

Yukon Legislative Assembly
Whitehorse, Yukon
Tuesday, October 30, 2012 — 1:00 p.m.

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

Prayers

DAILY ROUTINE

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

TRIBUTES

In recognition of Learning Disabilities Awareness Month

Hon. Mr. Graham: I rise today on behalf of all members of the Legislature to pay tribute to the men and women who struggle every day with a learning disability. I also wish to honour those who work behind the scenes to raise awareness about these invisible disabilities and to provide help and assistance in accommodating them.

We do not fully understand what causes learning disabilities, although they seem to run in families. Some theories identify problems during pregnancy and birth as a possible cause, as well as head injuries, poor nutrition and exposure to toxic substances. Whatever the cause, learning disabilities can result in lifelong problems with listening, speaking, reading, writing and mathematics. Two of the most familiar learning disabilities are dyslexia — problems with reading — and attention deficit hyperactivity disorder, or ADHD.

Learning disabilities do not correlate to a person's intelligence. A person can be above average or average intelligence and have no physical impairment yet suffer from a number of learning disabilities. One in 10 Canadians has a learning disability so it's important to inform ourselves about them and learn how to accommodate them. Many learning disabilities are identified in childhood, but it's never too late to obtain help. Having a learning disability should not prevent us from attaining our goals. Understanding the challenges and finding the right coping strategies can make all the difference in a person's life.

Yukoners are fortunate to have access to the Learning Disabilities Association of Yukon, among others. LDAY works tirelessly throughout the year, bringing speakers to the territory, organizing workshops and putting on summer and winter camps for young people. They offer assessments and academic tutoring, as well as a resource library and parental support. The folks at LDAY and other organizations throughout the territory work to help persons with learning disabilities reach their maximum potential, enabling them to be independent and productive members of society — that's valued and their work is highly valued by all of us.

In recognition of the 70th anniversary of Japanese internment in Canada

Hon. Mr. Pasloski: Mr. Speaker, I rise today to pay tribute to and recognize the 70th anniversary of the Japanese internment in Canada.

In 1941, in response to the attack on Pearl Harbor, the Canadian government detained all persons of Japanese origin along the B.C. coast. During the Second World War, 22,000 Japanese Canadians were confined and transported to work camps in British Columbia and Alberta. We recognize the struggles and the losses of these in the Japanese community during this time and applaud their ability to overcome adversity and thrive.

Some prominent Canadians, such as authors Joy Kogawa and Roy Miki, were brought up in these camps. Despite the harsh treatment they received during a time of fear and racism, they and so many others have embraced Canada and become an important part of our rich and diverse culture. As we enter the month of remembrance here in Canada it is important to take time to acknowledge those who did not fight but who were adversely affected by the conflict. Today we remember and recognize the tenacity and the resilience of the Japanese community in Canada.

Thank you, Mr. Speaker.

Ms. Hanson: I rise on behalf of the Official Opposition, the Third Party and the Independent to pay tribute today to Japanese Canadians as the Japanese Canadian Association of Yukon marks the 70th anniversary of the internment of Japanese Canadians in 1942. They mark it tonight with an exhibition of photographs and a National Film Board documentary at the Whitehorse Public Library. We know the history. In February 1942 during the Second World War, after the Japanese attack on Pearl Harbor in 1941, the Canadian Minister of Justice ordered all persons of the Japanese "race" to leave the coastal regions of B.C. It was believed there was a grave danger of possible sabotage and espionage by persons of Japanese descent. However, there was no proof of danger from Japanese persons in Canada. During the evacuation, many people were given only 24 hours' notice to vacate their homes before being sent to clearing sites, where they were detained until internment camps were prepared. A civilian body, the B.C. Security Commission, was in charge of the expulsion orders.

By November 1942, after eight months of operation, the commission managed to break up and uproot families, and send nearly 22,000 individuals to road camps, internment camps and prisoner-of-war camps. This continued the long history of racism toward Asian Canadians.

At the turn of the 19th century, anti-Asian sentiment was rampant. Successive waves of Asian immigration gave rise to a public anxiety over what was called the "yellow peril". It reached a fevered pitch in 1907, when a crowd at an anti-Asian rally suddenly turned into a mob and marched through Vancouver's Chinatown and Japanesetown, breaking store windows. That riot was stirred by anti-Asian agitation and the exploitation of public sentiment by the media and politicians. The

government reacted by restricting immigration of Japanese nationals to Canada.

Despite the racism, the community continued to develop and prosper. During the years of limited immigration, women arrived and families began to grow. Japanese Canadians, still without the ability to vote, volunteered for service in World War I. By 1919, Japanese Canadians owned nearly half the fishing licences in B.C., but by 1925, that had been stripped.

In 1941, Japanese Canadians were fingerprinted and photographed and were required to carry registration cards. War was imminent. Stripped of their rights, categorized as enemy aliens and forcibly uprooted, Japanese Canadian internees faced further injustices. All of their property and belongings were held in trust by the Custodian of Enemy Property. They were sold without the owner's consent. Land, businesses, cars, houses and personal effects were liquidated at a fraction of their value. The government of the time justified this action by saying that proceeds from the sale of goods and property would be used to pay for the living expenses of those interned.

Toward the end of the war, the Japanese were threatened with further expulsion. They were given the option for dispersal to places and towns east of the Rocky Mountains or outright repatriation to Japan. These were Canadians. In 1948, Japanese Canadians received the right to vote. Public sentiment was beginning to lean in the community's favour. Japanese Canadians were gaining strength and resolve to mobilize politically.

In March 1949, four years after the war was over and the last of the wartime restrictions and the *War Measures Act* were lifted, Japanese Canadians were finally allowed to travel freely and return to the west coast. Ken Adachi, author of *The Enemy That Never Was* put it this way: "I was born in Canada, brought up on Big Band jazz, Fred Astaire, and the novels of Rider Haggard. I had perceived myself to be as Canadian as the beaver. I hated rice. I had committed no crime. I was never charged, tried, or convicted of anything, yet I was fingerprinted and interned."

In 1950, a federal commission recommended \$1.2 million compensation to individuals from which their legal fees had to be deducted. This represented \$52 per person. Many people felt compelled to accept the offer. Others did not even file claims. The outcome of this commission quelled any further protests for a number of years. Then, on September 22, 1988, the *Japanese Canadian Redress Agreement* was signed. In the House of Commons, Brian Mulroney acknowledged the government's wrongful actions, pledged to ensure that the events would never reoccur, and recognized the loyalty of the Japanese Canadians to Canada.

As a symbolic redress for those injustices, the government offered individual and community compensation to the Japanese Canadians. To the Canadian people and on behalf of Japanese Canadians, the government committed to create a national organization that would foster racial harmony and help to eliminate racism. The Canadian Race Relations Foundation opened its doors in 1997.

History teaches that unless we remember our history, we are doomed to repeat it. This was not a proud period for Canada, but one that, as a former moderator for the United Church

said, and I quote: "Acknowledgement of an imperfect past is a prerequisite for a future in which people live together in mutual respect, and self-righteous racism does not take us by surprise again."

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

INTRODUCTION OF VISITORS

Ms. Hanson: I am pleased to introduce today, Fumi Torigai, president of the Japanese Canadian Association of Yukon.

Applause

Speaker: Are there any further introductions of visitors?

Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Ms. Hanson: I have for tabling the *Agreement Between the Government of Canada and the Government of the People's Republic of China for the Promotion and Reciprocal Protection of Investments*.

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

Are there any reports of committees?

Petitions.

PETITIONS

Petition No. 4 — received

Clerk: Mr. Speaker, and honourable members of the Assembly, I have had the honour to review a petition, being Petition No. 4 of the First Session of the 33rd Legislative Assembly, as presented by the Member for Mayo-Tatchun on October 29, 2012. Petition No. 4 meets the requirements as to form of the Standing Orders of the Yukon Legislative Assembly.

Speaker: Accordingly, I declare Petition No. 4 read and received. Pursuant to Standing Order 67, the Executive Council shall provide a response to a petition that has been read and received within eight sitting days of its presentation. The Executive Council response to Petition No. 4 therefore shall be provided on or before Tuesday, November 13, 2012.

Were there any other petitions to be presented?

Are there any bills to be introduced?

INTRODUCTION OF BILLS

Bill No. 50: Introduction and First Reading

Hon. Mr. Graham: I move that Bill No. 50, entitled *Statute Law Amendment (Nurse Practitioners) Act*, be now introduced and read a first time.

Speaker: It has been moved by the Minister of Health and Social Services that Bill No. 50, entitled *Statute Law Amendment (Nurse Practitioners) Act*, be now introduced and read a first time.

Motion for introduction and first reading of Bill No. 50 agreed to

Bill No 43: Introduction and First Reading

Hon. Ms. Taylor: I move that Bill No. 43, entitled *Act to Amend the Securities Act*, be now introduced and read a first time.

Speaker: It has been moved by the Minister of Community Services that Bill No. 43, entitled *Act to Amend the Securities Act*, be now introduced and read a first time.

Motion for introduction and first reading of Bill No. 43 agreed to

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

NOTICES OF MOTION

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

THAT this House urges the Government of Yukon to continue to work with farmers and groups, including Yukon Agricultural Association, Fireweed Community Market, and Growers of Organic Food Yukon, to improve Yukon's food security by increasing the local production of food.

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

THAT this House urges the Government of Yukon to continue to educate Yukoners about the importance of preventing human-bear conflict by reducing attractants around their homes, such as food and waste, and only relocating or killing bears when necessary to protect human safety.

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

THAT this House urges the Government of Yukon, in cooperation with Yukon First Nations and the Yukon Salmon Sub-Committee, to conduct a full public analysis of the state of Yukon's chinook salmon fishery and stocks and to take action to ensure that:

- (1) the ecological integrity of Yukon's salmon-spawning rivers and breeding grounds is maintained;
- (2) there are adequate chinook salmon stocks to meet the needs of Yukon First Nations;
- (3) there are adequate chinook salmon stocks to allow for fair and equitable sharing of resources; and
- (4) further cooperative work be undertaken by Canada, Alaska, Yukon and First Nation governments.

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

THAT this House urges the Government of Yukon to invite officials from the Yukon Hospital Corporation to appear as witnesses in this Legislature this fall to answer questions related to:

- (1) the delay and overbudget, Dawson City hospital;
- (2) the delay and overbudget, Watson Lake hospital; and,
- (3) plans to expand the emergency room at Whitehorse General Hospital.

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

THAT this House urges the Yukon government to send financial aid through the Canadian and/or American Red Cross to help those individuals and families recover from the devastating effects of the October 29, 2012, hurricane, formally named Sandy.

I give notice of the following motion:

THAT Standing Order 14.2(2) of the Standing Orders of the Yukon Legislative Assembly be amended by adding the following:

(c) notwithstanding Standing Order 14.2(2)(b), an independent member in opposition shall have the fourth position on the roster; and

(d) where there are two or more independent members in opposition, the Speaker shall determine the allocation of the fourth position on the roster to those members; and

THAT Standing Order 14.2(3)(b) be amended by adding the phrase "or independent member" between the words "group" and "in".

Speaker: Is there a statement by a minister?

This then brings us to Question Period.

QUESTION PERIOD

Question re: Health care facility costs

Ms. Hanson: Earlier this month, I attended the Yukon Hospital Corporation's annual general meeting and, as we heard yesterday, it was confirmed that both the Watson Lake and Dawson City hospitals are behind schedule and over-budget — again. Also at that meeting, questions were raised about the model of care that would be in place at the Dawson hospital. In the normal course of events, you design a building according to the purpose it is going to serve. The Dawson hospital is almost finished and it is slated to open next year. According to the Yukon Hospital Corporation, the "model of care" is still to be determined.

The Auditor General of Canada has been critical of this government for not having clear direction or defined plans for health care outcomes. The Minister of Health and Social Services has the responsibility for, and is accountable to, Yukoners for all health care expenditures. Can the minister tell the Legislature what model of care Yukon citizens can expect to receive at the Dawson hospital?

Hon. Mr. Graham: Recently, a decision has been reached between the Department of Health and Social Services and the Yukon Hospital Corporation with respect to the model of care that will be in place in the Dawson City hospital — and it will be an acute care hospital. We have reached a tentative agreement as far as funding goes, as well, for that hospital.

We will be coming forward with that information as it progresses.

Ms. Hanson: That will be interesting to see how acute care will work in that context. You know, as important as buildings are, it is the model of care that makes the most difference for patient outcomes, so this is going to be fascinating.

The minister also recently announced that this government is committed to establishing a collaborative care clinic that,

quote: “sees nurse practitioners, physicians and other health care professionals working together to provide care to Yukon residents.” The Official Opposition applauds the minister for this. However, to avoid repetition of building without a clear sense of purpose, will the minister commit to inclusion of patient groups in the design of the collaborative care clinic and set clear timelines for the implementation of this pilot project?

Hon. Mr. Graham: As part of the recent agreement between the Yukon Medical Association and the Government of Yukon, the introduction of a collaborative care clinic was agreed to in that set of negotiations. Consequently, we will be proceeding. The collaborative care clinic — we see it as being something that we do in collaboration with Yukon doctors.

It’s not something that we’re going to rush out and establish tomorrow by hiring our own doctors and other medical practitioners. We see it as something that we will do in conjunction with a clinic, either in Whitehorse or in one of the communities. So it’s not something that we’re going to rush out and do tomorrow; it’s something that we’re going to work on with clinics in the territory.

Ms. Hanson: We’ll want to come back to the minister at some point for the definition of “collaborative care” and, as I said, the clear indication is requirement for timelines in any pilot project. That’s what Yukoners need to know: they want to know what they can expect to receive from services, such as the Dawson hospital and the collaborative care initiative.

The Hospital Corporation just completed a 20-year strategic plan and has given it to the minister. Because the Official Opposition has been denied access to the plan, it is hard to know how or if the Hospital Corporation plan will further collaborative care. The Hospital Corporation is apparently not accountable to Yukon taxpayers — the minister is.

Will the minister table the Yukon Hospital Corporation’s strategic plan in this Legislature for debate?

Hon. Mr. Graham: I won’t promise that we’ll do it at any time in the near future. What you have to understand is the Hospital Corporation has come up with a strategic plan. They’re also working hard on future planning for the hospital itself in the City of Whitehorse.

It’s something that we must, first of all, discuss with the Department of Health and Social Services to see if in fact we are in full agreement with what the hospital plan is, and then it’s something that we will have to bring to the government caucus to make sure that funding is available in the long term and it fits in with other strategic directions that this government is taking. So, yes, eventually we will be only too happy to present it, but not in the short term until some decisions are made here with respect to long-term planning for the Yukon Hospital Corporation.

Question re: Emergency preparedness

Mr. Barr: With Hurricane Sandy and the earthquake off Haida Gwaii, the issue of how prepared we are for major disasters is front of mind. In the Yukon, we have experienced recent emergencies — the spring flooding and washout of the Alaska Highway, which led to food shortages, the recent telecommunications outage, flood risk in the Southern Lakes and, of course, the recurrent power outages.

Yukoners want and deserve to be safe in their homes, and they expect their territorial government to lead by example. How has the Yukon government learned from these events and what measures has it implemented to ensure our territory is more prepared for disasters and better able to care for Yukon citizens?

Hon. Ms. Taylor: I’d first like to start off my remarks by congratulating all the members of the Government of Yukon and the Government of Canada, the RCMP, and the many inter-agencies who have worked very hard on those respective emergencies to which the member opposite has just referred. Just recently, one of those teams involved in the Upper Liard flood were just recognized with an award, the Premier’s Award of Excellence, for the collaboration and the inter-agency coordination that has occurred. So the Yukon government certainly remains committed to public safety and emergency response through the delivery of emergency medical services, wildland fire management, and emergency measures structural fire protection. What we will do is continue to plan and continue to exercise those plans with our inter-agencies, and we will continue to enhance investments in those respective agencies.

Mr. Barr: “Critical infrastructure” is a term used to describe assets that are essential for the functioning of a society and economy. Critical infrastructure planning would look at a number of disaster scenarios, like an earthquake, and come up with how government and other agencies can provide adequate food and water supplies, heating and shelter, transportation, and telecommunication systems, public health, security and electric power.

What is the plan to ensure that throughout the Yukon, in all our communities, our critical infrastructure is secure?

Hon. Ms. Taylor: As I mentioned just recently, we will continue to work with the respective communities and all the agencies — RCMP, the Government of Canada, Yukon government and First Nation governments — to continue to invest in that critical infrastructure, as the member opposite just referenced. We’ll continue to put resources into the Yukon Emergency Measures Organization in support of search and rescue organizations throughout the territory, in support of our volunteer fire departments, in support of our Emergency Medical Services. We’ll continue to put resources into planning and continue to exercise those planning exercises. We’ll continue to lead the review of all our internal emergency coordination plans and work toward strengthening our organization, working in tandem with many others.

Question re: Whistle Bend contract

Mr. Silver: Earlier this year, the Government of Yukon reached an out-of-court settlement with a local contractor over the Whistle Bend subdivision. At that time, Government of Yukon officials refused to say whether any money had exchanged hands as part of that agreement. Given the government policy of cost recovery for money it puts into lot development, a settlement, if there was one, may have increased the cost of these lots. The cost may have been passed on to purchasers in the form of higher prices. Given that this is public money, I believe taxpayers have the right to know if a payment to the contractor was made. To the Minister of Justice: Was

public money paid as part of the settlement, and, if so, how much?

