividend to ensure future changes to the federal income tax do not have unintended consequences for the Yukon income taxpayer and the territorial treasury. This change will leave more money in individual taxpayers' pockets. I think all members of this Assembly would agree that is one of the best objectives that we as government can have.

I believe the money is well-spent when it is left in the pockets of our taxpayers, of citizens of the Yukon. They'll make the decision where to invest it, where to spend it, and that's what makes our economy go round and round. They'll make the decisions if they have more money in their pocket, whether it's to eat at a different restaurant, to make different purchases or to make investments into their futures.

Really, this is affecting the small business owner throughout the territory. It has been said before that this is the backbone in our community. These are the people that run carpentry places, or gas stations, or bakeries, or restaurants. In fact, I would expect that the majority of members in here have some experience with owning and operating small businesses themselves. So I expect that all members in here know the benefits of this.

While there are some technical portions of this act, these are the objectives. I think they're good ones for the territory. I think they're good ones that all members of the Assembly can endorse. We've heard some comments from the Leader of the

Official Opposition that were certainly extraneous to the bill before us. I don't really want to delve in a lot on his comment — again, it's extraneous to the bill before us — but Yukoners do need to be reminded that that member did play a fairly prominent role with the previous government that made the decisions that he was discussing here today. I don't know if he was the one providing the advice on making those changes, making those cuts. I don't have that information; I wasn't there; the member opposite was.

Maybe he could explain to Yukoners if he supported those decisions or if he indeed made those recommendations himself. We don't know. He was there; he was part of the decision-making process; I wasn't. He can inflame the debate out there in the public by saying that they might do this in the future, but we've seen lots of the hypotheses and theories coming from the opposition in the past and I am reminded by constituents who tell me that just because the opposition comes up with a theory doesn't mean that it has any amount of reality in it.

With that being said, I support the piece of legislation before us. It will affect Yukoners, not only those operating small businesses but also those receiving dividends which, as the Premier indicated, was about 3,200 Yukoners, many of them in the bottom two income tax brackets and also in the 40- to 60-year-old range. This will have a significant impact on them as well. I would commend this bill to the Assembly and encourage all members to stand and demonstrate their support for cutting Yukoners' tax burdens and keeping us in line with some of the recent federal changes.

Mr. Inverarity: I'm here to discuss Bill No. 92 at the second reading stage. I think that a fair bit has been said for this afternoon. I think I'm just going to be fairly brief on this one and not get into too many details. It would be nice to get into a few more details and point out some issues around it but as both our leader and the Member for Southern Lakes has indicated, no briefing was forthcoming. I know the Member for Southern Lakes seems to think that we don't need a briefing on these things but I've read through the bill and there are some important issues here, particularly the increase in the small business threshold from \$400,000 to \$500,000. On the surface, it seems like a very good thing. It would have been nice to ask a few questions within a briefing on this but, as we've seen in the past all too often, we end up standing up here asking questions about bills that we've received no briefing on and it goes to this issue of good governance and the lack of respect for those members within this House.

The other issue was the harmonizing of the federal and Yukon small business deduction limits.

I think the service is pretty good. There was another item here: it says the bill also makes a number of updates and removes outdated provisions and resolves some minor technical deficiencies in the act. When I went through it, I came across a couple of formulas in here I thought were somewhat complex and would have liked to have asked a few questions on. One particularly I'm looking at, which looks like section 6, paragraph (b), where it says the number expressed is no more than

four decimal places, determined by the formula $C - D$ over $E \times (1 - F) + D$ over $E + D$.

My algebra is not that bad, but it has been awhile and it would have been nice for one of the Department of Finance individuals to explain in a little more depth exactly what that particular formula meant. It might not be that complex but I didn't quite understand it at that point and it would have been something worthwhile discussing.

While I appreciate the efforts to reduce the tax burden, as the Member for Southern Lakes said, it's a rare day when we get to stand up in this House and actually lower the burden on taxpayers.

