

Whitehorse, Yukon**Thursday, November 8, 2007 -- 1:00 p.m.**

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

*Prayers***In recognition of Remembrance Day**

Speaker: While we're standing and before the House proceeds to the Daily Routine, we'll take a few moments to honour those who have served and continue to serve in Canada's Armed Forces.

Sunday, November 11, is Remembrance Day. Remembrance Day marks the end of Veterans' Week and is a time for Yukoners and other Canadians to honour the men and women who have defended Canada during times of war and have brought peace to troubled parts of the world. The freedom we enjoy today is due largely to their sacrifice.

2007 is a significant year. It marks the 90th anniversary of the First World War battles of Vimy Ridge and Passchendaele. It is also the 65th anniversary of the Dieppe raid. In remembering, we pay homage to those who fought in these important battles and other Canadian veterans who responded to their country's need.

At this time of year, we wear poppies. We pause in silent tribute and attend ceremonies to honour their memory. These gestures are scarcely enough to fully appreciate those who gave their lives for our freedom. As this is the last sitting day before Remembrance Day, it is appropriate for members to observe a moment of silence today. I would ask, therefore, that members and all others present bow their heads and reflect on the sacrifices of those who have served and continue to serve Canada.

*Moment of silence observed***DAILY ROUTINE**

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

Tributes.

Introduction of visitors.

TABLING RETURNS AND DOCUMENTS

Speaker: Under tabling returns and documents, the Chair has for tabling a report from the Clerk of the Legislative Assembly on the absence of members from sittings of the Legislative Assembly and its committees.

Are there any further documents for tabling?

Reports of committees.

Are there any petitions?

Are there any bills to be introduced?

Are there any notices of motion?

NOTICES OF MOTION

Mr. Mitchell: Mr. Speaker, I give notice of the following motion:

THAT this House urges the Government of Yukon to immediately request the Auditor General of Canada to review the

two recent investments of this government, which the Auditor General cited in her annual report of the public accounts, 2006-07, and totalling \$36.5 million, in order to determine:

(1) the appropriateness of the investments in light of the market conditions prevalent at the time;

(2) the likelihood of recovering the investment in total, or a part thereof, or taking a total loss on the \$36.5 million; and

(3) if the investments complied with the Yukon's *Financial Administration Act*.

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

THAT it is the opinion of this House that

(1) the selling and use of certain pesticides and fertilizers has been restricted in over 100 municipalities in Canada;

(2) that toxic chemicals in some of these products create the risk of leukemia and brain and kidney cancers in children;

(3) chemicals in pesticides and fertilizers have also been linked to Parkinson's and Alzheimer's diseases;

(4) drinking water tests show evidence of the presence of toxins when they are used for lawns, golf courses, hydro right-of-ways and roadsides; and

THAT this House urges the Yukon government to establish a Yukon-wide ban on the sale and use of chemical pesticides and fertilizers that are known to be toxic to humans and animals.

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

THAT this House urges the Government of Yukon to develop and adopt an ethical investment policy that will ensure that a significant ratio of the investments it makes on behalf of Yukon taxpayers are in funds or other financial instruments with a demonstrated commitment to promoting and protecting human rights, fair labour standards and sound environmental practices.

Speaker: Are there any further notices of motion?

Is there a statement by a minister?

This then brings us to Question Period.

QUESTION PERIOD**Question re: Government investments**

Mr. Mitchell: Mr. Speaker, I want to ask about the Premier's decision to invest \$36.5 million in risky bonds. The minister has stated that the investment of \$36.5 million was a low risk and a low yield. Well, Mr. Speaker, it certainly was not low risk or it would not be in default now -- in default with no timeline as to when or even if we will get our money back. However, I would like to address the yield component of this investment.

This investment reportedly yields an additional 25 basis points over a treasury bill. Twenty-five basis points is one-quarter of one percent. Since this investment was for 30 days, the expected additional gain over a treasury bill was \$7,603. That's it, Mr. Speaker -- \$7,603. Who would take \$36.5 million of other people's money and risk it all for \$7,603? So my question for the minister is: in light of all the red flags surrounding liquidity issues, how in the name of common sense could he

place \$36.5 million on the line just to gain \$7,603 additional interest income?

Hon. Mr. Fentie: Mr. Speaker, this is a pointless debate, because it's obvious that the member opposite is unwilling to deal with facts. The fact is that this investment was of the highest rating possible. The differential in rating between a Canada treasury bill and this investment was zero.