Hon. Ms. Taylor: Indeed, the member opposite made reference to an out-of-court settlement, and there are provisions of confidentiality associated with that out-of-court settlement, which the Government of Yukon very much stands obligated to. What I can report is that Whistle Bend subdivision is by far Yukon's largest subdivision ever to be undertaken in Yukon's history and that this, by and large, certainly will be well over \$250 million when all is said and done in all eight phases of development. It will certainly accommodate up to 8,000 to 10,000 people at the end of the day and it involves a number of respective contracts.

We certainly remain committed to providing affordable land, and I'm very pleased to announce that 119 residential lots were issued earlier this fall and the cost of those lots are actually about 6.5 percent below market value.

Mr. Silver: This is public money that we're talking about. If this government has spent money to settle the dispute, the public deserves to know. A Liberal government would be open and accountable regarding this type of settlement. Anyone buying a lot also deserves to know their price was inflated because the government had to pay out a settlement.

I'll give the government another opportunity to demonstrate that they are willing to be open about the public money that was spent. A local contractor sued the government over the Whistle Bend contract, and Yukoners want to know what the terms of the settlement were. Will the minister tell Yukoners if public money was paid to settle this lawsuit, or is that information going to be kept secret from taxpayers?

Hon. Ms. Taylor: Well, again, as the member opposite has just articulated, the contractor and the Yukon government did reach an out-of-court settlement with respect to the issue, and we remain obligated to the terms of the individual settlement.

What I can report is that indeed the subdivision in question is certainly on time. It's on budget, and in fact we were very pleased to provide the issue of lots during phase 1 earlier this summer — 119 residential lots, of which the cost of each of those lots was roughly 6.5 percent below market value. With respect to the remainder, I can say that construction of phase 2 — deep services, surface works, waste water, water-pump stations for the entire subdivision — is also progressing well and on schedule. Again, we look forward to the second release of phase 2 next fall with approximately 187 additional lots.

Mr. Silver: I suspect public money was part of the deal and that this government is simply unwilling to be accountable and would rather keep this information from the public. Just this week the same company has launched court action against the government over the main contract at Whistle Bend. There is obviously a difference of opinion between the government and the contractor over this development. This is a \$15.9-million contract that was awarded to prepare the site for construction. After months of negotiation the contractor has been left with no other option but to try to resolve this dispute with this government. Unfortunately, it is the taxpayers who will pay at the end for the government's inability to get along

with contractors. No one benefits when these disputes end up in court.

What efforts were made by the government to avoid ending up in court again?

Hon. Ms. Taylor: The matter that the member opposite has just referred to is a matter that is currently before the courts. It's a matter to which the Yukon government is working hard to find a reasonable and a swift resolution. We very much recognize the intricacies of all contracts associated with the largest subdivision project in the Yukon's history. We remain committed to working with this particular contractor and all contractors associated with land developments throughout the Yukon. We recognize the very importance of making affordable land available throughout the territory, and we certainly are doing just that with a record-level land development budget in the works of approximately \$35 million.

Question re: Early childhood education

Ms. Stick: The numbers from the 2011 early development index for Yukon are troubling. According to the snapshot of child development health, Yukon children had a vulnerability rate of 37 percent. That means 37 percent of the youngest school-age children are vulnerable and not ready for school when they arrive on their first day.

In a territory as rich as ours, there is no good excuse for so many young children to be vulnerable. We can, and should, be preparing our young people for success through appropriate childcare and early childhood education. If the territory is doing well, as this government would have us believe, can the minister explain more than a third of our youngest school-aged children being vulnerable, and his lack of action of childcare and early childhood education?

Hon. Mr. Graham: This government has, over the last few years, made great strides in attempting to bring the amount of funding for childcare, either through the direct operating grant or through subsidies to salaries — we've made great strides in that area. We will continue to do so. In addition to this, we're also supplying extra funding in next year's budget to the Child Development Centre for their work to identify and assist young children.

So there are a number of things that we're doing in this area and I fail to see exactly where the member opposite is going with this, because there are things taking place and we are making strides in the area.

Ms. Stick: I understand it has been five years since there was an increase in operating grants for childcare. We cannot afford to let our children fail. The planning, the efforts and the money we don't put in place for strong and knowledgeable educators, accessible childcare and supportive family programs means more efforts and more money later in life to compensate. Can the minister tell us what his department is doing across the Yukon to improve training for early childhood educators and support for childcare and childcare boards, to start turning around these poor early developmental index results?

Hon. Mr. Graham: When this government took office, approximately \$4.2 million per year was being spent on childcare in the territory. At the present time, it's approximately \$11 million for the same group. So we're supplying a

lot of cash. But what we also have to take into consideration here is the fact that fewer than 30 percent of children who are born and attend school in this territory actually attend childcare centres — we're talking about licensed childcare centres and homes, family day homes that are licensed. Another 70 percent of children out there are not attending these homes and seem to be getting along just fine as well.

We're supplying extra cash in the areas of childcare — Yukon Child Development Centre. We're working with the various NGOs, such as Autism Yukon and LDAY to improve children's learning environment.

Ms. Stick: That's not what the early childhood developmental index tells us — 37 percent are not ready for school; 70 percent might not be in licensed daycares or day homes, but there are other daycares and day homes out there that children are attending and it's not only about these early childhood education systems I'm talking about. I'm talking about family support programs and community programs. It's the whole community taking responsibility for these children.

The Yukon Childcare Association, educators, parents, children and supporters protested this month. They have not seen an increase. They're asking for sustained funding that keeps up with inflation. Childcare providers want to pay their staff a good wage, provide healthy meals and excellent programming, but low wages as a result of small, stagnant subsidies are leading to early childhood educators' exodus to better-paying jobs.

Has the minister recently met with the Yukon Childcare Association to discuss their concerns around funding, training and accessible child care for the whole Yukon?

Hon. Mr. Graham: I have met with the chair of the Yukon Childcare Association, and we have increased the amount of money available to them. In fact, at the present time, the wage subsidy is not entirely used, so we have extra money available. You also have to take into consideration that the salaries in licensed daycares for the exact same positions at the present time range tremendously. So, depending on whether the childcare centre is a private or not-for-profit organization, the wages differ tremendously as well.

The other thing we look at as a government is the fact that we are subsidizing wages for private businesses in some cases. In fact, if there were more childcare associations that were non-profit organizations I think that we would be much more inclined to support those in a financial manner. We are talking about private businesses that we are subsidizing salaries for, and in all cases the salaries across the board range dramatically from one daycare to the other.

Question re: First Nations/government relations

Mr. Tredger: Mr. Speaker, I see a disturbing trend emerging with this government, a trend that will hurt the Yukon, that will hurt jobs and investment, that will hurt our communities, and turns our back on 40 years of building a respectful relationship with First Nations. This government seems intent on provoking First Nation governments and seems intent on creating economic uncertainty. This is not good leadership.

This government is picking a fight with the Kaska people over oil and gas, a fight that does nothing to promote the Yukon as a good place to do business. Investors desire certainty, not lawsuits, protests or intergovernmental disputes.

Why is this government so intent on undermining investment in the Yukon by pursuing conflict, instead of negotiating with First Nation governments?

Hon. Mr. Pasloski: Mr. Speaker, I've stated earlier that Yukon resources belong to all Yukoners. We are also of the opinion that an MOA and section 13 of the Yukon oil and gas agreement was based on the assumption that there would be 14 First Nations settling on a modern-day treaty and land claims. That, unfortunately, was not the case.

We have, for over 10 years, attempted to come to an economic agreement with the Kaska First Nation with regard to the Liard oil and gas basin. It is important that we treat all First Nations equally and continue to work — as was recently just announced with a new agreement between Yukon government and self-governing First Nations on enhanced sharing of resource revenues. This government continues to work with all citizens of Yukon and all First Nations to continue to ensure that we are partners in this economy, to the benefit of all Yukoners.

Mr. Tredger: All First Nations — indeed, all Yukoners — want and expect the intent and the spirit of First Nation agreements — indeed all the agreements this government enters into — to be respected and adhered to. Yukoners want economic certainty, but it would appear that this government is creating economic uncertainty. First Nation governments have said they will defend the integrity of their treaties when it comes to the government's attempt to subvert the Peel land use planning process. The White River First Nation has filed a lawsuit against this government, for rejecting a YESAB recommendation without consultation and allowing highly disruptive mineral exploration in the core range of the Chisana caribou herd, and now the Kaska are standing up to the assault on their aboriginal rights. Will the Premier explain to this House why he is so intent on creating economic uncertainty?

Hon. Mr. Pasloski: Economic certainty is the priority of this government, and moving forward with amendments to the Yukon *Oil and Gas Act* will do precisely that. They will allow the opportunity for investment within southeast Yukon — an investment that will create jobs for Yukoners. It will create jobs for the people of Watson Lake and the Liard First Nation. It will create a thriving economy throughout the Yukon, and specifically in southeast Yukon. It will create jobs. It will create business opportunities. It will create training opportunities for people in that area. Self-governing First Nations have received \$10.5 million in royalties as a result of the gas in the Kotaneelee gas fields over the last number of years. This is about direct and indirect benefits for all Yukoners, and as we continue to generate royalties, we reinvest through programs and services that benefit all Yukoners through doctors, roads, hospitals and schools. This government is about creating a strong, responsible economy.

Question re: *Canada-China Foreign Investment Promotion and Protection Agreement*

Ms. Hanson: Yukoners and Canadians across this land are writing letters and contacting their MPs and MLAs about their concerns with the *Canada-China Foreign Investment Promotion and Protection Agreement*, or FIPA. They are worried this investment treaty poses a threat to our democratic ability to make laws in the public interest and would lock us in for 31 years. Yesterday, the Yukon Party government said they are not concerned that this agreement will fetter Yukon's ability to legislate in the interest of its citizens. When challenged to provide their analysis on reaching this conclusion, they either wouldn't or couldn't. I tabled the *Canada-China Foreign Investment Promotion and Protection Agreement* today.

Can the Premier explain how the covered investment language in the agreement does not tie the hands of future democratically elected governments?

Hon. Mr. Dixon: This is getting a little repetitive. I've said this over and over to the member opposite over the last few days. We have analyzed and made clear to Canada our position on this treaty and this agreement, and that is that Yukon insists that any investors operating in Yukon continue to follow the laws — environmental, health and safety and others — in our territory. We have analyzed this agreement, and we don't believe that it restricts in any way our ability to do just that.

We've consulted with our counterparts in the provinces and territories, and they have concluded as well that there is no cause for concern. I point out that the member opposite seems to be basing all of her research around a single academic in Ontario. I would recommend to her that she extend her research beyond that.

Ms. Hanson: Yukoners are looking for assurances that they are not being forced to sign on to something that's not in their best interests. They are not looking for tired rhetoric. They are looking for a government that actually understands the implications of international agreements and will advocate for Yukon interests, so clearly the minister and the Premier don't understand what a covered agreement is, but the minister who just spoke said yesterday, "The Yukon has been assured that First Nations have been exempted from this agreement."

Can the minister shed some light on where he gets this assurance and point specifically in the agreement to where First Nations aboriginal and treaty rights are exempted from the agreement?

Hon. Mr. Dixon: The first thing I would point out is that of course the ability to enter into and negotiate international treaties is fully in the purview of the federal government. I know the member opposite referenced yesterday that she consulted with I believe it was 100,000 constitutional experts, so I'm sure all 100,000 would agree that that issue is firmly in the realm of the federal government.

With regard to this specific agreement, I would point out that the Yukon has been assured the First Nations are exempt from the articles in the agreement that pertain to a number of articles and a number of requirements, and it's done through a clause that references the conditions in the Canada-Peru FIPA.

So there is some precedent here, Mr. Speaker. Canada enters into these agreements all the time. A number of them exist currently. I'm not sure if the member opposite has a concern with the process by which they enter them, and if she does, that's something she should take up with the federal government, or it's not clear to me if she simply doesn't like entering into new agreements with the Chinese. It's one or the other; I'm not really sure which one it is, and I look forward to hearing more about this from the member opposite.

Ms. Hanson: Yukoners are getting quite used to these non-responses on serious issues and to sort of push back. They're kind of negatively focused — not surprising, but that's the way it works. The Yukon Party has continually demonstrated that they are more interested in taking their cues and their speaking lines from the Harper Conservatives than showing leadership and standing up for Yukon interests.

Some Hon. Member: (Inaudible)

Point of order

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

Hon. Mr. Cathers: That is quite incorrect. The member knows very well that this government does not take any speaking notes from the federal government. The NDP takes their speaking notes from Thomas Mulcair.

Speaker's ruling

Speaker: There is no point of order.

The Leader of the Official Opposition has the floor.

Ms. Hanson: So what Yukoners might want to do is reflect upon what this Yukon Party government said last spring when Yukon federal servants lost their jobs at Parks Canada, or when the local Revenue Canada office was closed, or when the eligibility age for pensions was raised, or employment insurance rules were changed. What did the Yukon Party say in response to the federal Tories then? Not a peep. When the NDP Official Opposition raised the federal plan to gut Canada's environmental protection regime, they called it a "fiction". So, if not federal cutbacks, if not the China investment treaty, when can Yukoners expect the Yukon Party government to show leadership and stand up for Yukoners' interests?

Hon. Mr. Pasloski: Any company that comes to the Yukon to do business will abide by our labour laws, will abide by our environment laws and regulations and our health and safety regulations as well. Those companies will pay our taxes and they will pay our royalties as well. It's interesting to note, again, that there are other state-owned enterprises that operate in this country that there has been no controversy from the NDP about. I mentioned Statoil from Norway, which does operate in this country today.

There are over 20 of these agreements — foreign investment promotion and protection agreements — that occur right now that Canada has signed around the world. So I have to wonder, what is the problem? Is it just that the NDP don't like the Chinese? Is it the fact that they are not only anti-Chinese —

Point of order

Speaker: Order please. Member for Takhini-Kopper King, on a point of order.

Ms. White: That's insinuating something that we haven't ever declared. I am not sure that is the language that I'm looking for but —

Some Hon. Member: (Inaudible)

Ms. White: — imputing motive. Thank you.

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

Hon. Mr. Cathers: On the point of order, the Premier was asking a question based on statements the NDP have made regarding China and the Chinese in the past.

Speaker: The Leader of the Official Opposition, on the point of order.

Ms. Hanson: The references made by the Official Opposition have been to Chinese state-owned corporations and they have nothing to do with Chinese people, Chinese individuals or Chinese private sector investors. What we have been very clear about are the implications for Chinese state-owned investments.

Speaker's statement

Speaker: I am going to have a look at the Blues tomorrow and, if needed, I'll render a ruling then. But I'll remind all the members that what you sow, you will reap, and that goes for both sides. So be careful. I will have a close look at it tomorrow.

How much time does the Hon. Premier have left? Mr. Premier, 25 seconds.

Hon. Mr. Pasloski: Thank you, Mr. Speaker. Foreign investment in the Yukon will help create jobs, it helps create economy and helps to create business opportunities. Those jobs and that economy create taxes for this government — corporate taxes and personal taxes. It creates revenue from licences and fees. It creates revenue through royalties, and we use that money to continue to reinvest in this territory for programs and services for all Yukoners.

We continue to work with all those people within the Yukon and ensure that, as we have with the new agreement with First Nations on resource revenue sharing.

Speaker: The time for Question Period has now elapsed.

Notice of government private members' business

Hon. Mr. Cathers: I don't have the motion numbers in front of me, so with your indulgence, Mr. Speaker, pursuant to Standing Order 14.2(7), the government wishes to identify the items standing in the name of the government private members to be called on Wednesday, October 31, and that is the Parks Canada motion, standing in the name of the Member for Pelly-Nisutlin, and the one with regard to sports equipment, standing in the name of the Member for Watson Lake.

I sincerely apologize to the Chair for the fact that I missed having those numbers in front of me in my notes.

Speaker: We will now proceed with Orders of the Day.

ORDERS OF THE DAY

Mr. Elias: Mr. Speaker, with your indulgence, pursuant to Standing Order 14.3, I request the unanimous consent of this House to call at this time the motion for which I gave notice earlier today regarding the amendments to Standing Order 14.2.

Unanimous consent re calling Motion No. 265

Speaker: The Member for Vuntut Gwitchin has requested unanimous consent to call the motion for which he gave notice earlier today regarding amendments to Standing Order 14.2.

All Hon. Members: Agreed.

Speaker: Unanimous consent has been granted.

OPPOSITION PRIVATE MEMBERS' BUSINESS**MOTIONS OTHER THAN GOVERNMENT MOTIONS****Motion No. 265**

Speaker: It has been moved by the Member for Vuntut Gwitchin

THAT Standing Order 14.2(2) of the Standing Orders of the Yukon Legislative Assembly be amended by adding the following:

“(c) Notwithstanding Standing Order 14.2(2)(b), an independent member in opposition shall have the fourth position on the roster; and

(d) Where there are two or more independent members in opposition, the Speaker shall determine the allocation of the fourth position on the roster to those members.”; and

THAT Standing Order 14.2(3)(b) be amended by adding the phrase “or independent member” between the words “group” and “in.”

Mr. Elias: Thank you, Mr. Speaker. Where do I begin? In July in the summer of 2012, when doing my due diligence, foreseeing the upcoming fall sitting — I do my due diligence on behalf of my constituents to ensure that my move to become an Independent member and to represent my constituents will include all the tools necessary within this Legislature to conduct business on behalf of my constituents and those Yukoners who approach me to represent their issues.