I think that that's a good thing and I believe that our leaders indicated our support for this particular bill, but I think that it still deserves some more discussion. Specifically I think the big issues here are how the government deals with members opposite with regard to all of these bills that are coming up. I don't believe we've seen any schedule for any briefings on any of the bills yet and if that's the way this whole process is going to go this fall, then I guess they can expect us to stand up here and talk about good governance again and again and again.

I think that we should focus on a number of issues — the running deficits for two years in a row now; certainly the corporations are saddled with \$167 million in new debt and contributed no cash to the Development Corporation or the hospital because they have no cash to give. We see that frequently and a number of the departments are coming around; there's a tightness shaping there and, while the government likes to say that they're in a sound fiscal position, we know that they've gone from a \$170 million odd surplus three or four years ago to — if you take away the asset-backed commercial paper — about an \$8-million surplus and that's cause for concern.

Getting back to this particular bill, though, I have to say that it is good to see that we are moving forward with a tax deduction for all Yukoners, and I believe that as we move forward and we can get answers to the questions regarding this bill, you will see the opposition support this bill — as long as there aren't any ghosts buried in there — at the end of the second reading speeches.

Hon. Ms. Taylor: I would like to thank the Minister of Finance for bringing this bill forward for members' consideration. I would like to thank the Department of Finance for working with the Government of Canada on implementing these changes. I believe that Bill No. 92, *Act to Amend the Income Tax Act (2010)*, as the Premier has already articulated, is the ninth tax change that has taken effect since the Yukon Party government was elected in 2002, all of which continues to help reduce Yukoners' tax burden.

I've said this on a number of occasions, but one of the major election commitments that this party made to Yukoners upon taking office in 2002 was to work with stakeholders, work with other governments, work with First Nations, work with the Government of Canada and municipalities and many others to create a climate that's conducive to the growth of the private sector. I believe that we have been able to do that in collaboration with a multitude of different partners.

One of the things, in terms of influencing a strong business climate, is to look at the tax regime of any respective jurisdiction. As I mentioned, our track record in terms of implementing changes for the positive — that which contribute to the net growth of the economy and that which result in great positive changes for the social environment — is what we are talking about here today.

I was looking back at some of the changes that this government has implemented over the years.

One of them, back in 2004, was an *Act to Amend the Income Tax Act*, when this government first reduced the corporate small business tax rate from six percent to four percent. It represented at that time a 33-percent decrease in small business tax rate. That particular change was also the first time that the rate had actually been touched since 1983. The bill also changed the small business deduction limit to \$400,000. That was very significant at that particular time.

Again, those initiatives just further reduce the taxes for many of our businesses operating in the Yukon as we know today. As we know, lower taxes help stimulate our growth, as well as initiatives to do well to promote diversity of our economy, both of which I'm certain all of us in this Legislature can agree with and wish to encourage.

Another example was in 2006. It should also be duly noted that tax changes are not only about helping business corporations in the territory, but also about helping families.

The low-income family tax credit, for example, was restructured to exclude in its calculation any payments parents receive from Canada for the universal childcare benefit that was introduced a few years back. Again, what this change effected was to put more disposable income in the pockets of Yukon families. Again, without changes such as this — mirroring federal tax legislation — Yukoners with children would end up paying more in income tax. So, these are all changes that are worth noting, again, and remind members opposite that some significant changes have taken effect.

Back in 2007, we made other changes to the child tax credit — Yukon child fitness tax credit — again mirroring the federal tax initiatives. Again, each of these changes has helped contribute to more dollars in Yukoners' pockets — families in particular. I can say that, having a five and a half year old who's very engaged on the sports level, or in any physical activity, those tax credits in particular are well-received.