Second, it was reconfirmed as recently as November 6 that this investment was still of the highest rating. The decision was made not by Cabinet -- not by Cabinet at all -- but by policy and the act itself. The decision to invest was made. This government and I, as Minister of Finance, fully support that decision. We'll allow the process to unfold as it will.

Furthermore, we are quite confident in the investments being made by very capable people in this administration. Those investments are earning millions of dollars for Yukoners today, much more than any past government ever envisioned.

Mr. Mitchell: If we are going to speak of facts, the minister said they had the same rating as treasury bills. They didn't have the same result. I have yet to hear of a single individual investor, pension fund, Crown corporation, federal government agency or government that has been told by the Government of Canada, "We're sorry; we can't repay your money." So the fact is they weren't the same.

Standard & Poor's and Moody's would not touch the Canadian ABCPs. They warned the business community long before this Yukon government invested. Dominion Bond Rating Service, which the minister refers to as "the rating" no doubt, is in damage control over this issue. Their reputation has been extremely tarnished. The reason for that is because Standard & Poor's, as I said, issued reports warning that the liquidity backstop agreements featured by Canadian issuers were risky --

Speaker: Ask the question, please.

Mr. Mitchell: I will ask again. Why did the Premier make this risky decision?

Hon. Mr. Fentie: Once again, the member can cite all these so-called statistics that he is digging up on this matter. One would wonder, though, after all the misinformation that has been perpetrated in public on this matter -- not by the government side, but by outlets throughout the Yukon -- why then the members opposite, the Official Opposition, would be asking us for a briefing on the matter. What would be the point at this time? They have already stated their position. They have already articulated information into the public domain. What won't change, Mr. Speaker, is this government's support of those who make investments on behalf of the Government of Yukon. We will support them; we will continue to support them. We will continue to invest, and we will continue to work on this matter as we should. I will leave that in the capable hands of those responsible.

Mr. Mitchell: The facts are that we asked for a briefing so that we could question Finance officials and see if there was any reason for the Finance minister to have made this terrible mistake, and the briefing was refused because the Finance minister doesn't want to let officials talk to anybody else. Those are the facts.

The facts are that it was a risky investment. The facts are that agencies all over the world refused to rate it, except for one, DBRS, and they are now backing away from it. The facts are that the Canadian-issued papers are different in kind than those issued elsewhere. The facts are that up to 80 percent of these are derivative-based and not in any way linked to the underlying asset.

So I will ask the minister again: will he, as he likes to say, mend the error of his ways and apologize to Yukoners for risking their money?

Hon. Mr. Fentie: Ridiculous, Mr. Speaker.

I will say to Yukoners that we are extremely proud of the earnings that our investments are bringing this territory -- in the multi-millions of dollars.

Now, the member just said that this rating is a risk. How can the member explain to Yukoners, then, that on November 6, 2007, the agency he said is backing away from this -- I'll repeat, he said "backing away from this" -- has reconfirmed that this investment still has the highest rating? Mr. Speaker, the apology should be coming from the Leader of the Official Opposition.

Question re: Government investments

Mr. Mitchell: Mr. Speaker, yesterday I put several questions to the Minister of Finance concerning his government's imprudent investments in the ABCP market. The minister claimed that the investment still retained its previous high rating. In fact, his actual words were "reconfirmed on November 6, 2007, that this investment still has the highest rating available in Canada, the same rating as Canada treasury bills have".

Well, Mr. Speaker, we've searched diligently and we couldn't find any credible ratings and we certainly can't find anybody else willing to rate them. So will the minister explain and table for us the document showing which security rating agency the minister is referring to and the actual date of the rating?

Hon. Mr. Fentie: It's not surprising that the member can't find this particular information, considering the information brought forward to this House by the Leader of the Official Opposition on an ongoing basis.

Furthermore, we understand why the member opposite has a problem finding a vision for this territory. I have said, here on the floor of this House and as recently as November 6, 2007, the same agency has reconfirmed that this investment still retains the highest rating. If he wants that information, it's in the pages of *Hansard*.

Mr. Mitchell: Well, that's not what we asked for -- the minister's statement from the pages of *Hansard*. We asked for the documents.