In doing that due diligence and research, it came to my attention that the section of the Standing Orders in question, 14.2(7), did not include the opportunity for an Independent member to call a motion on any given Wednesday.

This became obviously problematic to me because I looked at the possibility of representing my constituents in this Assembly as an Independent member for four years without being able to call a motion to the floor. To me that was unfair, and it wasn't right for an Independent member to not be able to call a motion because I feel that it is the cornerstone of the parliamentary system. The motion that I put forward on the floor today — I don't think it's unreasonable to make this change.

If we look at the history, I believe it was the Premier who set the stage and recognized that this was not fair in the Assembly and I thank him for that. He put forward a motion the other day on the floor of the Assembly and he also mentioned it in public on the radio on CHON FM. I appreciate that from the Premier. I appreciate him setting the stage and extending that olive branch, because this is not only for me. I'm not the first Independent member here, and I'm not going to be the last, so it's not only to benefit me, but it's to benefit future potential Independent MLAs who choose to either run as an Independent, or as I did, move to an Independent status in this Legislature.

I say thank you to each and every one of the MLAs in the House today for the unanimous consent. I think it's going to strengthen the democracy in this House.

I do recognize that, Mr. Speaker, you have the authority to influence the rotation during Question Period. However, in the Standing Orders, as they stand now — and it also says “groups” and I'll go into that later — the Official Opposition has three opportunities and the Third Party has three opportunities and I have zero opportunity. So my request is that Independent members be specifically mentioned, so there's no room for interpretation, that it's very clear, and that it's a guaranteed position in slot four.

One of the reasons I picked slot four was because questions are allocated in Question Period according to the number of members on the Opposition side. I felt that this sitting is a prime example, because if we were to add a slot seven, I would not be guaranteed a spot to call a motion on a Wednesday, because we don't have enough time. It depends on the length of debate on Wednesdays whether or not we even get to slot seven. I thought that position four would be a fair position to be included in the debate on Wednesdays. I have, I believe, four or maybe five successful times during my tenure as the Member of the Legislative Assembly for Vuntut Gwitchin, received unanimous support on various motions, whether it was regarding Nutrition North Canada a couple of times, whether it was requesting unanimous consent from all the MLAs to take a message to Washington with regard to the protection of the Porcupine caribou herd or whether it was for water-related issues or fire-related issues within my community.

It's very important for each and every member to receive unanimous support from the House — on whatever issue it may be — so that we can send a united voice from this Legislature as support for any individual MLA here. I've successfully done that in the past, and I'm simply trying to set the stage for this to occur in the future.

I do believe that every citizen in the Yukon has the right to be fairly and equitably represented in Wednesday's debates, and I believe that this motion is in every MLA's interest, and I'm asking for the agreement of every MLA. It's my opinion that, should this motion today be accepted, it's going to strengthen the democratic process in our Assembly, and it's going to safeguard representation of Yukoners in the Legislative Assembly now and into the future. Those are important points to make.

I think this is a fair and equitable solution to the problem that I see in the Standing Orders and I look forward to each and every member of this Legislative Assembly participating in the debate today because, again, this is a cornerstone of democracy. I think it could be the beginning of further legislative reform. That's why I brought this motion forward today.

Again, I appreciate the Premier's comments with respect to fairness and understanding. Over the last 10 years I believe there have been 10 Independent MLAs who did not have the opportunity during their tenure to bring up motions for debate on Wednesdays. So, I think this is important, and I look forward to hearing what other MLAs in the House have to say.

I guess it's also important to put on the record the Standing Orders as they stand now. 14.2(1) says, “The order of private members' business on Wednesdays may be determined as set out in this Standing Order.”

14.2(2) says, “At the beginning of each Session a roster shall be established for the purpose of determining the order of business on Wednesdays when Opposition private members' business has precedence. The roster shall be set in the following manner:

“(a) the Official Opposition shall have the first, second and fifth positions on the roster; and

“(b) a party or group in opposition to the government, other than the Official Opposition, shall have the third, fourth and sixth positions on the roster.”

As everyone can see, it doesn't specifically reference an Independent member and I do not feel that I fall into a party or a group. I believe the word “group” was inserted back in 2002, when the Yukon Legislative Assembly found itself with what was named, I believe, the “Independent Alliance” and they had three Independent members leave the Liberal government. I believe that is the reason why the word “group” was inserted into the Standing Orders. It doesn't seem to specifically represent an Independent member.

I'm trying to be proactive here and trying to solve what I consider a serious problem, with an MLA being able to represent their constituents and Yukoners alike with the serious business that could occur in their riding, or anybody else's riding, for that matter.

With that, I encourage all the MLAs to put forward their concerns and opinions. I look forward to a fruitful debate with regard to my motion today.

Hon. Mr. Pasloski: The government agrees on this motion and will indeed be supporting this motion. Certainly, as we reflect, the Member for Vuntut Gwitchin used to be a part of the Liberal Party in this legislative session, at which time there was collectively two members. During that time, each member shared equally in terms of the responsibilities in moving motions forward.

As I have stated publicly on the record and through the motion that we put forward last Thursday, we do feel that it is time to recognize Independent members. For the record, I think it was actually eight Independents in the last 10 years that we had. It is about fairness and it is about democracy and it is ensuring that everybody within this legislative precinct does have

that opportunity to advance efforts through the ability to bring motions forward.

We will support this and we are very excited about what it means for Yukon and the Legislative Assembly.

Ms. Moorcroft: I rise on behalf of the Official Opposition to say that we are in support of this motion brought forward by the MLA for Vuntut Gwitchin.

The Member for Vuntut Gwitchin has chosen to sit as an Independent and wishes to retain his ability to call motions for debate in the Legislature. Having left the Third Party to sit as an Independent, the MLA for Vuntut Gwitchin is seeking to maintain a position on the debate roster that he formerly occupied as a member of the Third Party.

We agree with the member's case that he presented in his second reading speech, that he should be able to fully represent the constituents of Vuntut Gwitchin in the Assembly by calling motions for debate in turn on opposition motion day. Having said that, the Official Opposition also believes that this matter would be more appropriately dealt with by convening a meeting of the Standing Committee on Rules, Elections and Privileges. I understand that the Standing Committee on Rules, Elections and Privileges has not met since 2007. I understand too that the Government House Leader has said that the chair of SCREP will convene a meeting in January.

We do look forward to that opportunity to consider other matters related to House business, to the Standing Orders of the Yukon Legislative Assembly, and to how we, in this Assembly, function in keeping with the principles of democracy. So, we support the motion.

Mr. Silver: It gives me great pleasure to rise and support this motion. The Liberal Party is all for fairness in the Legislative Assembly and we believe allowing Independent members to participate in private members' days speaks to the cooperation and compromise among all parties.

We would like to point out, however, that if the Independent member's motion is passed unamended, it will be only the Liberal Party who must compromise in this situation, as it will be the only party who will lose a day in the roster — if the Independent member is to claim position number four, that is, in the rotation. It is with this information and in the spirit of cooperation and compromise that this motion speaks of that I would like to suggest the following friendly amendment.

Amendment proposed

Mr. Silver: I move

THAT Motion No. 265 be amended by:

(1) deleting clause (c) and substituting the following for it: “(c) Where there is an independent member in opposition to the government, the roster shall be comprised of seven positions and the independent member shall have the seventh position on the roster”; and

(2) deleting the word “fourth” from clause (d) and substituting the word “seventh” for it.

Speaker: It has been moved by the Member for Klondike

THAT Motion No. 265 be amended by:

(1) deleting clause (c) and substituting the following for it: “(c) where there is an independent member in opposition to the government, the roster shall be comprised of seven positions and the independent member shall have the seventh position on the roster”; and

(2) deleting the word “fourth” from clause (d) and substituting the word “seventh” for it.

Speaker: The Member for Klondike has 18 and a half minutes left.

Mr. Silver: I will be brief. Once again, I would like to reiterate that we are in favour of Independent members having a right to a private members' day. However, we must consider all situations and not just the current one. This House will sit in the future and the numbers of Independent members, Third Party members and Official Opposition members will change. Without allowing SCREP to sit down and take a look at all these different situations, the only method that we can go forward with in the House today is to adapt this amendment and to allow for a seventh position for the Independent member.

Hon. Mr. Pasloski: Mr. Speaker, the government will not be supporting the amendment to the motion. I think the Member for Vuntut Gwitchin very eloquently and adequately described the situation and the fact that the seventh position — the seventh slot — would in reality, a lot of times, not be given the opportunity because of time restraints.

To summarize, currently what we have is that within the six slots, there are six members of the New Democratic Party, and they get three slots. There is one member of the Liberal Party who gets three slots, and we have one Independent who gets zero slots. So what we're talking about is a change, where the six members of the NDP will get three slots, the one member of the Liberal Party gets two slots, and the one Independent will get one slot. In the event that there are a greater number of Independents in the future, as the motion has described, it will be at the discretion of the Speaker.

So the government feels that the Third Party still has more — really, more opportunities than anyone else within the opposition side in terms of slots based on the number of members represented here within the Legislative Assembly.

Mr. Elias: On the amendment, I do appreciate the Member for Klondike's suggestion that these types of issues should be considered by the Standing Committee on Rules, Elections and Privileges at some time in the future.

I do believe that there is a scheduled meeting in January and hopefully the members of SCREP could maybe agree to put this as an agenda item, but I have to deal with the here and now. The here and now — as the Premier has said — is that the Official Opposition and the NDP have three motion days, and the Liberal Party, with one member, has three motion days, and I as Independent have zero.

If we look at Question Period and the allocation of questions within the House, the New Democrats with six members

have 18 opportunities in a four-day sitting week to ask questions. The Member for Klondike, as only one member, has four and I have two. There is a reason for that. It is because, before the sitting, I also extended the olive branch in my recommendations to your office that the allocation of Question Period — an additional seven questions as an olive branch from me to the Liberal Party was accepted — an additional seven questions during this sitting — and that was my compromise because they do have the opportunity to rebuild. They are a political party in good standing in this territory and that was my olive branch concession to the Liberal Party and they accepted it.

When I had the opportunity to actually look at the motions, it wasn't even comparable to those allocations to Question Period. So I thought that keeping with the order of six positions for the opposition to conduct its business during a sitting was fair, and I still think it's fair. So on that premise I do not support the motion from the Member for Klondike.

Again, if we were to look at the numbers in this Legislative Assembly, I should also be afforded three opportunities, just based on the number of elected officials, with regard to motion dates. Obviously, this is a complex situation that I haven't seen any precedence in the Yukon Legislative Assembly for dealing with this before. I think it's courageous for us to attempt to resolve this for the short term, but I think that SCREP does have the opportunity to work together to find an equitable resolution to this, because it is a reality in our Legislature.

Speaker: Does anyone else wish to speak to the amendment?

Hon. Mr. Dixon: I am pleased to stand and speak to the amendment currently before the House. As the Premier indicated earlier, the government won't be supporting this amendment. To reiterate some of the comments by the Premier and provide a little bit more to that, it's interesting the Member for Vuntut Gwitchin has of course articulated a number of reasons why the Independent member deserves an opportunity to bring forward motions and debate them before the House. The request, for the fourth position on the roster is, I think, a reasonable one, and that's one that I think we'll ultimately return to once the amendment is voted on.

As the Premier noted, the Member for Klondike, as a member, has more than ample opportunity in his two roster positions to bring motions before the floor, when one considers that, on a per-member basis, he probably has more opportunities than any other member in this House to bring forward and debate motions. I think it is more than fair to accept the original motion and it's indeed prudent for us to disagree with this amendment and to vote against it — and I imagine my colleagues will be joining me in voting against this amendment when we vote on it.

Speaker: Is there any further debate on the amendment?

Amendment to Motion No. 265 negatived

Speaker: Does anybody wish to speak to the motion?

Hon. Mr. Dixon: It's a pleasure to rise and speak in favour of this motion that's currently before the House. The role of an Independent member over the history of the Westminster parliamentary system is an interesting one. Of course in the Yukon context, we have a fairly unique situation, given the prevalence of mobility between parties and the proclivity for members throughout history to cross the floor or run as an Independent member. It's simply, I think, a function of our unique political culture in the Yukon. Over the years, we've seen a number of members either cross the floor or run as Independent members or return to another party. It's really one of those unique features of Yukon politics.

What's important is that, throughout that history, Independent members have been able to represent their constituents to the same degree as all other Members of the Legislative Assembly. Throughout the history of Yukon, I can recall a number of cases where Independent members have played a very important role in the House. Certainly — as long as I can remember, at least — going back to the early 1990s, there has been a strong role for Independent members in this House. In fact, one of our former Premiers sat as an Independent at one point, I believe — I don't know if I could name him, actually. A former government leader, I believe, sat as an Independent member. There have been, certainly, cases where members of one party have left and sat as Independents. I don't think that our Standing Orders should penalize those decisions. I think the Standing Orders should reflect the ability for each member of this House to stand and bring forward motions for debate on behalf of their constituents. In this case particularly, the Member for Vuntut Gwitchin certainly has a history of passion and advocacy for his riding, and while we certainly don't always agree on some of the things he is advocating, his ability to do so is unquestionable and shouldn't be fettered by the Standing Orders of this House.

I think, going back to the discussion of an appropriate position for the Independent member on the roster, I think that the fourth position is a reasonable one, because it does provide assurances to not only the member, but the member's constituents, the people of the riding of Vuntut Gwitchin. There will be the opportunity for their representative to bring forward the important issues that they ask him and send him to the Legislature to discuss, so I think this is an important motion. I think it's one that I will certainly be supporting, and I would hope that my colleagues will be joining me in support of this motion.

As well, I believe, based on the fact that we had unanimous consent to debate this motion on this day — a government business day — is indicative of the support of all the members in this House, so I'm sure members of both the Official Opposition, the New Democratic Party, and the Third Party — the lone member of the Liberal Party — forgive me, the Leader of the Liberal Party — will be supporting it as well.

I look forward to hearing from members about their support for this motion. With that, Mr. Speaker, I'll commend this motion to the House.

Hon. Mr. Graham: I guess I hearken back to a time when the policies and procedures in the Legislature were kinder and gentler. I come from that very first Legislature, where we were elected as parties, and I can remember at that time there was only one NDP and, I believe, two Liberals and a couple of Independents as well.

The Committee on Rules, Elections and Privileges, which I had the pleasure of chairing at that time, was extremely busy trying to set up these kinds of procedures. I remember we had general agreement on a number of issues, and it's unfortunate to me that perhaps we haven't managed to keep that tradition of the Committee on Rules, Elections and Privileges meeting as often as we could. I understand there were some difficulties there, but hopefully we will overcome those.

I think it should be noted, too, that this could be considered a temporary arrangement, and an arrangement for this legislative sitting alone, because perhaps next time there won't be any Independents and we can revert back to the three-party system.

I understand where the Leader of the Liberal Party was coming from with respect to the seventh position, but speaking for myself — and I'm very happy to see that I'll be following what my leader suggested we follow — I believe that the fourth position — it's always a good policy if you wish to remain seated up here with him. I will be supporting this motion as it comes forward. Thank you.

Speaker: Are there any other members who wish to be heard on the motion?

Mr. Elias: Well, first of all, I really appreciate today's debate, because we've avoided the adversarial approach and, I think, it's another example of how we can work together — kind of skirted it a little bit, but we avoided the adversarial approach. I really appreciate the comments of everyone who spoke today.

I think the motion today is going to reflect all foreseeable circumstances that we may deal with here in the Legislative Assembly to ensure that my constituents and Yukoners alike, and future Independent members, are represented in Wednesday's debates.

So, on behalf of my constituents, I thank each and every member here today for affording me the opportunity to seek unanimous consent and receive it and debate the motion I put forward today. Mahsi' cho.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Pasloski: Agree.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Ms. McLeod: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Mr. Hassard: Agree.

Ms. Hanson: Agree.

Ms. Stick: Agree.

Ms. White: Agree.

Mr. Tredger: Agree.

Mr. Barr: Agree.

Mr. Silver: Agree.

Mr. Elias: Agree.

Clerk: Mr. Speaker, the results are 16 yea, nil nay.
Motion No. 265 agreed to

Speaker: Government bills.

GOVERNMENT BILLS

Bill No. 46: *Act to Amend the Income Tax Act* — Second Reading

Clerk: Second reading, Bill No. 46, standing in the name of the Hon. Mr. Pasloski.

Hon. Mr. Pasloski: I move that Bill No. 46, entitled *Act to Amend the Income Tax Act*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 46, entitled *Act to Amend the Income Tax Act*, be now read a second time.

Hon. Mr. Pasloski: It's my pleasure to introduce Bill No. 46, *Act to Amend the Income Tax Act*. The primary purpose of this bill is to establish a Yukon children's art tax credit for parents or guardians of children involved in music, art or tutoring. On April 18, 2012, this Assembly unanimously supported Motion No. 162 to introduce this very credit. The credit will be in place for the 2012 tax return.

The credit allows parents or guardians to claim, annually, a non-refundable amount of up to \$500 per child less than 16 years of age. If the child qualifies for the disability amount, the age limit is increased to 18 for children and the maximum annual amount is increased to \$1,000.

Eligible expenses include activities that are intended to improve the child's dexterity or coordination or help in acquiring and applying knowledge through artistic or cultural activities such as literary arts, visual arts, performing arts, music, media, languages, customs and heritage.