I've talked with many constituents and many Yukoners over the last couple of years on how those tax credits have really encouraged children of all ages to become more engaged in sports — more engaged in participating in healthy activities — which is something very well-received across this country. It's an issue that we need to continue to address, whether it be through tax initiatives or whether it be through other initiatives. Each of these initiatives builds on programs and policies and services that this government has helped enhance. Child care subsidies, for example, were enhanced significantly through the Department of Health and Social Services. I know that one of the first things that Yukon Party government did was to also increase the pioneer utility grant and index it against inflation. These changes have helped significantly — helped a lot of sen-

iors and elders in our communities. It has helped enhance their ability to stay in their homes, pay the bills and utilities.

It has helped provide that added relief during tough times, from which the Yukon has not been exempt, by any means. I think it's really important to note that initiatives such as this are very important for the economy and also important for the quality of life that we, as Yukoners, continue to enjoy.

Of course, this change that we are talking about here — before in Bill No. 92 — this deduction limit is increasing from \$200,000 when we first came to office back in 2002 to the proposed \$500,000. So when one looks at that in the context of the big picture, this is a 150-percent increase in the last eight years. It's a clear sign of our commitment to the business community. All of this and other tax credits that we have implemented over the years — whether it's mirroring federal tax legislation or otherwise — are all clear signs of our commitment to the community at large. Of course, the second change relates to the personal income tax dividend tax credit

Again, this is contributing more money in individual taxpayers' pockets — dollars that will indeed be put back into the economy. It is well-received and has resulted in an expansion of the business community. It really is heartwarming in going door to door, for example, over the last number of years. There has been a tremendous influx of new citizens to this territory from all parts of Canada and elsewhere. They come to the Yukon because of the climate — the climate in terms of jobs available, in terms of training opportunities, in terms of personal development growth, and in terms of enjoying that quality of life that all of us are so fortunate to have here in this corner of our country.

So I'm very pleased to be able to support these particular changes. We will continue to ensure that we harmonize our legislation with the federal government. We will continue to work with the social side of the ledger and we'll get into more of those initiatives tomorrow in tomorrow's discussion during motion debate. Again, I just wanted to say that I commend this legislation to the House.

We look forward to hearing and receiving support from the members opposite and using these changes to build upon programs that are currently being delivered, whether from the Yukon government through the Department of Economic Development, Tourism and Culture and others, or through the Government of Canada, self-governing First Nation governments, municipalities, and so forth.

Thank you very much for the opportunity to say a few words and I look forward to the constructive input from members opposite.

Mr. Cardiff: I'm pleased today, once again, to get up and have the opportunity to respond to a piece of legislation, Bill No. 92, *Act to Amend the Income Tax Act (2010)*. I also would have liked to have received a briefing from officials on this piece of legislation. However, as I cited earlier, a lot of what is said at second reading is about the philosophy of the legislation and what it is that's being proposed.

In reading through the legislation and the accompanying press release, it appears to me that once again we're mirroring

changes that are being done federally, increasing the small business threshold from \$400,000 up to \$500,000. As the previous speaker indicated, over the life of their government that is a 150-percent increase. Small businesses will be able to earn up to \$500,000 and be taxed at four percent. I can see the benefit to that. There is a definite benefit to that; it does support small business and small businesses are a big part of our economy in the Yukon.

If it weren't for small businesses, there wouldn't be as many large businesses in the territory. I can agree with the tax change. In reviewing what is happening in other jurisdictions, just about every other jurisdiction in Canada has currently mirrored this change already.

It also increases the tax credit for those with shares in corporations and those who receive dividends. According to the press release — we didn't have the briefing — it's going to cost the territory's coffers roughly \$500,000 annually. I look forward to discussing this bill with the Minister of Finance a lot further in Committee of the Whole.

It seems to me we've had this discussion before.

Back in 2006, legislation was brought in — it was Bill No. 31, *Act to Amend the Income Tax Act*. It was, again, to mirror changes to the federal income tax regime. I asked a lot of questions of the Premier at that time. Some of the questions I have about this particular piece of legislation are: who is it going to benefit, and how many people are going to benefit from this?