Frankly, Mr. Speaker, when you have a high rating, it's supposed to mean that when you ask for your money back, you get it back. Now, Dominion Bond Rating Service bears significant responsibility for giving false top credit ratings on the ABCP -- asset-backed commercial paper -- that did not meet the international standard for liquidity. That's according to Diane Urquhart in an article -- "Another Made-in-Canada Defective Investment Product". Other international credit rating

firms -- and especially Standard & Poor's Canada -- would not rate the Canadian paper, let alone give it a top credit rating.

Let me give this matter some due diligence. There was only one rating agency -- not three, not two, but one. That agency has now come under attack for the quality of its ratings. In fact, as of September 12 of this year, they adopted new standards. So, based on only one flawed rating, the minister tossed \$36.5 million on the table.

Will the minister now confirm that contrary to section 39(1)(c) of the *Financial Administration Act*, he authorized the investment with only one rating agency and a flawed one at that?

Hon. Mr. Fentie: I'll confirm nothing of the sort because I don't make that authorization or the decision. But I will certainly stand in support of every official, every public servant, who is challenged with the responsibility of making decisions on behalf of government. I will support -- and this government has supported -- and continues to support those hard-working public servants. In this case, if the member opposite wants to make an issue about whether or not that individual or a public servant should have made a decision, I think the member opposite recognizes the wrongness of his ways.

Again I repeat: it had the highest rating, backed by the banks. What we're dealing with is a rollover for maturity-date timelines.

Mr. Mitchell: That was shameful -- that display. The minister is now suggesting that we're blaming Finance officials. We're blaming the minister. It's the minister's decision. The buck stops there. We have no quarrel with officials. Officials provide advice; the minister makes decisions, and he made a bad one.

"The Third Party ABCP market effectively froze in August 2007, when Canadian investors were no longer willing to buy the CP, due to the increased awareness for its potential for loss." That is another quote. The fact that Canadian investors were buying ABCP with one rating and with limited liquidity lines was also known.

Standard & Poor's had put out reports explaining why they would not rate a product that had liquidity lines that could only be drawn in the event of a general market disruption.

Will this minister now admit that he invested -- he invested -- \$36.5 million in an unsecured bond market, in clear violation of the law of the Yukon?

Speaker's statement

Speaker: Order please.

Is the Leader of the Official Opposition accusing the government of breaking the law? If in fact he is doing that, that is entirely out of order. I don't know if that was his intention or not, but be very careful with that line of questioning. A member cannot accuse another member of breaking the law in this Legislative Assembly, and the honourable member knows that full well.

Mr. Premier, you have the floor.

Hon. Mr. Fentie: Well, once again -- pointless debate. The member opposite will never get it. So, let me just delve into the facts of this matter once again.

The asset-backed commercial paper held by the Yukon government has been given the highest rating possible by the Dominion Bond Rating Service. The ratings are R-1 (high). Furthermore, unlike other commercial paper -- and I know the member mentioned "asset-backed" earlier -- asset-backed commercial paper is secured by assets, all of which have been rated AAA -- also the highest possible rating.

Furthermore, Mr. Speaker, this AAA rating was re-confirmed on Tuesday, November 6, 2007. As well, the banks have provided guarantees to the investors.

Maybe the member opposite wants to find another issue to try to create.

Question re: Government investments

Mr. Hardy: I would like to pursue the matter of this government's investment strategies which has dominated Question Period for the past two days. However, I would like to move the discussion beyond the issue of the two particular investments that are caught in limbo for at least another month. We will find out in a month where that actually stands.

I am particularly interested in how the government decides what funds or specific financial vehicles to invest in. Are these decisions made by department officials according to certain fixed rules or is there some direction given from the political level, either from the minister and Cabinet or from Management Board?

Hon. Mr. Fentie: This was made very clear by officials yesterday to the media, where a lot of the misinformation has been coming from.

Mr. Speaker, the information provided yesterday to media representatives was very clear. The Cabinet doesn't make this decision, not at all. I hope the member opposite understands that to be the fact. These decisions are made at the administrative, operational level and this government supports those individuals who are cast with bearing this responsibility. The Leader of the Official Opposition and his party may not support those individuals, but we do.

Mr. Hardy: Well, I don't actually follow the media's reporting on many, many issues. I rely upon what is said and what happens in here from people across the way and from what other members say in here.

The issue that has come up recently has a lot of people asking about how secure some of these investments might be. The minister has taken the position that these are not high-risk investments and his department officials have supported that position. Until we see what happens next month and beyond, there may not be much point in this.