The bill also contains a consequential amendment related to the Yukon child benefit. The Yukon child benefit is a monthly income-tested payment, administered by Canada concurrently with the Canada child benefit. The maximum payment per child is \$57.50 per month if family income is less than \$30,000 a year. The amount is gradually reduced for incomes above this income threshold. Yukon is required to have the same administrative rules for this benefit as the national benefit in order for Canada to efficiently administer this program. Canada recently changed the timing of payments to separated parents with shared custody, and, with this amendment, our legislation aligns with the federal legislation. In the past, each parent received payments only after either the first or last

six-month period of the year. Each parent will receive 50 per cent of their entitlement for all 12 months of the year. There is no monetary impact to the government or individuals with this amendment. Finally, there are a few housekeeping clauses in the bill that have no impact on the act, other than to make subsection 6(29), the section containing the new credit, simpler to read.

Bill No. 46 is in keeping with our government's track record over the last 10 years to not increase taxes. Our government has a history of establishing non-refundable tax credits when they are warranted and after special consideration that mirrors federal legislation. For example, we mirrored the federal non-refundable children's fitness credit. The credit mirrored a federal non-refundable credit and was provided to Yukon taxpayers with children under 16 years of age, or under 18 years of age if eligible for the income tax disability amount at the beginning of the year in which the eligible fitness expenses were paid. For each eligible child, the eligible taxpayer can claim up to \$500 in allowable expenses. If the child qualifies for the disability amount and is under 18 years of age at the beginning of the year, an additional amount of \$500 can be claimed as long as a minimum of \$100 is paid on registration or membership fees for a prescribed program of physical activity.

In the 2009 tax year, 1,415 Yukoners filed for this credit, which makes up 5.5 percent of all Yukon tax filers. The credits claimed totalled \$753,000 in that year, resulting in a benefit of about \$50,000 being provided via the Yukon children's fitness tax credit.

The federal children's tax credit benefit amounted to approximately \$106,000, resulting in a total tax savings to Yukoners of approximately \$156,000 as a result of the combined Yukon and federal children's tax credits.

I reiterate that the objective of our three successive Yukon Party governments has been to reduce the tax burden for Yukoners in order to put more money in working people's pockets and allow them to make the decisions on what they should choose to do with that money. To this end, effective January 1, 2012, we have been providing a \$2,000 tax credit for caregivers, caring for relatives with a disability, including seniors and adults with severe disabilities. Yukoners are now able to claim the enhanced amount for an infirm dependant under one of the following credits: the spouse or common-law partner credit; the child tax credit; the eligible dependant credit; the caregiver credit; or the infirm dependant credit.

Other tax credit include the basic Yukon tax credit for everyone who files their income tax; the basic federal tax credit; the spousal tax credit for spouses who earn less than \$10,527 per year; tax credits for eligible dependants who are children under the age of 18, caregivers or infirm dependants. There is a long list, and I have only mentioned but a few.

Bill No. 46 now adds to this list. Bill No. 46 moreover recognizes the importance of the arts in the lives of Yukoners and fellow Canadians. Eligible activities include literary arts, the visual arts, performing arts, music, media, languages, customs and heritage, as well as activities that provide enrichment, or tutoring in academic subjects. A growing, prosperous economy is the hallmark of all three successive Yukon Party govern-

ments, first elected 10 years ago. A growing, prosperous economy has allowed us to introduce a number of tax credits since assuming office in 2002, and thereby lower the tax burden on Yukoners.

This government is very proud to once again further reduce the tax burden on Yukoners and put more money in the pockets of taxpayers. In particular, we are pleased to be able to assist parents partaking in activities that assist in the development of their children. With that, I commend this bill to the House.

Ms. Hanson: Before I start, I'd like to thank the officials from the Department of Finance who provided a briefing to me this morning on these amendments to the *Income Tax Act*.

As the previous speaker has mentioned, we joined in the unanimous support that the Legislative Assembly gave to this government motion back in April, which urged itself to establish a tax credit for parents or guardians of children involved in music, arts or tutoring. We supported the motion then and we support the amendment, which would do two things: one, create a Yukon income tax credit for fees for children's artistic, cultural and similar activities, and two, allow parents who share custody of a child to split the Yukon child benefit 50-50 every month, as opposed to the current arrangement, which has one parent receiving six months of the benefit, then it flips to the other parent. That seems like an equitable and more fair way of doing it, so we agree with that.

As we said then, the Official Opposition is not opposed to tax credits per se. Aside from bringing forward the territory's first comprehensive tax reform, the NDP governments in the Yukon have brought forward such items as the Yukon mining incentive program and the small-business tax credit. NDP governments have made many contributions to the artistic and cultural fabric of the Yukon, which are with us today — the Yukon Arts Centre and the Klondike Institute of Art and Culture are two examples. It was NDP governments that led the way in establishing childcare funding, the kids recreation fund, as well as important educational cultural programs, like establishing a First Nation curriculum in our schools.

When an NDP government brought forward the kids recreation fund in 1999 to provide direct funding of up to \$400 per child for families earning less than \$45,000 a year for recreational and cultural activities, this was direct funding as opposed to tax credits. It's important to understand that the cost of new legislation is ensuring value for the public's money and that is a key priority for the Yukon NDP Official Opposition.

As I said, as I understand it, and as the previous speaker said, the child benefit arrangement is really an administrative change that costs no additional dollars. This seems like a fine change. It doesn't cost us anything, so I'm not going to spend much time discussing it — it's really administrative.

I do have questions about whether the definition of "parents" — which I understand to be based on federal income tax rules — is inclusive of today's family diversity. So I will look forward to hearing from the minister to confirm that the change

recognizes the modern family diversity and includes same-sex couples.

I understand that the child tax credit will cost the government about \$20,000 a year — not much. That's less than half the salary of an early childhood educator or a recreational programmer, I would suspect. We all agree that children's involvement in the arts, culture and music is so important to their development as human beings — making sure that they become and maintain an interest in their world. Any measures to ensure that all children throughout the Yukon, regardless of which community they are from, their family income, and their cultural background — we believe that all children deserve to have access to arts and cultural programs. So while we support these amendments, we do have some questions as to whether the tax credit method is the most effective and appropriate avenue to achieve these access goals and whether there are other measures that would be more effective and appropriate.

I am really talking here about direct funding of programs because, as we have seen over the last couple of years — throughout this country we are seeing a growing gap between rich and poor. It is one of the most profound social policy issues that we as legislators must deal with. Not just recent polls, but in-depth studies have shown that the strong majority of Canadians believe that the growing gap between rich and poor undermines Canadian values. We know that children living beneath or close to the poverty line miss out when it comes to recreational and cultural opportunities. So, we believe, as the Official Opposition, that we should use the tools of government to address poor children's needs, whether it be for appropriate shelter and food or whether it be for access to cultural and recreational opportunities. This credit will amount to about \$35 a year per family. So, if you can spend \$500, you will get \$115 back in taxes, of which \$35 is paid by the Yukon government and the remainder from the federal government. That is \$35 paid out long after the bills for piano lessons, art camp, et cetera, are paid. It's \$35 whether you earn \$110,000 a year or \$22,000, which is approximately what a full-time, minimum wage-earner receives in this territory. The catch is, you have to spend the \$500 on activities to get \$35 back.

To a person earning \$110,000, the \$500 for art camp is not a problem. It's entirely a different matter for someone who is just scraping by. I would submit that a Yukoner earning close to minimum wage without benefits, struggling with the high cost of rent and the cost of the monthly food budget, child care, et cetera, won't likely have \$500 for their child's art lessons, and they won't get the full benefit of this tax credit. A person in this situation likely has no savings for post-secondary education, for a vacation, or for dental work, let alone the ability to provide for art, music, or other cultural activities.

So we believe that government has a larger role to play in this society, and as it collects taxes — taxes from all of us — there is a responsibility to distribute this common wealth. Government has many tools in its fiscal toolkit, other than tax credits, to move toward certain policy goals, and particularly that of closing the gap. An example I mentioned before was the kids recreation fund. If you look at that, it provides direct funding for children's activity. The fund approach is far more accessi-

ble to low-income Yukoners than a tax credit that shows up long after the bills are paid.

The proposed tax credit will cost, as I said earlier, \$20,000. At \$35 family, this amounts to about 570 tax filers who can take advantage of this — who will take advantage of this. That's not too many Yukoners, when you think about it — who are going to be taking advantage of this. The question that really must be asked again is will this tax credit lead to more children being involved in arts and cultural programming?

The previous speaker mentioned the issue and listed a long list of tax credits. When I was preparing for the discussion this morning, and doing a bit of research in terms of the whole issue of tax incentives and tax credits, I saw an article by Dr. Sharma called "Are Tax Incentives Cost-Effective to Promote Physical Activity?" Initially, I thought, well, I'm glad the member opposite raised the issue of physical activity and support for that through tax credits from this government, because he raised some interesting points about the effectiveness of tax credits on behaviour. He spoke to the issue of increasing physical fitness and health, which is a bit different from the issue of stimulating activity in the arts and cultural field, but the concept in terms of the use of the credit are related.

His article is based on a paper by a woman named Barbara von Tigerstrom from the University of Saskatchewan, which was published in the latest *American Journal of Public Health*. Dr. Sharma wrote that government can hope to affect the health of population by using fiscal measures to give tax credit for positive behaviours and to slap punitive taxes on behaviours that it deemed harmful. A typical example would be a tax write-off for gym memberships, which we do here, and higher sales taxes on fast food or sugary pop. While both measures and similar types of incentives or disincentives may appear popular, the former because everyone loves tax cuts or tax returns, which is clearly what the Yukon Party is focusing on — getting people to love the tax cuts — and the latter because everyone likes to see the bad guys punished. The question is whether any such measures are actually effective and whether they are actually doing anything to improve the engagement and the level of involvement of the kids who really need to be involved in arts and cultural programming or involved in fitness programming if we simply go on the tax credit approach or tax cuts.

The research has shown, according to Dr. Sharma as reported in the *American Journal of Public Health*, that the actual outcomes are less clear than people may think. The tax credits for enrollment and participation in physical activity include the federal government's children fitness tax credit referenced earlier, mirrored in this territory and credits for the use of public transit. Several provinces and territories — and this territory — have introduced similar measures, but not for the transit. With regard to sales tax rebates or exemptions, though not specifically aimed at promoting physical activity, Ontario and B.C. have dabbled and reduced taxes for children's recreational clothing, footwear and bicycles. Other provinces like Saskatchewan and Manitoba don't impose sales tax on a broad range of athletic and recreational programs.

While all these sound good at first glance, the research shows that these may not be as effective as people may think and may, in fact, be rather expensive for the return on investment. She says that when a government creates tax credits or exemptions, it chooses to forego tax revenue that would otherwise be collected. Such expenditures referred to as “tax expenditures”, therefore, represent investments of public funds that should be justified in the same way that direct spending is.

We’re only talking, in this case, about \$20,000, but cumulatively, over the 10 years this Premier has referred to in terms of tax credits — if you take the combined total of the federal, provincial and territorial tax credits in terms of foregone revenue, it does beg the question whether it’s the most appropriate way to invest in our children and in the importance of these initiatives in our territory.

You know, a related concern, as I have alluded to, is that a tax credit does not provide an equal benefit or incentive to all families and, clearly, may not have much of an effect on lower income groups. So the study that I referred to earlier summarizes that the estimated costs of the tax-based programs in Canada are substantial. So it’s important to consider whether these public funds are better spent on other strategies that could instead provide direct public funding to improve recreational facilities and active transportation networks, or to enhance physical activity programs in schools. It’s noteworthy that as we see a decrease in government investment in public services that provide care for the disabled, provide home care for those people who need it in their homes, more and more are pushing it basically to the family, to others to do it, and in turn, giving them a small tax credit. Anybody who has ever had to deal with those issues in their own family knows that those tax cuts never will compensate for the foregone revenues and for the stress and for the lack of full-spectrum care that may be provided to somebody.

Similarly when you’re looking at a tax credit and you can’t afford to put your child into a program, it exacerbates the problem.

Really, it begs the question: if the goal is to have more children involved in arts and culture — and I’m hoping that that’s what the Premier and the Minister of Finance is saying here — to have them actively involved in the cultural fabric of life, is this the best way to do it? It’s a question, Mr. Speaker. I’m not asking for an answer in the context of this debate this afternoon.

As legislators, we have an opportunity in this Assembly to talk about what gets the better return for citizens — which approach better addresses the lack of opportunity for children living at or near the poverty line. Perhaps it’s time for the Yukon government to review its rules and fiscal measures — like tax credits, direct funding and application-driven funding — so that we can talk about and address the growing gap between the rich and the poor in the Yukon.

As I said at the outset, and as we said last spring, we do and we will support this tax credit, but we look forward to engaging in a debate on the bigger issue here, which is how we as legislators use our fiscal tool kit to better address important

social policy goals that will benefit all Yukoners, not just a few.

Hon. Mr. Kent: I, too, would like to thank the Premier for bringing forward this bill today, and maybe just provide a little bit of context for my constituents and members of the Legislative Assembly on where this came from.

Of course, the bill amends the *Income Tax Act* to create a Yukon income tax credit for fees for children’s artistic, cultural and similar activities, and allows parents who share custody of a child to share the Yukon child benefit. It’s available for 2012 and later to any individual resident in Yukon who receives the comparable federal credit, and the shared custody amendment applies after June 2011, matching the federal amendment that it mirrors.

Now, this was something that was brought to me when I attended a school council meeting at Whitehorse Elementary School earlier this year, and one of the members of the school council mentioned to me that we mirrored the athletic tax credit that the federal government offered, but we didn’t mirror the music, arts and tutoring one that they offered.

So I was able to speak to the Premier the next day. The Member for Pelly-Nisutlin put a motion before this House that we were able to debate and it did receive unanimous consent of the House. I thank all members for supporting it at that time. I think it’s a great initiative, but it’s one that supplements the activities that are already underway.

A number of programs are offered throughout government. I know the Member for Whitehorse Centre referenced some of them, like the kids rec fund and other tax credits that I’m sure some of my colleagues will talk about. But what I would like to focus on are some of the activities that the Department of Education has undertaken with respect to tutoring, music and arts, as well as one new initiative that we’ve launched this year and a new initiative that is contained in the 2010-11 annual report — new at the time, but one that is a platform commitment and in my mandate letter from the Premier to expand upon.

I’d like to start by talking about some of the tutoring programs and the organizations that the Department of Education supports with respect to that particular activity. The department funds the home tutor program of the Learning Disabilities Association of Yukon, or LDAY. Tutoring services are offered outside school instructional hours at lunch, after school, evenings, and weekends.

The department also funds tutoring through the Vuntut Gwitchin First Nation and Skookum Jim Friendship Centre. These programs help many First Nation students from around the Yukon improve their academic abilities. Funding is available to support students in all 14 rural communities, as well as Kwanlin Dun, Ta’an Kwäch’än, and rural students attending high schools here in Whitehorse. Home tutoring programs are designed to fit the needs of individual communities, proposals are developed, and funds for hiring tutors are administered by partnerships of local community representatives.

When it comes to music and arts, over the years the Department of Education has supported a variety of music programs throughout the Yukon. The department supports and

utilizes the Yukon arts adventure program, which incorporates a range of fine arts, such as drama, dance, visual arts and music, in the teaching of core academic subjects. The Yukon arts adventure program focuses on the learning needs of the students by assisting teachers in developing and delivering relevant curriculum learning outcomes that are reflective and responsive to our Yukon learners, cultures and languages. Artists work with teachers on an individual basis to develop rich cultural materials and experiences to ensure that learners are meeting curriculum learning outcomes.

Together, they are helping students as they develop the knowledge and skills for successful 21st century citizenship.

The arts adventure brings MAD into the elementary schools, or the music, art and drama program. This is used by artists to engage students in learning. The sessions develop and enhance critical and analytical skills for each learner. Using art to deliver a curriculum provides teachers with tools to ensure a student's physical health and well-being, social competence, emotional maturity, cognitive development and communication skills are also being addressed. The success of the learner is at the heart of the philosophy of Yukon arts adventure.

In addition, the department also provides funding for the Yukon Summer Music Camp Society and the Rotary Music Festival. Music, art and drama and dance grades 9 to 12 — or, the MAD program as it is more commonly referred to, which is run out of the Wood Street Centre School here in Whitehorse — is a unique performing arts program that provides students with credit courses including English, social studies, physical education, theatre performance and a choice between several fine arts and applied skill courses. It's a program that is available to all Yukon students — that's in the MAD grades 9 and 10. In the MAD grades 11 and 12, students receive credits for English, social studies, fine arts and theatre performance and prepare three productions during the course of the semester.

This program is open to all Yukon students in grades 11 and 12 and is administered through the Wood Street Centre School.

I'll just take a little bit of time to speak about the whole child program. In an effort to develop a true community school, including preschool children living in the downtown catchment area at the time, the administration and staff of Whitehorse Elementary School developed a plan to implement a whole child program for the 2001-02 school year.

The project is realized through the effective coordination of services from local child-serving agencies and institutions and the development of improved community capacity. The project is governed by a board comprised of all of the major partners, including the Department of Education, Health and Social Services, LDAY, Council of Yukon First Nations, as well as Yukon Family Services Association and other organizations.