You know, taxation is a major tool to achieve societal goals. So it's appropriate, I believe, to ask what is hoped to be achieved by these changes. What are the goals and objectives of these changes? While I understand — I believe — what those goals and objectives are, I'd like to hear the minister clarify what they are. I'd like to know what analysis was done to support making these changes. I'd also like to know what analysis has been done on other tax changes.

There is no doubt in my mind that these amendments are going to benefit a lot of people with fairly high incomes, but I find it hard to believe — I don't think they're going to do anything for the poor and for working families who are just scraping by.

Now, I remember, in recent days, the Minister of Economic Development saying, "If you're going to have a social safety net, you're going to have to pay for it. We're reducing the revenues, and we're giving more back to small business people, and those who are receiving dividends from their investments." They'll argue that the tax benefits are better going to the people who have more money and have the ability to take advantage of these and will mean more benefits to the poorest people, the least advantaged in our society, because we've heard it all before from right-winged governments, like the governments of Ronald Reagan, George Bush, Ralph Klein, and Stephen Harper. It's called "trickle-down economics".

The theory is that the rich, by getting richer, are going to support the poor. There are a few quotes I could read, one of which I'm not going to, from John Kenneth Galbraith, on the trickle-down theory of economic growth, because it might not be appropriate. It's basically: "Let's give the rich more money to benefit the servants."

The Yukon Party could have gone a number of ways. In the spirit of constructive criticism — I'll go back to 2006, to Bill No. 31. I had a long discussion. I made my comments in second reading, and I had a long discussion in Committee of the Whole with the Finance minister about why we couldn't do more for the least fortunate in our society. A specific example was the low-income tax threshold or benefit.

I asked the Premier to consider that, and here we are four years later and they've still not done anything on that. They could have gone any number of ways when they sought to change our tax laws, but they chose the tried and true measure that is to redistribute the wealth upward.

There are a lot of other examples. An interesting paper has come out of the Northwest Territories, which I only have one copy of, but I will endeavour to make copies and table it tomorrow. It's an interesting paper from the Northwest Territories Department of Finance on revenue options. It's about taxation. This is the third time that the Government of the Northwest Territories has gone out to the public to talk about what kind of tax changes people in the Northwest Territories would like to see. Admittedly, some of them aren't popular, but some of them need to be discussed.

They need to be discussed in the public, not just here in the Legislative Assembly. What about increasing the amount that low-income earners can earn? Why not increase that? How about things like tax credits to stimulate green jobs? Why has the government done nothing on that front with the income tax regime? There are a couple of options being discussed in this revenue options paper put out by the Minister of Finance. One is a carbon tax, which has been done in British Columbia, Alberta and Quebec, I believe. There's some discussion in this paper about a hotel room tax with the proceeds being used to promote tourism, to promote the Northwest Territories as a destination. I'm not saying these are all good ideas; I'm saying that I believe Yukoners would like to have a mature discussion about some of these options.

One that I touched on briefly during second reading of the *Second Appropriation Act, 2010-11* is a payroll tax.

The government has to look at its own-source revenues. As I said earlier today, the federal government is going to be doling out money only so much longer. While we've done really well during this period where there has been lots of economic stimulus money, there has been an emphasis on the redistribution of tax dollars in Canada so that the territories and the services that are available in the northern territories are commensurate with those that are available in southern jurisdictions. I think that's all fine, but the federal government is running out of cash, and sooner or later they're going to tighten their belt and we're going to end up bearing some of the brunt of some of that.

The idea behind the payroll tax, for instance — the payroll tax has been in existence in the Northwest Territories; it's a two-percent payroll tax. It was originally a one-percent payroll tax, I believe. I think it was increased in 2005, and it applies to all workers who earn income in the Northwest Territories, including non-residents.

That's the kicker. That's what I was talking about earlier today during second reading on the second appropriation bill that was before us. We're talking about own-source revenues and we're talking about the overheated economy. If the government is going the direction it's going and the economy is going to go the way they believe it's going to go, and there is going to be more economic activity and there are going to be more mines, and there may be a pipeline and there may be more projects like Mayo B and there will be transient workers coming to the Yukon, earning money here in the Yukon, on projects that are being either funded or subsidized to some extent by Yukon taxpayers. Yukoners deserve — just like they deserve to receive royalties, just like they deserve to receive a return on the resources that actually belong to Yukoners. This would be one way to increase those revenues.