There is another matter that Yukon people have the right to know about, and that is the question of what goes into the mix in deciding whether or not a certain investment is appropriate for a public government. What policies does this government have in place to ensure that Yukon taxpayers' dollars are not invested in activities that include unfair or unsafe labour practices, abuse of human rights or environmental destruction?

Hon. Mr. Fentie: Mr. Speaker, I'm not quite sure where the member is going with this, but the policy is actually a policy directed by an act -- a legislative instrument.

Given the points that the member has made about human rights or the environment -- I mean, the government invests in the environment, invests in human rights, invests in social programs, invests in the economy, invests in infrastructure, and all of these decisions are made by Management Board.

In this case, Management Board does not make this decision. Mr. Speaker, if you look at history, these decisions have brought tremendous return to Yukoners. I applaud those Yukoners for the decisions they make and the responsibilities they bear.

What has transpired here? Unlike past governments in this territory, we now have the ability to invest -- invest for Yukon's future -- and the return is multi-millions of dollars. We thank them for their efforts, dedication and commitment.

Mr. Hardy: I'm kind of sorry that the Minister of Finance doesn't understand this question. This is a very simple question that has been asked by many governments of different political stripes. They all figure it out. They give direction to their departments on where to invest money. If it is unethical, then some don't do it, but some decide they will.

Governments need to be particularly careful about how they invest. Rates of risk and rate of return aren't the only factors that should be considered. I hope he understands that.

The downstream social and environmental impacts of these investments are equally important. For example, many Canadians are appalled when they learn about some of the companies the Canada Pension Plan Investment Board is putting their pension dollars into. It doesn't have to be that way. Many ethical funds are available with a rate of return that is equal to, or in fact better than, other investment vehicles.

If the Yukon government does not have clear ethical investment policies in place now, will the Finance minister make it his duty -- because he has the power to do so -- to ensure that such policies are developed and adopted as soon as possible so that Yukon people will know that not only is their money being invested prudently but it will also be invested ethically?

Hon. Mr. Fentie: Mr. Speaker, I would hope that the Leader of the Third Party is not implying that someone in government is making unethical decisions. I will go further. Does the member suggest that the Government of Canada, through the Canada Mortgage and Housing Corporation, is unethical in its investment in this area of \$257 million? Does the member suggest that Canada Post is unethical in its investment of \$27 million in this area? Is the member suggesting that the Greater Toronto Airports Authority, with its \$249-million investment in this area, is unethical? Does the member suggest that Nav Canada, with its \$368-million investment in this area, is unethical? Does the member suggest that the Ontario Financing Authority, with \$700 million of investment in this area, is unethical? I would hope not.

Question re: Hazardous waste disposal

Mr. Edzerza: Mr. Speaker, many Yukoners living off the grid rely on diesel generators. A typical generator will use around 50 gallons of lubricating oil a year. In other words, this produces over 227 litres of waste oil. To dispose of this waste oil, the person who owns the generator must either bring it to the dump at one of only three days a year when it is allowed, or

else pay to have a hauling company deal with it. Does the Environment minister believe the current regulations for disposing of waste oil and other hazardous wastes are meeting the needs of Yukon people and the environment itself?

Hon. Mr. Fentie: Well, Mr. Speaker, we've taken great care to ensure that our policies, direction and investments regarding the environment are exactly what we must do to protect our pristine environment for future generations. But I do know that the member opposite has a generator, and if he has some problems, I'm sure we can get an audience for the member so that he has an understanding of how it can be dealt with.

Mr. Edzerza: It's unfortunate that the Premier has to make everything personal. To correct the record, there are several people up in the Fish Lake area who have generators -- and on the Atlin Road, and in several other locations in the territory.

It can cost a homeowner \$1.50 per litre to have a licensed hauling company transport their waste oil to Alberta where it is incinerated. For 227 litres a year, that adds up to about \$340 to have their waste oil drums hauled away. I can't help but think that some folks might balk at that and find alternatives that aren't good for the environment.

There are only three days per year when Yukoners can bring their waste oil and hazardous waste to the dump. When they do, they are only allowed to carry 20-litre pails of waste oil at a time. Any more than that, they need to buy a minimum of \$2-million insurance in third party liability before they can get a hauling permit. A lot of folks I heard can't afford this.

Is the minister at all worried that these restrictions might lead people either to stockpile their waste oil in old drums or to dispose of it improperly?