In September 2006, the whole child program was expanded to Elijah Smith Elementary School. Some of the key components of the whole child project are as follows: a community coordinator, which is a full-time person dedicated 70 percent to the whole child project; a whole child resource centre; parenting classes; library program for children and fami-

lies; a toy-lending library; computer lab access programs; open gym nights; Breakfast for Learning; and family recreation and arts.

So, Mr. Speaker, those are a number of programs and initiatives that are already underway to supplement what we're here to talk about today, which is the addition of a tax credit to help parents who are paying for music, arts or tutoring. The program that was launched by the previous Yukon Party government that I'd like to speak about briefly is the Learning Together program, which is an early learning project that prepares children for kindergarten. It was a pilot project that commenced during the 2010-11 year. You can find it in the annual report — Chapter 1, New Initiatives — the Department of Education annual report, I'm referring to — for 2010-11. So, again, it was a pilot project that commenced at Selkirk Elementary School in Whitehorse to help expose pre-kindergarten children to high-quality learning activities with their parents or caregivers. The learning together program was developed to assist young children in their transition into the school environment. In this program, prekindergarten children, ages 3 to 5, access a high-quality learning environment that will help them benefit from social interactions while adults who accompany them learn new ways to support learning.

The program helps provide caregivers and children with a sense of well-being, belonging and social responsibility. It also helps develop creativity, language skills and literacy. Parents and caregivers who attend Learning Together participate in age-appropriate learning activities with the children led by an early-learning educator. Activities are grouped into a variety of areas like dramatic play, literacy and crafts. Learning Together also features speakers for parents such as a child therapist from the Child Development Centre about the stages of child development. Learning Together began in early May and ran until June 11, 2011, three mornings a week on a drop-in basis.

During our election campaign of last year, one of the things that we committed to — and it's included in my mandate letter as Minister of Education — is to expand that program, and that's something that I have the department actively looking at right now for the 2013-14 school year. Of course, with this one located in Whitehorse and the success that we've seen here, my primary focus is to look at rural Yukon and some communities out there where we can introduce this program and build on its success here in Whitehorse and allow for the same type of success in rural Yukon.

I should say that this program is offered in a number of other jurisdictions I heard about during education minister meetings I attended in July, and their success is documented as well.

The one program that I'd like to talk about that we've launched this year — and I should give full credit to the person who brought this to my attention, Ms. Johanne Koser, who is married to a local outfitter, and who set up an appointment with me to introduce me to Destination Imagination. Destination Imagination, or DI, is a team-based problem-solving program where students apply creativity, collaboration, critical thinking, and conflict resolution to solve open-ended challenges in a tournament format. We did have an official attend the world

championships in Knoxville, Tennessee in May, I believe it was, and he came back and was raving about what he encountered there. He made the choice to advance this project very easy for me as minister. Four schools will participate in the Destination Imagination pilot in the 2012-13 school year, culminating in a Yukon DI tournament in the spring. From there, department staff will evaluate the program and consider implementing the program across the territory for the 2013-14 school year.

Training for teachers, volunteer team managers and Yukon's affiliate DI director will occur in early November 2012. Before the holiday break, students will form into teams, start learning about DI concepts and will work together to solve instant challenge exercises. So, come January what we are anticipating is that teams will begin to prepare for the March competition. I will inform the House that the four schools that are participating are Ross River, Christ the King Elementary School, Hidden Valley Elementary School and Elijah Smith Elementary School. I am very hopeful that this program proves to be very successful, as successful as the Yukon/Stikine science fair that we currently offer or the bridge building which brings experiential learning to the schools.

Although I don't have copies of the brochure for everyone, I would invite members of the House to visit the Destination Imagination website easily accessible through search engines and take a look at what they have to offer. I know it has been a tremendous success where it is offered throughout the United States and it has a number of distinguished graduates including Maëlle Ricker, who was a gold medallist at the 2012 Vancouver Olympics for Canada. I read that in their brochure today.

Just to respond again to issues raised by the member opposite — and I'm sure many of my colleagues will bring forward some of the program spending that they're responsible for in their departments or that they see in their communities — this tax credit really supplements a lot of the great and exciting and extremely important initiatives that are already underway throughout the territory.

With that, I'd like to again thank the Premier and my colleagues for the quick action on the motion to move on this. I thank all members of the House for unanimous support and I look forward to seeing this *Act to Amend the Income Tax Act* come into effect — come through the process, third reading and royal assent, prior to the end of this fall sitting.

Mr. Silver: I'll be brief. The Liberal caucus will be supporting Bill No. 46, which introduces a non-refundable credit for children under the age of 16 enrolled in an eligible arts or cultural program. This matches the child fitness tax credit that was developed some years ago. This credit could include artistic or cultural programming, such as ballet or music lessons. To all the parents out there listening, remember to keep your receipts for these activities, as they may be needed at tax time.

Hon. Ms. Taylor: I am very pleased to speak to Bill No. 46. It really is a continuation of a motion that was presented — I believe it was earlier this spring — by our side of

the House, in support of this particular tax credit. A lot has been said here earlier today about support for recreation, art and culture, all of which speaks to the very importance that these elements play in our day-to-day life — and really, in support of our families and enriching the lives of each of our children throughout each of our communities.

I am very pleased to support this bill and I also want to put on the record that, in addition to a number of the initiatives that the Minister of Education has just articulated, I, too, would like to just talk about some of the initiatives that the Yukon Party government has invested in over the last 10 years. It really sprawls across the spectrum of the respective government departments and agencies involved in support of Yukon children, enriching their day-to-day lives.

When I served as Minister of Tourism and Culture, there were a number of enhancements that were made and a number of new initiatives that were created during our term in office — our respective two terms in office. This tax credit really builds upon those initiatives that the Education minister has already spoken to, and which I'm about to speak to as well — and I'm sure the remainder of our colleagues will be speaking to in their areas of importance.

In the Department of Tourism and Culture, there are a whole host of initiatives that go in direct support. There is just shy of \$3 million in support of contribution agreements, in support of arts- and culture-related organizations that provide programming on a daily basis in support of Yukon artists, in support of children, subscribing to arts programming and many other institutions across this great territory.

When we take a look within the Department of Tourism and Culture, there are a number of initiatives. One initiative, in particular, is the enhancements that were made a number of years ago. In fact, I think it was just shy of \$600,000, in addition to what is already made on an annual basis, in support of arts programming through the arts operating fund, through the arts fund, through the Artist in the School program and the touring artist fund, to be specific.

In particular, though, with respect to the Artist in the School program, I was very proud to be able to enhance the support that had been provided by previous governments, to the tune of about \$25,000. We were able to enhance that annual investment to about \$100,000 per year. It has really enabled us as a government organization to expand the level of arts programming in many of our schools throughout the territory. At that, we were able to expand the number of programs available to schools that didn't necessarily subscribe to programs due to a lack of resources.

In turn, it has not only helped enhance the degree of programming made available to our children — to our student population — but it has also helped enhance wages earned by Yukon artists themselves, who provide the programming in each of our schools. In order for them to prepare for their courses and for their work, it has enabled them to also increase the number of hours of instruction time throughout many of our schools in the territory. As a result, we have been able to provide a whole host of arts programming in our schools, not nec-

essarily made available in the past due to other pressures on other resources.

So we have really been able to expand the arts programming in schools, specifically in rural Yukon. Here in the City of Whitehorse, we are blessed with a whole host and a whole continuum of arts programming choices made available through the City of Whitehorse and many other organizations, but the Artist in the School program has really helped.

Again, when it comes to this particular bill, I just wanted to say that it's not just simply about a tax credit. It's really building upon that tool kit, as the Leader of the Official Opposition would say. It's adding another tool within that kit to expand options available to children.

When we talk about other programs — the Yukon Arts Ed-Venture program offered by the Department of Education. The Minister of Education spoke about that but, again, coupled with the Artist in the School program and many others, I think that we have really been able to grow the cultural industries right here at home. Of course, that means additional options for our children to take a look at beyond the school classroom, but beyond as a life choice and as a life profession. That's where in fact those investments carry on — through the Department of Tourism and Culture and the Department of Economic Development are a whole host of programs and funding mechanisms in support of many artists on many different scales, whether it's by direct contributions or through arts organizations.

The Klondike Institute of Art and Culture is one example of how that has really helped fuel a very innovative and creative partnership between the First Nation government, between Yukon College, between the institute itself and between the city and the residents themselves in coming up with the very first school of visual arts north of 60 to be seen in Canada's north. Again, I would just like to thank the Minister of Education for extending that programming for another three years through a recent extension of that program. Again, it carries on that continuum of programming that's made available from preschoolers, through school and beyond school — again, as a profession of choice. It's those investments, again, made by organizations such as Klondike Institute of Art and Culture, Dawson City Arts Society, the Yukon Arts Centre — and there are many, many other organizations — the All City Band Society as well. I have a number of constituents who belong to that particular organization, which has really leveraged the interest of many students throughout many of our schools within Whitehorse, for example — and others, to be sure. It has provided an avenue through which to show their gifts — their talents — outside of the territory and to really be able to practise and to be able to play and be able to expand their creative legacies with other youth and children from other parts of the country.

Museums, First Nation cultural centres — again, through the Yukon government, we're very pleased to continue our annual investments in not only capital contributions, but also ongoing operation and maintenance of those particular institutions and how those monies have also facilitated children's camps and heritage programming being made available to children during the day, whether it's during the summer, whether

it's during the holidays — but these two are really helping reach out to many children at a very reasonable, affordable cost. Again, this is not only serving as another source of recreation, so to speak, but it is really enriching their minds through learning about the history and heritage of each of our communities and how they can contribute to the heritage sector on a professional basis, if that's how they choose to go when they choose a profession.

I know there was some discussion earlier this afternoon about how investments in our active and healthy lifestyles have contributed to the quality of life that Yukoners have come to know. We continue to invest in recreation. I know there was some discussion about the kids recreation fund. I want to again put on the record that it was the Yukon Party government that was able to really initiate a substantive increase to that recreation fund over the years, from approximately \$140,000 to \$220,000, which is where it currently sits. That was a substantive increase but a great investment in kids recreation enabling kids who may not necessarily have the financial means to participate in games of hockey and soccer and so forth, but this fund gives them the means. I certainly applaud this initiative and appreciate the fine work that many of our organizations have done toward expanding recreation programming and opportunities for all Yukoners.

The Yukon active living strategy, which we just recently renewed earlier this summer, also places a great emphasis on childhood obesity and how we really need to add more focus working in collaboration with Education, Department of Health and Social Services through the wellness strategy and many, many other organizations, in really placing emphasis on what we can do to instill that culture of active living in our families on a day-to-day basis. In fact, in this supplementary budget that will be tabled here shortly, an increase in support of the renewed active living strategy is reflected. So, I really look forward to debating those particular dollar investments.

Again, it goes toward on-the-ground after-school programming specifically. It has been recognized that, for the large part, the most vulnerable time of a child's day really falls, interestingly enough, between the period of 3:00 to 6:00 in the afternoon into the early evening. That is why we really need to focus on the after-school programming to really keep our kids active and out of trouble and doing healthy activities, so that we're able to reach those specific physical activity targets that have been for children, youth, and also our adults and seniors.

We remain very focused, specifically on providing programs and training in rural Yukon, with that focus on that critical after-school time period. Again, how do we do this? Well, we work in collaboration with many non-government organizations to provide those programs and training in Yukon, and to really focus on that multi-sectoral framework for action to assist our children and our youth to become more active and healthy in all of our communities.

Interestingly enough, I just attended the ElderActive Recreation Association's fall gathering recently. When we talk about investments in children, it's important to invest through the continuum of life. The fall gathering just last week was incredible. There must have been over 150 individuals over the

age of 55 who were in attendance, many of whom participated in the Canada Senior Games. Our territory really shone during the recent national games held earlier this summer, coming in third overall in the country. I pay tribute to individuals and organizations like that who do so much. They work with the Yukon Council on Aging and they work with many other partners to initiate programming that is attractive and responsive to rural communities — and it is making a difference in the lives and the longevity of lives in the territory — just touching upon some of those investments that we have made.

Of course, any investment when it comes to recreation, music, art, tutoring — these are all very essential things. I can say as a mom of a seven-year old, I've really come to know the growing importance of all these investments made. It's incredible the number of choices available to children these days that weren't available when I was growing up in the Town of Watson Lake, back then. We've come a long way, but there's more that we need to do.

These are all great investments that will carry on for the rest of our lives. So, without sounding repetitive on all of the great benefits of this particular bill, I just wanted to thank the Minister of Finance for bringing forth this important bill — and again, this is but one tool within the kit itself in terms of adding on those investments that build on the quality of life that we as Yukoners have come to know.

So I commend this bill to the Legislature and I look forward to hearing from my colleagues and the remainder of the opposition members too.

Hon. Mr. Dixon: I was having duelling speaking terms with the Member for Mount Lorne-Southern Lakes. It's a pleasure to rise and speak to this bill. It's an important bill. Before I speak about the bill itself, I wanted to speak a little bit about the genesis of the bill and how this came to be and some of the driving factors behind it.

Of course, as members will recall, in April earlier this year the Member for Pelly-Nisutlin made a motion that urged the Government of Yukon to establish a tax credit for parents or guardians of children involved in music, arts or tutoring. Of course, this bill is then the culmination of the work done as a result of that motion and its acceptance in the House.

Part of the background of this particular tax credit is that it's based upon some work done previously at the federal level in developing a tax credit of this type and, prior to that, there was a tax credit developed specifically to encourage parents to involve their children in physical activities and sports. That tax credit has been very successful and has been supported to date at the federal level and, of course, was followed up on by this government in reflecting the success of that tax credit by adopting one of our own.

I know that the Leader of the Official Opposition had some comments about the efficacy of tax credits and whether or not they were an appropriate tool for encouraging healthy behaviour. I had to point out that she is not the first to ask this question, and it has been considered by a number of different groups and individuals. In fact, in 2006, the federal government convened an expert panel to review the children's fitness tax

credit and, of course, reported very positively about that tax credit. If I may, I would quote from the chair of that expert panel in saying that they felt that, "we passionately believe the tax credit is an important component of what must be a broader strategy to encourage activity among young people. The tax credit can be a catalyst that supports programs for children, increased levels of activity, and hopefully — a lifelong love of active lifestyles for thousands of young Canadians."

She goes on to say that, "Through this tax cut, the Federal Government is helping to encourage children to get into the habit of daily physical activity. Stakeholders have informed us that this physical activity habit — once started — is one that people often maintain their entire lives." I think that's an excellent quote with regard to the efficacy of that particular tax credit. That is relevant here today because, of course, this particular tax credit is for arts and tutoring, among other things. The logic behind this bill was applied to the federal government's children fitness tax credit, so the comments here are relevant.

And of course, this is not coming from any random citizen; this is of course from an expert in the field, Dr. Kellie Leitch, who is a pediatric and orthopedic surgeon and an associate professor of surgery. I should also note that she's also now the Member of Parliament for a riding in Ontario, the name of which escapes me.

But I think the important part for members of this House to note is that that tax credit, the physical fitness tax credit for children, at the federal level has been very successful and we can anticipate that this particular tax credit will be met with equal success.

One of the important things about getting children involved with artistic and cultural activities is that there are obviously some aspects of personal development and well-roundedness, but I think it's also important to recognize the importance of those sectors to the Yukon's economy. It's an often dismissed or not a highlighted aspect of our economy, but it's an important part, and it's an important part of Yukon's economic diversity to have such a robust cultural, musical, and arts-based economy here in the territory.

Now, of course, this bill amends the *Income Tax Act*, and it does it to create a tax credit for fees for children's artistic, cultural and similar activities, and allows, of course, parents who share custody of a child to share the Yukon child benefit. When parents choose to engage their children in these kinds of activities, as I said, they're not only helping them develop the skills and well-roundedness that we associate with a healthy lifestyle, but it also prepares them for the possibility of entering that sector of the economy.

The Department of Economic Development does a significant amount of work, I think, in developing that sector of the economy — the artistic sector — and we do that in a number of ways.

One of the ways we do that is through the Film and Sound Commission. The goals of the Yukon film and sound incentive programs are to increase the level of film and sound recording production in Yukon, to maximize Yukon employment opportunities in the Yukon film and sound industries, as well as as-

sisting the development of professional careers in those two industry sectors. It is those two industry sectors that I think a lot of the children who participate — it's their parents who access this kind of tax credit program that's in the bill before the House today who would see their children ultimately enter into one of these sectors.

During the 2011-12 fiscal year, \$364,697.20 in funding was approved under the programs under the Film and Sound Commission to support a variety of film and sound projects. Since the inception of the Department of Economic Development in 2003, over \$5.03 million was awarded to 276 film and sound-related projects and initiatives.

These programs support local, national and international film productions that provide film industry jobs in Yukon and give Yukoners opportunities to gain knowledge, skills and experience. Yukon's music industry members are also provided with support for sound recording projects that further their career development in the industry. Through the Yukon film training initiative, training opportunities are made available that foster career development for script writers, producers, directors and film crew. The financial support for this training complements the mandates and initiatives of the local film industry organizations. Yukon continues to prove itself as a premier film location, with a number of diverse productions choosing the territory as a backdrop for their film projects, and our music industry continues to grow and enjoy successful concerts and tours throughout Canada and around the world.

The Yukon government is pleased — and of course, I am pleased, to continue to support these programs and provide opportunities for career and industry growth, while enhancing economic diversification to the Yukon. Like I said, it's important to recognize that this, in its own way, does encourage a type of economic diversification.