Now, I guess the problem is that it's on all those workers who earn income in the Northwest Territories, including the non-residents. The way that it is offset is, for those who file their tax returns in the territory on December 31 — when they file their income tax returns, they're also eligible for a refundable cost-of-living tax credit which offsets that tax; hence the revenues that have been collected from those who are working out of the territory remain here. The revenues from those who live here, reside here, make their homes here, have a commitment to living here in the Yukon and looking after their communities and the territory, actually receive that money back.

There are lots of different ideas. I'd like to briefly touch on another one that I brought up previously with the Minister of Community Services.

I actually had the Finance minister on his feet on this one as well earlier this year. That was for tax credits to support volunteer firefighters and their employers. A letter was sent to the Canadian Association of Fire Chiefs, and there was a motion read into the record, and I discussed this with the Minister of Community Services and the Finance minister on May 20 of this year. The Finance minister said that he would have to at least go to the Department of Finance and look at this a little more thoroughly before a determination like that can be made. But this is a tax measure that supports volunteer firefighters. It supports the employers of those people who are doing good service in our community — who are putting their lives at risk. The employers are allowing those volunteer firefighters time away from work — to leave their work in the service of their community.

Those are just a few ideas that I believe should be considered and that haven't been considered, despite providing those constructive ideas to the government. They've been ignored. Progressive tax regimes attempt to decrease the gaps between the rich and the poor through redistributive means. They do this by saying, "You've got more, so you can give more." It's about paying your share, basically. Now we need a mature discussion, I believe, on taxation issues here in the territory, much like what is happening in the Northwest Territories.

How do we use tax credits to tackle poverty and other social goals? An example would be climate change — that could be carbon taxes or green tax credits. How do we use tax credits to stimulate key industries in the Yukon? Are the personal tax

brackets fair across the board? Are the rates of corporate tax fair? Yukon has no sales tax. Will that always be the case? I think it's a good idea that there's no sales tax because it is a tax on the poor, but we need to have a mature discussion about that.

In the context of social redistribution of fairness, of creating new avenues for our own-source revenue, rainy-day funds, et cetera, we need to have that discussion on taxation. We don't just need to force through measures like this, regardless of how good they are. We need to have a broader discussion with the public about taxation and how we can use it to achieve the goals of decreasing poverty, improving our stewardship of the environment and showing others that we really care.

Hon. Ms. Horne: I thank the Minister of Finance for bringing this bill forward to enhance and modernize Yukon's tax regime. I'd like to take this opportunity to explain how this bill fits in with the larger picture of what it is our government is doing. Our first commitment was to achieve a better quality of life for Yukoners. Our second commitment was to protect the environment. Our third commitment was to promote a strong, diversified private sector economy. Our fourth commitment was to practice good governance.

With strong, physical management, Mr. Deputy Speaker, a good government is one that provides the context in which its citizens can grow and prosper. We want to help Yukoners achieve a better quality of life. You know as well as I do the sorry state of the Yukon's economy in the late 1990s and the early 2000s. We have been working diligently to resurrect our economy, to revive the Yukon as a land of opportunities. We have been successful.

Today we are all aware that Yukoners have a rich selection of job opportunities. This bill today is to enhance and modernize Yukon's tax regime. By having a modern and sophisticated tax regime, we are improving the opportunities and resources available to Yukoners. Access to capital is one of the keys to building a strong economy, allowing more Yukoners to keep more of their wealth. We are increasing the pool of capital available for them to invest. This bill is a response to our commitment in the 2006 campaign to provide business with tax incentives, to promote economic growth.