Hon. Mr. Fentie: I think an important facet of this whole issue of discussion and debate we are having with the Member for McIntyre-Takhini is that he recognizes, by his own admission, that there is a site to take waste oil. It is done so in accordance with ensuring and maintaining to the extent possible the integrity of the environment and mitigating to the extent possible any negative impacts to the environment.

Mr. Edzerza: Three times a year that's available. Waste oil from a single vehicle oil change can ruin a million gallons of fresh water. It is insoluble, persistent and can contain toxic chemicals and heavy metals. It's also extremely slow to degrade.

The NDP caucus understands the need to ensure waste oil and hazardous waste is transported safely. We need strict regulations, but regulations must be accompanied by programs and supports if we expect full compliance. The most important thing is to make sure that some toxic wastes are kept out of our soil and water.

Is the minister willing to consider expanding opportunities for people to dispose of waste oil and other hazardous wastes safely as a way to promote compliance with sound environmental protection rules and procedures?

Hon. Mr. Fentie: First off, I think critical in the discussion is that the expectation of compliance is absolute. It is absolute. All must comply for the sake of the environment, public health and safety. However, I think the latter part of the

member's question is very, very important, because I can assure him that the government is always going to be looking at ways to enhance and improve our ability to deal with hazardous waste as we and every other government should.

Question re: Government investments

Mr. Mitchell: I'd like to return to the Finance minister's questionable investment that we've been discussing all week. Now, the minister has claimed that the investments were directly backed by assets. Can the minister guarantee Yukoners that there are indeed hard assets backing these investments, not a derivative-based financial instrument, or some other financial instrument that's no longer attached to the actual real assets?

Hon. Mr. Fentie: Well, Mr. Speaker, I think I'm going to have to delve into some of the misinformation out there. I'll begin by this: there has been a number of assertions that this was a high-risk investment and that the government was rolling the dice. Wrong, it's a low-risk investment.

Second, it came to light yesterday that somehow, magically, we've now invested in the subprime market in the United States. Wrong, we're not invested in that market.

I just articulated to this House moments ago the situation. At the risk of being repetitive, Mr. Speaker, I'll repeat, but not verbatim: yes, it's backed by assets. Yes, it is still reconfirmed for November 6, 2007, and has the highest investment rating. Yes, the banks have said they are providing guarantees to the investors.

What else does the member need? I think the question is questionable.

Mr. Mitchell: Well, Mr. Speaker, actually, what the minister just did was repeat some previous answers and not answer directly the question of hard assets directly attached to these investments.

The minister says they're guaranteed by the banks. I'm not sure what sort of idea the minister uses when he talks about a guarantee. In my experience, when something is guaranteed by a bank, then on the day that it's due, you can go back to the bank and say, "I would like to have this note redeemed. I would like my money back."

That's not happening. The banks are not providing that kind of guarantee. In fact, the banks are looking to see what they can do to not have to back these instruments because the wealth is no longer there. The investment has in some cases disappeared.

What kind of guarantee is it when you can't go back and ask for your money back? Does the minister still want to claim that these investments are directly guaranteed by the banks?

Hon. Mr. Fentie: Well, Mr. Speaker, it is not my claim -- it is theirs. The banks are working on this based on what we said all along -- an extension for a maturity date.

The member's assertions here are speculative in nature, Mr. Speaker, and serve no purpose. If the member wants to come up with some other policy for investing dollars on behalf of the Yukon government, then stand up and say so. He can take it to the next election if he is still around and see what Yukoners think.

In the meantime, this government will continue to invest. It will continue to support those individuals in the public service

who are charged with this responsibility and we'll continue to make millions of dollars for Yukoners. That's the difference between this government and past governments. We're making money; they threw it away.

Question re: Yukon River salmon runs

Mr. Elias: I have some questions for the Minister of Environment. This summer we experienced another poor run of chinook salmon in the Yukon River. According to the chair of the Yukon Salmon Committee, one of the main reasons for the poor run is that American officials have miscalculated, mismanaged and allowed overfishing this year. The Chief of the Teslin Tlingit Council said that Yukon fishers have done their part to ensure future generations are able to fish. He said that anything that happens below us, affects us. We have a situation where the commercial fishery has been overfished for years. Has the Premier raised these concerns with the Alaskan governor and what was the response he received?

Hon. Mr. Fentie: For the member's benefit, this area is enforced, monitored and administered through an international treaty. This area is in the purview of the Department of Fisheries and Oceans.