As I said, a number of the programs that exist under the Film and Sound Commission are aimed at encouraging the development of the artistic and cultural industry in Yukon.

One of them, of course, is the Yukon film location incentive. For the 2011-12 budget, \$53,063 was spent on that incentive program, and that Yukon film location incentive, of course, encourages production companies from outside Yukon to film in Yukon and hire and train Yukoners. There are three components to the incentive program — the first is the Yukon spend rebate, which is aimed at television programs, television movies, documentaries and feature films — but not commercials, I might add. They're eligible for a rebate of up to 25 percent below the line Yukon spend, provided criteria are met. The second component is the training rebate, which is aimed at productions — and once again, not commercials — that are eligible for rebate of up to 25 percent of wages paid to individuals, providing onset training for eligible Yukon labour. The third component is the travel rebate, which is aimed at productions — this time including commercials — that are eligible for a 50-percent rebate on travel costs, subject to a percentage in dollar and dollar maximum, depending on the production type.

This year, as I mentioned, of the amount distributed, there were two specific applicants and recipients. One was the National Film Board of Canada; the other was Shaftesbury Mur-

doch Incorporated. Another program that we have under the Film and Sound Commission, for the encouragement of this industry, is the Yukon film development fund. Under the film development fund, up to 50 percent of actual Yukon expenditures to a maximum of \$35,000, or 33 percent of total project expenses — whichever is the lesser — is available to Yukon residents or Yukon corporations to assist with the cost of development of film projects in Yukon. The applicant is required to have marketplace support in the form of a broadcast development agreement or distribution arrangement. An additional \$10,000 is available to an applicant if the broadcaster or distributor requires more senior personnel who are not available in Yukon to be attached to the project, and the single applicant or recipient of those funds this year was Mackenzie Delta Films, which received \$35,000 from the 2011-12 budget.

Another program is the Yukon film production fund. Under that fund up to \$500,000 per project is available to Yukon corporations with significant financial and creative control over a film project to assist with the cost of producing the film in Yukon. The applicant is required to have marketplace support in the form of a broadcast licence or a distribution arrangement. Requests for amounts over the maximum of \$500,000 are subject to Management Board approval. For productions solely controlled by a Yukon resident or corporation, the contributions will be based on 30 percent of Yukon expenditures or 30 percent of the total production costs, whichever is the lesser. For co-productions, the contribution will be based on 30 percent of Yukon expenditures or 20 percent of the total production costs, whichever is the lesser. The loan applicant or recipient for that program this year was Cold Paradise Productions, which I am sure many members in this House — I know one or two at least were at the screening of last night, which highlighted the experience of a number of Filipino immigrants to Yukon and their general integration activities in the territory. As I said, Cold Paradise Productions received \$24,668 for that particular project.

Additionally, under the Yukon film training initiative, up to \$3,000 per person per year is available to Yukon residents for training for a career in the film industry. Applicants must have demonstrated a commitment to a career in this field such as significant recent course work and/or work experience. Yukon film industry organizations are also eligible for funding to support local film workshops. A number of projects applied for and received funding under this initiative. The total approved amounts for 2011-12 were \$162,923. Among the successful applicants were the Dawson City Arts Society, which hosted an international short film festival, as well as training and workshops. The Northern Film and Video Industry Association hosted the gold rush productions, the film crew training project. An individual, Celia McBride, received some dollars for a project on women in the director's chair.

The Yukon Film Society conducted an intensive workshop with the National Film Board. An individual, Naomi Mark — a friend of mine, actually — received some money for a program at Langara College, and Jacob Moeller from Humber College had a project as well. Finally, the Klondike Institute of Art and

Culture also participated in the Dawson City International Short Film Festival.

An additional program that is available to Yukoners is the Yukon filmmaker's fund. Under the filmmaker's fund, up to \$8,000 per applicant is available to Yukon residents for film and video professionals and that is to assist them in developing viable careers in the film industry. There are two intakes per year, in June and December, and there were a number of projects that were funded this year. Total approved amounts for 2011-12 were \$46,135.

Switching gears just a little bit, the Film and Sound Commission also provides a number of opportunities for local recording artists to further their careers and develop their projects. The Yukon sound recording program supports the Yukon sound recording industry by providing financial assistance for demo and full-length sound recording projects. There are two intakes per year for that program — May 1 and November 1. There are two components to the sound recording program. There is the professional demo recording of up to \$2,000 for producing a CD with a minimum of two tracks, or five minutes. Then, of course, there is the professional sound recording of up to \$5,000 for producing a CD with a minimum of six tracks, or 20 minutes.

There were a number of successful applicants this year. I won't go through them all, but there were a few that I wanted to highlight for a number of reasons. One of them was Gordie Tentree, whose project was titled "Gypsy Wind". That was a successful project, and I know that Gordie Tentree is a popular local artist that many members will certainly be familiar with. The one I wanted to highlight as well, one I also had the pleasure of meeting and speaking with, was Emily Ross, who was actually the youngest-ever recipient of this program. She actually had to have her mother make the application on her behalf. She's only 13 years old. So the name of the applicant, for formal reasons, is her mother, Lisa Ross. But, of course, the funding was intended for Emily Ross. As I said, she's the youngest-ever recipient of this fund and an exceptional young lady with a very bright career in the industry ahead of her. I would also note that Ms. Ross will, I assume, likely access — or her parents will likely access — the tax credit that's in the bill before the House currently, as she is a young artist and exactly the kind of person we like to see representing the industry in the territory.

I see you're signalling, Madam Chair, that my time is running out, so I will wrap up, but I did want to finally make note of the fact that there are a number of programs through which the Department of Economic Development provides support for industry professionals, and I think that this bill will do an excellent service toward the industry in encouraging young people to get involved in the arts and music and feed into that industry that is so well-loved and well-respected in the territory.

As I said before, I tend to take a particular angle on these sorts of things because of my role as Minister of Economic Development, but I do think that it's important to highlight that that industry is so important to our economy and to the diversity of our economy.

Seeing my time elapse, I will conclude by saying that I am happy to commend this bill to the House, and I would like to thank the Member for Pelly-Nisutlin for his initial motion, which created the momentum for this bill. I would like to thank the Minister of Finance as well for bringing it forward to the House and ultimately creating a tax credit that most certainly will be well-used by Yukon families.

Speaker: Order please. The member's time has elapsed.

Ms. Stick: I rise today to speak to this bill, but I must say that after a refreshing ability yesterday to discuss, debate and get through two second readings, two Committees of the Whole, I am just sensing a real déjà vu going on here and hope that we would have been able to get through both today. I am standing up to say that we supported the motion when it came forward, and we support the bill now. We understand what the intention of it is and believe that. Our only issue is that there has to be a recognition that for many families this will not apply to them. I am thinking particularly of families on social assistance, who do not have access to funds or may have access through the kids recreation fund once in a year.

That funding usually runs out before the year is out. I would like to see more creative ways of providing funding for those families — whether that would be through social assistance — where they are given a family pass to the Canada Games Centre, which would give them access as a family to do swimming — it doesn't even have to be classes or lessons; it's just being able to get out and be active as a family in some of these great facilities we have. Other ways would be ensuring there are spots in different programs and classes, where youth and family can apply to be entered into that without having to pay the fees that are necessary.

That's all I have, Mr. Speaker. We support this, and we support the motion and would like to get on with Committee of the Whole and see this move forward.

Hon. Mr. Graham: I apologize to my colleague, but I had to answer, in some manner, the Member for Riverdale South there.

I also want to make mention of the fact that the Leader of the Official Opposition made mention of the research that surrounds the idea of the impact of the increase in activity through the use of tax incentives, such as those we're talking about here today. I also read that research and I agree with her to a great extent; however, what we're talking about here today is only one small part of that whole puzzle of expenditures to encourage young people to do things. I also want to bring up some of the things that we as the Department of Health and Social Services are doing for young people. One of the reasons I wanted to do it at this time is because it also includes the early childhood education portion that we talked about in Question Period here today. Also, some leading health researchers predict that, if current trends continue unabated, today's generation of children will be the first in history who will live shorter, less healthy lives than do their parents.

Most of the research seems to indicate that the reason for this is that children are not becoming involved like they used to. Too much time is spent in front of the TV and in front of the computer — gaming and things like that. So it's very, very important that we continue doing the things that we're doing to get people involved. Being involved has a whole host of important ramifications and, from my point of view especially, one is on the health system. The only way that we as a territory are going to be able to reduce the cost of health care in the territory is for our young people to become healthier and to have less need for the health care system — the acute health care system — in their declining years. It's only by having people healthier as they grow older that we will reduce the cost of health care.

To this end, this government is making several important investments, I believe, in the young people of today. We've increased dramatically our supports for families with disabilities. We are doing a lot of funding for sibling care, for family counselling and referrals for therapeutic services for in-home care. Especially we are doing specialized interventions for children with complex needs. We've also increased, as I said in Question Period today, the funding for the Child Development Centre, which I think is extremely important because again, it involves children.

One of the questions that also came up: Why are we putting so much of the focus on children and families? It's research — again referring to the Leader of the Official Opposition's comments — which has shown that, with a good start in life and continued support through adolescence and early adulthood, the lifelong benefits in terms of health care, workforce participation and the quality of community life is enhanced considerably.

I would also like to just quickly go through some of the other things. The wellness strategy that was released a little while ago will go, I believe, a long way in reducing the impact of our sedentary lifestyle on young children — I think encouraging people or young children to become involved, not only in recreational activities but in the arts and culture.

Again, being involved is the important thing. Being involved keeps children away from those other activities that are inappropriate. I know the Minister of Community Services talked about the danger period between 3:00 and 6:00. This is one of the things that the wellness strategy is intending to address as well. We're also talking about early childhood development and our investments in young people through early childhood development. I'm sorry I didn't have these facts available to us in Question Period, but over the years there have been huge increases in the early childhood development budget over the whole spectrum. What we're currently doing now is giving not only direct operating grants, but wage subsidies. One of the comments I made today is the difficulty with increasing those direct wage subsidies, or those DOG grants, is because of the variety of salaries and wages that are being paid to early childhood educators.

We have some level 3 operators being paid in excess of \$35 an hour in some of our early childhood development centres, and yet others being paid only \$14 an hour. So we have to work with these childcare facilities to learn exactly why these

things are happening and what's happening with the subsidies that are being paid by this government. I should have partially answered this afternoon that until those things are straightened out and until we have a dialogue with these childcare centres, we won't be increasing anything dramatically in the very near future.

I also thought that it was important to mention the fact that we've increased funding for the Child Development Centre quite a bit over the last few years. I look forward to announcing a very large increase for them in the coming year. I spent some time at the Child Development Centre with my grandson and have found that the early stimulation for children in, not only recreational pursuits at the Child Development Centre, but some of the artistic pursuits are absolutely wonderful. I encourage anybody with a little bit of time to take advantage of going there and seeing what these people are doing with the children, because it is absolutely phenomenal.

I guess, to wind up, I support this bill. I realize that it is not going to do everything that we want it to do, but it's at least one of the things that is important in the overall picture of assisting child development in the territory. I commend this bill to the House, Mr. Speaker.

Ms. McLeod: I want to thank the Member for Pelly-Nisutlin for bringing this motion forward last April and, of course, the Minister of Finance for bringing this bill forward today.

It allows for a tax credit for parents or guardians who chose to foster their child's involvement in arts and cultural activities along the same lines as what is done when they want to participate in sports. Whether you live in a small community or a large one, a really rich arts and culture segment attracts people to your community. It enhances their experience of living in your community and it really works for everyone.

Fostering a child's creative mind is good for children. It stimulates and develops the imagination and the critical thinking that that needs. It refines cognitive and creative skills. It has a tremendous impact on the developmental growth of every child and has proven to help level the learning field across socio-economic boundaries. It strengthens problem solving and critical thinking skills, adding to the overall academic achievement and school success. It develops a sense of craftsmanship, quality task performance and goal setting. It teaches children important life skills, such as developing an informed perception, articulating a vision, learning to solve problems and make decisions. It builds self-confidence and self-discipline. Because it's good for our children, it's good for society.

It nurtures values that are important to each of us as Yukoners and Canadians, such as respecting alternative viewpoints and appreciating other cultures. In Canada, all levels of government clearly recognize the value of supporting the arts and culture sector. Governments know that an investment of \$1 helps to generate nearly five times that in economic activity and generates about 600,000 jobs.

So, support for the development of arts programs — and, really, the best way to develop arts programs is to ensure participation. I trust every member of the Legislature can see the

value and importance of supporting parents in developing the art and culture of their child, and I thank you, Mr. Speaker.

Mr. Hassard: It's an honour and a privilege to rise today in support of Bill No. 46, *Act to Amend the Income Tax Act*. Bill No. 46 will allow the government to establish a tax credit for parents and guardians of children involved in music, arts or tutoring. This credit would mirror the children's art tax credit in the 2011 federal budget introduced, allowing parents to claim a non-refundable tax credit based on an amount of up to \$500 in eligible expenses per child paid in the year. The credit is available for the enrolment of a child who is under 16 years of age at the beginning of the year in an eligible program of artistic, cultural, recreational or developmental activities.

An example of what this might do for Yukoners — in 2007, the Yukon government introduced a non-refundable children's fitness tax credit. The credit mirrored the federal non-refundable credit that was provided to Yukon taxpayers with children under 16 years of age or under 18 years of age, if eligible for the income tax disability amount at the beginning of the year in which an eligible fitness expense was paid.

For each eligible child, the taxpayer can claim up to \$500 in allowable expenses. If the child qualifies for the disability amount and is under 18 years of age at the beginning of the year, an additional amount of \$500 can be claimed, as long as the minimum of \$100 is paid on registration or membership fees for the prescribed program or physical activity. In the 2009 tax year, 1,415 Yukoners filed for this credit, which is approximately 5.5 percent of all Yukon tax filers. The credits claimed of just over \$750,000 in that year resulted in a benefit of around \$50,000 being provided via the Yukon children's fitness tax credit.

The federal tax credit benefit amounted to approximately \$106,000, with the total resulting in around \$156,000 in savings to Yukon taxpayers. Thousands of Yukoners enrol their children in artistic, cultural, recreational and developmental activities each and every year. These activities contribute to a child's development and help create Yukon's next great artists.

The children's arts tax credit builds on this government's commitment to help parents and their children, such as the children's fitness tax credit. This is especially important to rural Yukoners because many people in rural Yukon have to travel to Whitehorse so that their children can attend the programming. I know this personally because I drove my daughter to dance class twice a week for five years, so I am fairly understanding of that.

This act also encourages activities which provide a substantial focus on wilderness and the natural environment. This is kind of funny because I thought it was important — just the other day I read a bumper sticker that said, "Kids that trap and hunt don't rob little old ladies."

This act assists children to develop and use their particular intellectual skills. An example of this is the Destination Imagination program, which my colleague, the Minister of Education, alluded to earlier. The Ross River school is currently using this program in their curriculum. Their vision is to be the global leader in teaching the creative process from imagination

to innovation, and their mission is to develop opportunities that inspire the global community of learners to utilize diverse approaches and apply 21st century skills and creativity. To quote Albert Einstein: "Imagination is more important than knowledge. For knowledge is limited to all we know and understand, while imagination embraces the entire world, and all there ever will be to know and to understand."

These are just a few examples of how Bill No. 46 will benefit Yukoners at large. In closing, I'd just like to thank the Hon. Premier for putting this bill forward today for us to debate here in this Assembly. I look forward to listening to the opinion of everyone here to see what they have to say. Thank you very much.

Hon. Mr. Istchenko: While many in the Yukon are vocal about what they're against, being in favour of something is even more vital. Building an economy requires planning, and that's what this government is doing with Bill No. 46. I'd like to thank the Member for Pelly-Nisutlin for bringing a motion forward again.

Generations of Yukoners have built this territory, where prosperity is widely shared and from our efforts over many years, Yukon built a strong middle class and a vibrant entrepreneurial culture that, to this day, remains the backbone of our economy and our society. So this is just another example of this government — building an economy requires planning, and we're not going to see much in the media about what this government is doing, but I think many Yukoners would be very proud to support this — that this government works for all Yukoners on things like this.

I know, being from a rural community, I can give you many examples. There were three kids up at the SOVA — the Member for Klondike isn't here right now. I wish he were here to hear this —

Speaker's statement

Speaker: Order please. Members are not allowed to refer to a member's presence or non-presence please.

Hon. Mr. Istchenko: Sorry, Mr. Speaker. I would just like to say that there were three youth from my riding who were in the Klondike riding, and they were at an arts school pursuing their careers. I drove a couple of those students back and forth on my trips back and forth to Dawson to help out in a community spirit.

I believe in any tax break that we can get, because we're not increasing taxes; we said we wouldn't increase taxes. In my riding I see the Y2C2 kids; I see a lot of environmental camps; I see the first hunt that they do; I see trapping; I see youth mentorship; I see parents driving their kids in for spelling bees. I think it's very important, and I know my son is going to probably want to be in the MAD program that we have that's only available — or the ACES program — some of these programs that are only available in Whitehorse because of the infrastructure. So rural Yukon will be travelling a lot and any chance for a tax break would be good.

In closing, I wanted to get it out there that it's too bad we couldn't see more of this positive stuff in the media. This tax credit — this is working.