The corporate income tax small business deduction limit is raised from \$400,000 to \$500,000. It is harmonized with the federal amount on a go-forward basis. Since we took office, this amount has been raised from \$200,000 to the \$500,000 we are proposing in this bill. The good news is that we are proposing changes to the dividend tax credit so that we eliminate the double taxation. Few things help us achieve a better quality of life than having a meaningful rewarding career that provides for our needs and enables us to be contributing members of society. Having addressed in our first mandate the economic plight we had inherited, we are now working in other areas to improve Yukoners' lives.

Our honourable friends opposite argue that we are merely passengers who got a free ride on the federal government largesse and on rising world mineral prices.

No, here's the truth: world mineral prices mean we are benchmarked against other jurisdictions worldwide. When we came to power, our neighbours — but not Yukon — were enjoying a booming exploration industry. Ten years ago, under the Liberal watch, jurisdictions to the east, the west and the south were all booming, but not Yukon. No. Despite the fact that people worldwide wanted minerals, no one wanted to come to Yukon to get them, and that was because of a lack of investor confidence in the Liberal and NDP regimes of the day.

Under the Liberal watch, only 80 lots were sold in their best year. At that rate, we would have had a six-year supply at the rate of annual sales for 2000. Selling 34 per year, we would have had a 14-year supply. I'll give the members opposite credit: they managed to find a way to make home ownership, at least for those who had a job anyway in the Yukon, very affordable. By driving so many Yukoners to leave Yukon, it was a buyer's market. But those days are gone.

Due to some solid, diligent work on our part, we have been able to restore that confidence. I applaud our Premier and the Minister of Energy, Mines and Resources for their good work. Nothing indicates someone's confidence more than their willingness to purchase land. Businesses can be moved, but not the property on which they sit.

We, the Yukon Party, made the Yukon an attractive place to live and housing prices reflect that we are now a destination of choice. That is good news. Thankfully we were able to turn our economy around. We did that through achieving a balance between the economy and the environment and through practising good government. No longer are Yukoners economic refugees fleeing the territory to seek better life elsewhere. Yukoners are staying here and many of those who left are now moving back. This is where our heart is; this is our home.

This bill, which enhances our tax regime, is yet another step in the right direction. Unlike the Liberals who thought the best way to manage an economy was to demand more taxes from fewer taxpayers, we are increasing the number of taxpayers and reducing the tax burden to those who are here.

In the spirit of good governance, I commend this bill to the Assembly.

Mr. Fairclough: I'd like to speak to Bill No. 92 briefly and comment on the previous speaker's comments in this House, and say that we in the Official Opposition, as was said twice already, support this bill. If it means more money in Yukoners' pockets, and it's fairly simple — it's a housekeeping bill, it follows federal changes to legislation — we support it and understand it.

What I'd like to say is that, in my riding, we have a tremendous amount of business activity taking place. There is more development than I've ever seen take place in my riding. We have an abundance of minerals that are looking to be extracted, but one thing I haven't heard from the Yukon Party members in all their comments about how good the economy was — there was never any credit given to First Nations at all.

I've brought this up again and again. The Minister of Tourism said she said it. I didn't hear it, but I'll take her word for it.

First Nations have contributed tremendously to the economy of the Yukon Territory. Why isn't the credit given to them? They've settled their land claims agreements, they've put together corporations, they're dealing with business — big business — they talk with mining companies, and because of their involvement in these, they are able to go out, doing PR work on behalf of First Nations, and raise millions and millions of dollars that come into this territory for exploration work. That wasn't said.

The other thing the previous minister didn't say is how other governments — the NDP and the Liberal governments of the day — worked hard at bringing the federal programs to the Yukon Territory through devolution. That gives us tremendous leverage to decide on Yukon's destination. Everybody noted at the time that things would improve if that were the case, and that we wouldn't be controlled by Ottawa any more. That's what took place. What the Yukon Party failed to mention is that they weren't going to agree with this.

What the Yukon Party failed to mention was that they weren't going to agree with us at all until they, themselves, made some changes to the devolution program and agreement. But they didn't make any changes; they put their hands over their eyes and they signed on the dotted line.