I'm going quote something the Premier said when we spoke to the motion in the spring: "... is assisting working families and reducing their tax burden ... we've had a record, since coming to power, of not increasing taxes. We are committed to not increasing taxes. Here, again, is an example of where we continue to reduce the tax burden ..." — not increasing taxes, but also reducing the tax burden, Mr. Speaker — "... put more money in working people's pockets and allow them to make the decisions on what they choose to do with that money — whether to invest it in a savings account or reinvest it within our local economies." But that's more money for the working Joe. Thank you again.

Hon. Mr. Cathers: It's a pleasure to rise here today in support of Bill No. 46, *Act to Amend the Income Tax Act*. This, as we heard the Leader of the NDP speak to and question the value of this and indicate somewhat lukewarm support for it — I think this really —

Some Hon. Member: (Inaudible)

Point of order

Speaker: The Leader of the Official Opposition, on a point of order.

Ms. Hanson: Mr. Speaker, to be clear, the Official Opposition said that we clearly do support this. We supported the motion at the beginning. There was no description of being half-hearted, lukewarm or anything. I simply said, and I repeat at this very moment, the Yukon Official Opposition has said we support this motion and the amendment.

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

Hon. Mr. Cathers: On the point of order, it seems to me that this is just a dispute between members.

Speaker's ruling

Speaker: There is no point of order. It is a dispute between members about the interpretation of words, but I caution that it is on the line. The Minister of Energy, Mines and Resources has the floor.

Hon. Mr. Cathers: Mr. Speaker, I am thinking about how to rephrase that, so I don't tread over the line, as you have cautioned.

I think that what this really illustrates is a philosophical difference between us and the New Democratic Party. We believe very strongly in lowering taxes for people where it is feasible to do so; that tax credits can be an effective way of helping people help themselves and giving credit for activities that they do and for costs that they engage. In this case it is a cost that they take on, rather, in doing things including supporting their children taking music, arts or tutoring, in this case, as put forward in Bill No. 46. Again, I think this is a very positive motion. I'd like to thank again the Member for Pelly-Nisutlin who brought forward Motion No. 162 in the spring, which was unanimously passed on April 18 of this year.

I join with my colleagues in believing this is a positive step that allows parents to do more in helping their kids. It gives recognition of the fact that for parents or guardians of children who are involved in or are taking part in music, arts or tutoring, there can be very significant costs. While the \$500 tax credit per child will not address all of those costs, it is a recognition of the cost that they undergo and it's similar to other areas where people are allowed to write off — or receive a credit, rather — for a portion of a contribution on their tax credits. Other examples include charitable contributions and contributions to political parties, for which people are also entitled to claim a tax credit up to a certain amount in recognition of the importance of encouraging people to contribute to charitable organizations, and, in this case, in the recognition of the importance of helping people help their children gain additional knowledge, opportunities, et cetera, in areas including music, arts and tutoring.

The credit — if this bill is passed — would be in place for the 2012 tax return, which will allow parents or guardians to claim each and every year a non-refundable amount of \$500 per child of less than 16 years of age. If the child qualifies for the disability amount, then the age is increased to 18 and the maximum annual amount per child is increased to \$1,000. A few examples of eligible expenses include activities that are intended to improve a child's dexterity or coordination or help in acquiring and applying knowledge through artistic or cultural activities such as literary arts, visual arts, performing arts, music, media, language, customs and heritage. My colleague the Minister of Economic Development gave a few examples of other areas through which the government provides support to people through funds including, if I recall, the community development fund and also — what was the other fund?

Some Hon. Member: (Inaudible)

Hon. Mr. Cathers: Thank you — under the funding of the Film and Sound Commission.

Again, these contributions are examples of ways that the Yukon government is supporting those activities and supporting music, arts, literature, film and sound, et cetera, and helping people who are engaged in those areas.

The additional credit contained within this legislation for children with disabilities, of course, goes well and merges well with the efforts that government has done in a number of areas, including increasing the support and the number of educational assistants within classrooms and through the area of Health and Social Services. The program that was set up when I was Minister of Health has continued through, which is the family supports for children with disabilities program. That again is a program that is aimed in a different structure, but with the same philosophy that we are trying to help people take better care of their child, whether that child is fully able or has a disability and of course, those steps are all about helping people gain additional tools and resources to support their child's development.

What I would point out as well is that there is a change in this structure and some of it contains some housekeeping provisions.

There is also a provision that allows for parents who share custody of a child to share the Yukon child benefit, and that is a change to mirror the federal calculation to ensure that people are not unduly taxed or impeded by Yukon legislation not being aligned with federal changes. So it's a relatively administrative change, but an important one to do.

A few of my colleagues have spoken to one of the commitments that my colleagues and I are known for — that the Yukon Party is known for: a commitment to not raise Yukoners' taxes. That was, I believe, the first commitment we made in the 2011 election campaign, and this change is in keeping with our record and our commitment to not increase taxes, except in some cases, and on a targeted basis, where we believe it will help people. In lowering taxes, we have lowered some of the taxes on small business. We have increased the amount at which a business is considered a small business to better help Yukon small businesses and, in this case of course, a specific change to provide a tax credit to parents of children who are enrolled or involved in areas, including music, arts and tutoring.

Another example is the change we made that mirrored the federal non-refundable children's fitness credit, which was provided to Yukon taxpayers with children under 16 or under 18. Another example of this that I would point out — I know the members opposite don't like to focus on the good things that we have done — is the significant increase that we made to the kids recreation fund, which is aimed at helping children who don't have access, or whose parents don't have the resources, to purchase sports equipment. We have provided a significant increase to that program. If memory serves — and the Minister of Community Services might correct me on the numbers — I believe we increased it from \$60,000 to somewhere around \$200,000.

So, again, a very significant increase in this area is aimed at helping parents who are not able to pay to involve their children in some of the activities to which this legislation speaks, and provide through the resources of the kids recreation fund the ability for some children who would otherwise not have the ability to be involved in sports to be facilitated with the resources to purchase the necessary equipment and also be able to participate.

The change that was made to the children's fitness tax credit — as I believe one of my colleagues may have noted — in 2009, over 14,000 Yukoners filed for this credit, which made up 5.5 percent of all Yukon tax filers. So again, with that number, when more than five percent of Yukoners are filing for a credit of that type, that does demonstrate a significant percentage of Yukon families who have taxpayers — or tax filers, rather — are filing for that credit on behalf of their family. The credits in that year totalled \$753,000, and, so, again, a benefit of about \$50,000 is provided via the Yukon children's fitness tax credit. So this legislation here today is another step and another addition to that record of supporting Yukon families and lowering the tax burden on Yukon families.

It is an important addition to that overall framework and that overall policy of lowering taxes, so this is all about reducing the tax burden on Yukoners to put more money in working

people's pockets and allow families to make the decision on what they do with the money — help parents have the resources to be able to choose what music, arts and tutoring activities are appropriate to their child and give them a tax credit to allow them to better participate in that.

With that, I will wrap up my remarks, noting again that the list of arts covered under here include literary arts, the visual arts, performing arts, music, media, language, customs and heritage, and also includes activities that provide enrichment or tutoring in academic subjects. Again, as a number of my colleagues have noted, fundamental to all of this is a strong economy that provides opportunities for people, and is fundamental to having people have the financial resources to be able to pay for their families — to be able to provide for their families, pay for their family's future and be able to invest in things like music, arts and tutoring that they believe are in the best interests of their child.

I know that some of the members across the floor don't like to hear it, but we believe very strongly that it's important to support a strong, diversified economy and to make the right steps that provide future opportunities — current and future opportunities — for Yukon workers, Yukon families and Yukon citizens. With that, I commend this legislation to the House.

Speaker: If the member speaks, he will close debate. Are there any other members who wish to be heard?

Hon. Mr. Pasloski: In summary, what we are moving forward with is a Yukon children's art tax credit that will be in place for this tax year, 2012. The credit will allow parents or guardians to claim annually a non-refundable amount of up to \$500 per child less than 16 years of age, and if the child qualifies for a disability amount, the age limit is increased to 18 and the maximum allowable amount is increased to \$1,000.

The eligible expenses were very wide-ranging, and intended to improve such things as child dexterity or coordination, and help with acquiring or applying knowledge through artistic or cultural activities such as literary arts, visual arts, performing arts, media, languages, customs and heritage. As described, this bill also has a consequential amendment related to the Yukon child benefit that will allow each parent to receive 50 percent of their entitlement for all 12 months of the year, versus half of the year for one and the other half of the year for the other one. Of course, there are some housekeeping clauses that will have no impact other than make the section 6 simpler to read.

We continue our commitment now for a decade of no tax increases and, in fact, where the opportunity arises, to decrease taxes for Yukon people. I did discuss the children's fitness credit, and how that too was a mirroring of some federal legislation, which really resulted in significant savings for working families. We anticipate the same response to this tax credit as well.

Really, it's about reducing the tax burden for Yukoners, putting more money into the pockets of Yukoners and allowing them to be able to make the decision on what they choose to do

with that money. We've heard some comments from the opposition talking about funding versus tax credits. I think it really speaks to a sharp contrast in philosophies in that the Yukon Party believes in creating wealth and the NDP believes in redistributing wealth.

We will continue to create an environment for investment in this territory, allowing us to continue to provide more funding and tax credits to people of the Yukon, but to continue to do that from a strong financial position as opposed to some of the historical realities of the previous NDP government in terms of massive amounts of borrowing. We believe that if we continue to generate new wealth, we can continue to drive more programs, more funding and also more credits for the working people of the Yukon.

Of course, we have many, many tax credits here in the Yukon, and this is really adding another tax credit. We call this the child arts tax credit, but I think we have to also make special note of the fact that it does include things such as tutoring for our children if they're having difficulty with math or with chemistry — that they can employ a tutor to help their child do the best they can. This, as well, is to be included in that child arts tax credit.

I'd like to thank the Member for Pelly-Nisutlin who actually brought up the original motion — Motion No. 162 — last spring, and that motion did receive unanimous support. I'd like to thank everyone for their comments today. Certainly, the ministers had some very informative discussions about the many, many programs and services and incentives that are delivered by this government for Yukoners, including support for working parents and children. With that, I will close the debate on second reading.

Motion for second reading of Bill No. 46 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. McLeod): Committee of the Whole will now come to order. The matter before the Committee is Bill No. 46, *Act to Amend the Income Tax Act*.

Is it the wish of the members to take a brief recess?

Some Hon. Members: Agreed.

Chair: I think the yeas have it. Committee of the Whole will recess for 15 minutes.

Recess

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

Bill No. 46: Act to Amend the Income Tax Act

Chair: The matter before the Committee is Bill No. 46, *Act to Amend the Income Tax Act*.

Hon. Mr. Pasloski: It's my pleasure to speak to Bill No. 46, an *Act to Amend the Income Tax Act*. My remarks at second reading explained the purpose of this bill in some detail, so I will now be brief.

The substantive portion of this short bill is the last portion of section 2.2 that reads: "... and 118.031 of the federal Act." This introduces the Yukon children's arts credit into the Yukon's *Income Tax Act*. The rest of this bill is consequential in nature. Yukon parents or guardians, starting with the 2012 tax return, can claim up to \$500 of eligible expenses on their tax return per child. If their child has a disability, this amount increases to \$1,000. Eligible expenses include activities that are intended to improve a child's dexterity or coordination or helps in acquiring and applying knowledge through artistic or cultural activities such as literary arts, visual arts, performing arts, music, media, languages, customs and heritage. Eligible programs must be ongoing, meaning eight consecutive weeks at a minimum or, as in the case of a children's camp, five consecutive days long.

Programs must be supervised and suitable for children. This will be a simple credit to claim, as individuals will already be claiming the same amount federally. By referencing the federal credit, it also becomes an efficient claim to administer. The remaining portions of sections 1 and 2 of this bill are strictly housekeeping. In other words, we are taking the opportunity of opening section 6 of the *Income Tax Act* to simplify the presentation of this section. Section 3 of this act, as discussed in second reading, harmonizes the timing of Yukon child benefit payments for shared-custody parents with the timing of the national child benefit payment. Canada administers this program on our behalf and Yukon residents receive a single monthly payment for both programs. By agreeing, the Yukon act must be consistent with Canada's *Income Tax Act* in this area. Approximately 1,200 families receive a payment each month, with an additional 200 receiving a single annual payment. The proportion of the 1,200 receiving monthly payments affected by this change is expected to be very small.

Yukon is required to have the same administrative rules for this benefit as the national benefit in order for Canada to officially administer this program.

Finally, the government is proud of the growth in the local economy since the Yukon Party was first elected 10 years ago. A prosperous economy leads to a lower tax burden for Yukoners. In fact, the growing economy has resulted in many new tax credits introduced since the Yukon Party was first elected in 2002. Tax credits, as we all know, leave more money in the hands of taxpayers. This is our eleventh change to the *Income Tax Act* since the Yukon Party came into power in 2002. All 11 changes have resulted in tax relief and none have increased the tax burden. Even with this lower tax burden on individuals, the growth of our economy has led to tax revenue growing more than 100 percent since we were first elected in 2002.

We are very proud to once again introduce a new tax credit — a credit to provide a benefit to children involved in music,

arts and tutoring. A growing economy does have many benefits. Thank you, Madam Chair.

Ms. Hanson: I just have a few questions because, as I think we said numerous times today and in the spring, the Yukon Official Opposition does support this *Act to Amend the Income Tax Act*. I have a number of questions just to clarify the intentions of the government, and the minister in particular. If he would speak to a couple of questions, I'd like to know: Is there a cost to the Yukon child benefit split? The second part of that, so that we don't have to go on for hours, is can he define "parent", and does it include same-sex parents?

Hon. Mr. Pasloski: There is no incremental cost to the Yukon government. This is a program that is administered on our behalf by the federal government, so there will be no cost. We've mirrored this with their legislation, and it will be processed at the same time that we process the federal benefit. The answer remains the same on the latter part of the question, in that this benefit is also included for same-sex marriages.

Ms. Hanson: With respect to the tax credit, what is the total cost of this bill with respect to foregone revenues?

Hon. Mr. Pasloski: I think actually the person who just spoke before me — as she was referring to me — answered this question herself in her statement during second reading. The anticipated cost to the Yukon government is approximately \$20,000 annually.

Ms. Hanson: I thank the minister opposite for confirming that. With respect to one of the pillars, the minister has spoken at length and referred many times to the increased revenues that have accrued to the territorial government. One of the pillars of this government has been — and we've heard a lot of talk about it, but we haven't seen much yet, but we're looking forward to the social inclusion and poverty reduction strategy. I'm curious to know, and my question is, Does the Premier recognize that this benefit will not reach those who can least afford to pay for arts and cultural programs for the children?

I'm looking to the minister — the Premier — to explain how this links to the social inclusion strategy, as well as picking up on his point about how we have these hundreds of millions more in revenues, I believe he said.

What's being done to target those increased revenues that have flowed to the Yukon as a whole, in terms of plans to expand other programs or create new programs — funding mechanisms — that would be accessible to those children living in poverty? What plans does he have in place to use those increased revenues — because he and his colleagues have spoken so much about those today — so that all Yukoners will benefit from this, and particularly children who don't have access?

You know, I got a message today from a woman who is a stay-at-home mom with six kids, the youngest of whom is six years old. She has worked off and on for the past six years, I am told, for two companies to earn money to feed her kids. She basically goes to the food bank once a month, because that is what she is allowed to do, but she doesn't get enough to feed all six kids. So she collects cans out of the garbage to take to recycling for money. I am wondering, with the increased revenues, this child tax credit will assist those families who do have the funds — do have a taxable income — but what about in

terms of sharing the benefits of the growth that we hope to see benefiting all Yukoners, so that no Yukoners are left behind? What are the Premier's intentions with respect to ensuring that as we move forward to provide credits and benefits to those people who are blessed with opportunities to work — that they could take advantage of that, but we leave no children behind and allow them to access arts and cultural programs as well.

Hon. Mr. Pasloski: What I did say was that this is the eleventh change to the *Income Tax Act* since the Yukon Party took over in 2002. All 11 changes have resulted in decreasing the tax burden for Yukon workers. Even with this lower tax burden on individuals, our revenues have increased by 100 percent — just to clarify that for the member opposite. So we have, through growing a strong economy — even though we've reduced the tax burden, we've increased our revenues. I spoke earlier about the fundamental change — I said, you know, the Yukon government wants to create wealth and the NDP want to just redistribute wealth. I think it leads to the whole philosophy around taxes as well. We believe that if you keep taxes lower, you create stimulus within an economy, and people have the ability to create more economy, because they have more money in their pocket, as opposed to the NDP strategy of taxing people more with the anticipation that that will create more revenues.

But what we have shown — not only us, but in many other jurisdictions that have been financially responsible — is that reducing the tax burden will actually increase your tax revenues.

This is one area where we are providing an opportunity for support for working families — parents who are working with kids — but we have numerous supportive programs for low-income Yukoners to ensure that assistance is provided to these people, to these children who do need it most. For example, the low-income family tax credit remains to provide some assistance to persons with low income when filing their tax return at the end of the year. This government amended the legislation to ensure that the federal universal child benefit was not included as income for low-income family tax credit calculation; that is, the receipt of the federal benefit does not reduce the credit that is available to Yukoners.

The Yukon child tax benefit has been enhanced in 2006 by 53 percent from \$450 to \$690 and the threshold where low-income families receive the full benefit was increased by 20 percent from \$25,000 to \$30,000. Low-income families receive this benefit monthly, and unlike the low-income family tax credit, do not need to wait until the end of the year to receive this money.

We announced a 25-percent increase in child care subsidies in 2007; the maximum amount received was increased to \$625 per month. The Yukon senior income supplement was doubled in 2008 to a maximum of \$2,400 a year at an investment in our seniors of \$810,000 per year. We were the first government to index this benefit for inflation, realizing that those on fixed income have the least ability to cope with the effects of inflation. Like the child benefit, this is money that arrives every month on a dependable schedule. We increased the pioneer utility grant by 10 percent, and indexed it to the

consumer price index. The territorial supplementary allowance for persons with disabilities and seniors receiving social assistance was increased 100 percent in 2005 at a cost of \$306,000 a year.

The Government of Yukon increased its contribution to the kids recreation fund in 2005 by an additional \$140,000. The additional funding raises the level of Yukon government assistance to this fund from \$60,000 to \$200,000 — a greater than 200-percent increase.

We've increased foster parent funding 17 percent and indexed that to CPI in 2009. Social assistance reform was implemented in 2008 as part of our commitment to review the social assistance program to ensure adequacy of rates and provide incentives to recipients to help them enter the workforce and scale over the welfare wall.

Improvements include increasing the amount of earned income retained to 50 percent from 25 percent; increases to the basic allowance for food, shelter and clothing; reduced red tape and enhanced services for those social assistance recipients with severe disabilities. People with low income need the benefits not always when filing their tax returns once a year. Yukon government spending programs are there for Yukoners throughout the year, not just once a year.

When it comes to tutoring, the Department of Education funds the Learning Disabilities Association of Yukon, LDAY, which we've heard the Minister of Education talk about earlier. The LDAY home tutor program — tutoring services are offered outside school instructional hours, such as at lunchtime, after school, evenings or even on weekends.

The department also funds tutoring through the Vuntut Gwitchin First Nation and Skookum Jim Friendship Centre. These tutoring programs help many First Nation students from around Yukon improve their academic abilities. Funding is available to support students in all 14 rural communities, as well as Kwanlin Dun, Ta'an Kwäch'än and rural students attending high schools here in Whitehorse. Home tutoring programs are designed to fit the needs of individual communities. Proposals are developed and funds for hiring tutors are administered by partnerships of local community representatives.

I think I've answered the member opposite's question. Yes, we're providing a child art tax credit that will be of benefit to working families, but we also do numerous things to support kids along the whole continuum of incomes that relate to all children here in the Yukon.

Chair: Is there any further general debate? Seeing none, we'll move to clause-by-clause debate.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Hon. Mr. Graham: I just have one question. Clause 4 talks about shared-custody parents, but I am also interested in grandparents and if grandparents have any rights under this legislation.

Hon. Mr. Pasloski: The grandparents would have if they actually have custody of the children.

Mr. Elias: I also had the same question as the Minister of Health and Social Services, but maybe I can delve into it a little more with regard to grandparents' rights within the territory. This has been an issue, not only in this sitting but previous sittings with regard to grandparents' rights and the custody of their children's children.

Is there any supporting legislation that we can rely on in the Yukon or forthcoming legislation that can be strengthened in this piece of legislation, because it seems to be leaning that way — if the minister knows what I'm saying?

Hon. Mr. Pasloski: This amendment to the act is really about the institution of a new tax credit, as opposed to redefining or further defining the role and responsibility of grandparents. So with respect to this legislation, there would be no further amendments.

It says, "... primarily fulfill the responsibility for the care and upbringing of the qualified dependant when residing with the qualified dependant, as determined in consideration of prescribed factors", which is what we have spoken about — so it's whoever is legally responsible for the children. In terms of creating more delineation about the roles and responsibilities of the grandparents, that would not be part of this legislation.

Mr. Elias: I thank the Premier for that. The reason I bring this up is because there are a lot of situations that I'm aware of and I'm sure everybody in the House is aware of where the grandparents may not have custody of their grandchild, but they have — what's the word I'm looking for — they are the primary caregivers in a lot of situations. That's not recognized and so they end up paying for the majority of sport bills and arts funding and things like that, but they can't claim it in on their income tax.

Are grandparents, or guardians for that matter, able to claim this on their income tax if they are the primary caregivers, whether they fall under the legal definition of custody of their grandparents or not?

Hon. Mr. Pasloski: As I have described, what we are doing here in fact is mirroring the federal legislation to enable this tax credit to be applied. The federal government will do this on our behalf because they are performing this function from the federal level as well, but I believe the law being the law that it would have to fall under the legal description of who is responsible. While I understand and empathize and personally know of grandparents who are providing the support financially and seeing to it these children are active and engaged in many processes, I don't think that will fit into the clause as to who is eligible to apply for the tax credit.

Mr. Elias: I thank the Premier for that. This is a pretty prevalent situation in our territory, and I think it warrants recognition in legislation in our territory. I've known about this for years and years and it has been carried on for years and years, where the grandparents assume primary caregiving responsibilities of their grandchildren. So, I would appreciate if the minister could take my comments under advisement and actually make it a legal requirement in some type of legislation in our territory. Thank you, Madam Chair.

Hon. Mr. Pasloski: I think in my earlier comments I did describe some of the programs and services that are available to children who are in families from lower incomes and I'm confident that they are able to avail themselves of those services and those monies. We want to ensure that when we implement this program, we are in fact mirroring the federal legislation to enable them to provide this benefit on our behalf and to do the processing.

As I had mentioned earlier, we anticipate no increase in costs to the territorial government as a result of implementing this amendment to the tax act. So unless there is a change in the federal legislation that would describe the opportunity to allow grandparents who are not legally responsible for those children to be able to benefit from this tax credit, we would be unable to do so.

Chair: Is there any further debate on clause 4?

Clause 4 agreed to

On Title

Title agreed to

Hon. Mr. Pasloski: I move that Bill No. 46, *Act to Amend the Income Tax Act*, be reported without amendment.

Chair: It has been moved by Mr. Pasloski that Bill No. 46, *Act to Amend the Income Tax Act*, be reported without amendment.

Motion agreed to

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

Chair: It has been moved by Mr. Cathers that the Speaker resume the Chair.

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Ms. McLeod: Committee of the Whole has considered Bill No. 46, entitled *Act to Amend the Income Tax Act*, and directed me to report the bill without amendment.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

GOVERNMENT BILLS

Bill No. 44: *Miscellaneous Statute Law Amendment Act, 2012* — Second Reading

Clerk: Second reading, Bill No. 44, standing in the name of the Hon. Mr. Nixon.

Hon. Mr. Kent: I move that Bill No. 44, entitled *Miscellaneous Statute Law Amendment Act, 2012*, be now read a second time.

Speaker: It has been moved by the Acting Minister of Justice that Bill No. 44, entitled *Miscellaneous Statute Law Amendment Act, 2012*, be now read a second time.

Hon. Mr. Kent: It is indeed my pleasure as Acting Minister of Justice to bring forward this bill today at second reading. From time to time, the government will bring forward a miscellaneous statutes act to make minor corrections to a series of Yukon acts. It has been the practice of this House that the amendments in this kind of act not be associated with any policy changes or be controversial, but rather correct language errors, grammatical and numbering errors, remove incorrect references, ensure that the French draft matches the English draft, ensure that all consequential amendments resulting from previous changes have been made, and ensure that the language of the bill correctly represents the practice of those using the act.

This is a rather large miscellaneous statutes act because the Department of Justice is, at present, working through all Yukon bills in an effort to consolidate them as part of the continuing consolidation of statutes project that the department has undertaken. I'm sure members of this House support the work of the department to move toward a continuous consolidation of statutes.

This is especially important when members of this House or the general public try to read bills that regularly get amended, such as the *Motor Vehicles Act*, which over a long period of time and many changes can become a challenge to try to decipher.

Members may be aware that we already continuously consolidate the regulations every four months and that updated regulations are posted on the website as they become available. This will soon also be true for all Yukon statutes and they will be consolidated and posted on the website shortly after each legislative session. For now the department is working to complete the initial consolidation next year and there will be legislative work to come related to that project as we go, similar to the work that occurred in 2002, the last time our legislation was consolidated.

The *Miscellaneous Statute Law Amendment Act, 2012* contains 31 sections this time. I am going to take a few moments to quickly highlight them for the House, so that members will see that they conform to our practice. Again, this is an opportunity that we on this side of the House had through our processes, and I am hoping that by offering it to all members of the Legislature we are able to move quickly through second reading and perhaps Committee.

The first set of amendments to the *Animal Protection Act* corrects typographical, editorial and a numbering error.

Section 2 of the act amends the French version of section 5 in the *Archives Act*, to give it more precise language.

Section 3 of the act amends the *Builders Lien Act* to correct a numbering error.

Section 4 amends the *Cabinet and Caucus Employees Act* to correct a numbering error in section 2.

Section 5 amends the *Child Care Act* to correct editorial and numbering errors.

Section 6 amends the *Children's Act* to correct a numbering error.

Section 7 amends the *Elections Act* to correct various typographical and numbering errors.

Section 8 amends the *Environment Act* in French and English, to correct the name of the department, which has been changed.

Section 9 amends the *Family Property and Support Act* to correct a numbering error.

Section 10 amends the *Garnishee Act* to match a previous change to the *Small Claims Court Act* that allowed for a writ of garnishee to be in effect for two years.

Section 11 amends the *Historic Resources Act* to match the current title and structure of the branch.

Section 12 amends the *Hospital Act* to correct a numbering error.

Section 13 amends the *Housing Corporation Act* to reflect a name change under a previous OIC to the board.

Section 14 amends the *Income Tax Act* to correct a typographical error and to correct the reference by title of the Canada Revenue Agency.

Section 15 amends the *Insurance Act* to correct a typographical error.

Section 16 amends the *Jury Act* to correct in the French version an incorrect mailing type used that does not match the English version.

Section 17 amends the *Legal Profession Act* to correct a typographical error.

Section 18 amends the *Liquor Act* to correct a grammatical error in the French version. This section also amends sections in the French that should have been repealed, harmonizes the French and English text in one section, corrects a reference to the board and corrects a typographical error.

Section 19 amends the *Medical Profession Act* to correct an editorial error.

Section 20 amends the *Mental Health Act* to remove the word "Canada" that should have been corrected in the previous draft.

Section 21 amends the *Miners Lien Act* to correct a grammatical error in the French version. Section 22 amends the *Motor Vehicles Act* to correct numbering errors and editorial errors and also repeals a section that is not prescribed by the regulations.

Section 23 amends the *Municipal Act* to correct typographical errors and to replace two sections to match actual practice when tabling matters during the progress of bylaws before municipal councils.

Section 24 amends the *Ombudsman Act* to correct a typographical error.

Section 25 amends the *Public Health and Safety Act* to correct a numbering error.

Section 26 amends the *Public Utilities Act* to correct a typographical error.

Section 27 amends the *Act to Amend the Registered Nurses Profession Act* to harmonize the French and English in one section of the definitions.

Section 28 amends the territorial *Court Judiciary Pension Plan Act* to correct a typographical error.

Section 29 amends the *Tobacco Tax Act* to correct again a typographical error.

Section 30 amends the *Wildlife Act* to correct editorial inconsistencies with other parts of the act. Finally, section 31 amends the *Young Persons Offences Act* to correct a typographical error.

As this House can see, this act is consistent with our practice of having only minor amendments addressed in a miscellaneous statute law amending bill. I hope that my detailed explanation of this act will help the members understand that the government is taking the responsible approach to ensuring that our legislation is up to date and accurate and I look forward to continuing on with second reading here today and perhaps getting into Committee of the Whole at some point.

Ms. Moorcroft: The Official Opposition will vote in favour of the *Miscellaneous Statute Law Amendment Act, 2012*. It is a straightforward compilation of changes needed to various acts, mainly editorial in nature, such as the correction of the French translation and clarifying some definitions. It is important that Yukon legislation is clear and consistent. We support these amendments and congratulate the Department of Justice officials for their work.

I would also like to thank the acting minister for explaining each of the changes in detail. However, I am disappointed that the Government of Yukon did not provide ministerial direction to correct the terminology in a number of acts that refer to "Indian bands," "band communities," "Indian" and "Indians," "Indian Act reserves," et cetera. Yukon First Nation final agreements and self-government agreements have been enacted in the Parliament of Canada and the Legislature of the Yukon and are constitutionally protected under section 35 of the *Constitution Act, 1982*. These legal agreements represent an accord between the parties, and they represent more than that. Yukon people celebrated the spirit of cooperation and the prospect of new relationships of trust between governments based on the values of mutual respect that stand behind these agreements.

That is why the opposition believes the government should address the use of outdated and inaccurate terms like "bands" and "Indians" and references to *Indian Act* land designations. The fact that government legislation continues to refer to "bands" and to "Indians" is not only antiquated language, it's frankly disrespectful. We see this government currently turning their backs on First Nations across the territory. The White River First Nation has filed a lawsuit against the Yukon government over its decision to reject a YESA Board recommendation.

Some Hon. Member: (Inaudible)

Point of order

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

Hon. Mr. Cathers: That kind of language coming from the NDP, suggesting the government is not living up to its obligations and using the type of strong language which we just heard from the Member for Copperbelt South I believe is

clearly contrary to our Standing Orders. I would ask you to have her retract it.

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

Ms. Moorcroft: I fail to see the member's point of order. My speaking remarks reflect current circumstances in the Yukon.

Speaker's ruling

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

Member for Copperbelt South, please continue.

Ms. Moorcroft: Thank you, Mr. Speaker. I was speaking about the Yukon government's decision to reject a YESAB recommendation and allow disruptive exploration in the core range of the Chisana caribou herd. The White River First Nation objects to exploration that will damage core caribou habitat and says the government's actions are a breach of its duty to consult.

The Tr'ondëk Hwëch'in, Vuntut Gwitchin, and Na Cho Nyäk Dun First Nation governments have said they will defend the integrity of their treaties in the face of the government's attempt to undermine the Peel land use planning process.

The land use planning regime is an integral part of the land claims agreements. Yukon First Nations fought for a larger quantum of land than they eventually received through land claims. In exchange for only getting 8.5 percent of the land base of which their traditional territories were comprised, the First Nation governments negotiated and received agreement to a land use planning process that would allow them a meaningful and constructive role in determining how lands would be used within their traditional territories.

The *Final Recommended Peel Watershed Regional Land Use Plan* was reached after years of negotiation with the governments of Yukon and the four affected First Nations. Yukon people deserve a government that respects the Peel land use plan and the provisions of the land claims agreements through which the plan was developed.

Moving on to another example, Mr. Speaker, the government's assault on the Yukon *Oil and Gas Act* would negate the right of affected First Nations —

Some Hon. Member: (Inaudible)

Point of order

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

Hon. Mr. Cathers: It is clearly going over the line. Standing Order — if you'll bear with me, here — the reference to "abusive or insulting language, including sexist or violent language, in a context likely to create disorder", under Standing Order 19(i), I believe is clearly an application to the Member for Copperbelt South's incorrect assertions.

Ms. Moorcroft: I am not using abusive language. I am speaking to events that are occurring this week in the Yukon. I am using language that was deemed to be in order in a petition that was presented in this House yesterday.

Speaker's ruling

Speaker: Order please. There is no point of order. Strong language will get you strong language in return. The member is straying from the intent of the bill here. She was okay at the beginning when she was talking about other additions that she would like to have seen, but I believe she has strayed a little too far at this point.

Ms. Moorcroft: I am attempting to speak directly to the fact that this government has brought forward amendments to a number of bills without bringing forward amendments in relation to terminology referring to First Nations in the Yukon, and these examples are salient to my point. The proposed —

Speaker's statement

Speaker: Order please. Is the member carrying on with debate, or is she questioning the point of order?

Ms. Moorcroft: No, Mr. Speaker, I am not questioning the point of order. I am continuing my speech, if I may.

Speaker: My apologies. The Member for Copperbelt South has the floor.

Ms. Moorcroft: Thank you. The changes proposed by the government to the Yukon *Oil and Gas Act* would negate the right of affected First Nations to consent to oil and gas lease dispositions in their traditional territories.

The consent clause in the Yukon *Oil and Gas Act* was enacted to give effect to the memorandum of agreement reached in January 1997, whereby the Yukon government — a government I am proud to have been a member of — acknowledged that affected First Nations have aboriginal rights, titles and interests in and to the Yukon which are recognized and affirmed by section 35 of the *Constitution Act, 1982*.

The current Government of Yukon should understand that the MOA prepared the way for First Nations to support the transfer of oil and gas responsibility from Canada to Yukon. The consent clause for First Nations is part and parcel of the oil and gas devolution accord. Today the Kaska have said they will go to court if need be to protect their aboriginal rights and title. The Government of Yukon would do well to recognize constitutionally protected aboriginal rights.

When we debated amendments to the *Liquor Act* in the last sitting, in April, the Official Opposition asked the minister why he hadn't brought forward amendments to replace terms like "Indian band" and "band communities" when referring to self-governing First Nations and, again, the *Miscellaneous Statutes Law Amendment Act, 2012* now has amendments to the *Liquor Act* and fails to bring forward those changes. The minister's reply at the time was that the references to bands didn't create any difficulty for First Nations and that he had looked to a more comprehensive review —

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

Motion for second reading of Bill No. 44 accordingly adjourned.

The House adjourned at 5:30 p.m.