I heard the Minister of Education talk about how the Liberal leader here was part of the Yukon Party when the two-percent changes happened — the rollback in the government employees' wages. Well, if you look deeper, I think members opposite would see that perhaps it was the Minister of Tourism, who was working for a government of the day — the Yukon Party government — who suggested the rollback to employees' wages. So let's all be clear about who was there at the time. Perhaps that discussion could take place among the Yukon Party members. I know that some laughter is happening on the government side, but that indeed is the case. They were the only government I know that rolled back employees' wages, and they paid for it in the election.

On the government side, the elected members are going to come forward in this Legislature and they're going to talk about the good things. They're going to talk about the Liberals, the Liberal government, the Liberal Party and about all the bad things they do and forming some kind of a campaign because elections aren't very far around the corner. We already hear that, but when you go out and talk with the general public, they are the ones saying that the Yukon Party government does not have any more new ideas — that they are tired and they have lost the trust of the general public. And that's what you will see reflected in a general election.

Members opposite have to find ways to be able to deal with this internally with their leader and perhaps a change in leadership will take place fairly soon or a general election. It doesn't matter at this point. The Yukon public has lost trust in this Yukon Party government on many fronts, and we're so fortunate to have the federal government's flow to the territory. We are more dependent on the federal government than we ever have been before.

If those programs suddenly shut down and we see fewer dollars come here, then Yukon is going to see some changes again because there will be less money flowing to the territory.

Right now we have First Nations fighting hard for an implementation of their final agreements, and they could use some support from the Yukon government, in lobbying with them to ensure that those agreements are implemented the way it was intended to — the intent of putting these agreements together. When that takes place, we will see an increase in dollars again to the territory, particularly when it comes to small communities. Those dollars are spent in the communities and circulate in the communities and we've seen quite a bit of the benefit of those dollars in the communities. Everybody benefits, including small businesses and even the bigger businesses. I know that if all members opposite even went to a car dealership — in the tough times that we had here in the territory, the people that were still moving things — building materials and so on — were the First Nations. They were still building buildings and houses and they were still buying cars. It was noted to me by those businesses that they largely appreciate that and could really see the effects of the final agreements in the territory, and that's reflected in our economy today.

It should be noted and it probably will be from here on. I've said it twice already in our short sitting, Mr. Speaker. I'm hoping that perhaps the government side would give notice to that and even give some credit where credit is due when it comes to devolution of federal programs to the territory, because we benefit from that by making decisions here. One of the things that we didn't do, even though the minister of the time said in regard to forestry that forestry would thrive by '05 — is it thriving right now? These are local decisions that could be made by this Yukon Party government. Five years later, still nothing. When it comes to whistle-blower legislation, still nothing. They are stalling on many fronts. Yukon government employees know it; they see it. Even small businesses know it and see it.

I've been up and down the highway and I've had a lot of comments in regard to the actions of this Yukon Party government and how these small businesses simply do not like the way in which the Yukon Party has taken the territory on those fronts. We're fortunate to have monies coming in and it's not only flowing to the Yukon government for contracts and projects, but it is flowing to First Nation governments as well, and we're seeing many projects that have been put in place today. Even though we vote against the Yukon Party budgets, Mr. Speaker, it's a confidence vote. That's what it's going to come down to.

Projects are in there that we agree with and we'll keep mentioning it. One of them is the bridge across the Norden-skiold River — today there was some traffic on the new bridge, single-lane traffic, because they're going to be taking down the old bridge that they've been using. Community members appreciate it. Municipalities do appreciate that and we have spoken and given our support to government for that for quite some time.

We, in the Official Opposition, have said that we will be supporting the amendment. What we are asking and voting on

today — or maybe another day — is that this act goes into Committee for general debate and further discussions.

With that I'd like to thank members for taking a keen interest in what I had to say.

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

Debate on second reading of Bill No. 92 accordingly adjourned

The House adjourned at 5:30 p.m.