Mr. Speaker, this government is not going to be presumptuous enough to start speculating on what is transpiring in the fishery today. We'll allow those experts in charge and who are responsible -- the Department of Fisheries and Oceans -- to address this issue and inform us. We do not support, in any way, shape or form, fishing outside of the confines of the international treaty. We would expect any signatory to that treaty to adhere to its terms and conditions.

Mr. Elias: Well, it seems that salmon is another important Yukon natural resource the Premier chooses to neglect.

The chair of the salmon committee is looking to the Premier for leadership on this issue, and he's not seeing any. The Premier seems to be taking the same approach to this issue as he does with the Porcupine caribou herd -- namely, the Alaskans can do whatever they want, and he won't say a word to defend Yukoners' interests.

We need a firm response to the Alaskans, instead of the silence we've been seeing from this Premier on this issue. How does the Premier plan to get the attention of the Alaskans on this issue?

Hon. Mr. Fentie: I think the question is: how do we get the attention of the Official Opposition and the member asking this question?

Here's the issue. There is an international treaty, administered, monitored and enforced by the Department of Fisheries and Oceans. That is their area of responsibility.

So, I will take this question from the member and direct it to the Department of Fisheries and Oceans, or he could do that himself.

Mr. Elias: I also want to encourage the Premier to meet with his federal Conservative colleague, the Minister of Fisheries and Ocean, to ask the federal government to put pressure on the Alaskans. It's disappointing to see the Government of Yukon and the Government of Canada sitting back and doing nothing.

The Alaskans' actions are affecting the day-to-day lives of Yukoners, and Yukoners' ability to put food on their table and money in their pockets, because they can't fish chinook salmon. Yukoners have worked hard, year after year, on salmon enhancement and restoration, and this issue needs to be addressed by the Premier.

When is the Premier going to make this issue a priority?

Hon. Mr. Fentie: Well, bear with me, but it's evident that, minus the facts, the Member for Vuntut Gwitchin has gone over the top, exactly the same as his leader does. Let me tell the member what's happening.

Speaker's statement

Speaker: The Hon. Premier knows full well that those types of characterizations are out of order and will lead to discord, so please do not do that. You know better.

Hon. Mr. Fentie: My apologies, Mr. Speaker. I'm far too enthusiastic when it comes to the facts.

As the Minister of Environment, I can inform the member opposite that meetings with all the renewable resource councils are occurring this week in Dawson City, and that the Department of Fisheries and Oceans will be making a detailed presentation on this very issue to ensure -- and I stress and emphasize "to ensure" -- that the facts are fully disclosed and understood by all parties concerned, so we don't speculate and jump to incorrect conclusions.

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

ORDERS OF THE DAY

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

The matter before the Committee is Bill No. 8, *Second Appropriation Act, 2007-08*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 8 -- *Second Appropriation Act, 2007-08* -- continued

Chair: The matter before the Committee is Bill No. 8, *Second Appropriation Act, 2007-08*. We will continue with general debate -- Mr. Fentie.

Hon. Mr. Fentie: Mr. Chair, when we left general debate the other day, we were discussing the supplementary budget for fiscal year 2006-07 and the Leader of the Official Opposition had a litany of questions that related to departments that were not mine, as the minister responsible for Finance. Therefore, I will suggest to the Leader of the Official Opposition that he may, when the departments come up, have an in-depth debate and discussion with the ministers responsible in those areas for every one of those questions. What I will go on to say in general debate is we had little discussion with the member opposite that would reflect the actual content of the supplementary budget.

Allow me to try, in general terms, to disseminate some information here that would reflect the content of this supplementary budget; because it is important, Mr. Chair. The supplementary budget that we have tabled is an extension and a continuance of our investment policies that ensure that Yukoners are receiving investments that are building a better quality of life to the extent possible in all facets of fiscal reception.

Mr. Chair, I think we have to reflect on the fiscal position of the Yukon government. The problem for the Leader of the Official Opposition, and the opposition in general, is trying to be negative in regard to the fiscal position of this territory, because, quite frankly, it's impossible, so I will delve briefly into recent history.

I believe the first budget tabled here five years ago by this government showed approximately, as booked, a million dollars plus in surplus, which, through full accrual accounting, is now our net financial position. Today, through efforts of building the fiscal strength of the Yukon, this territory has progressed a great deal. From that difficult and challenging time, where budgets were in the neighbourhood of \$400 million to \$500 million, we were in a situation -- and I must repeat and stress this -- where overdraft charges were being paid, and we were borrowing money to pay employee wages and deliver programs and services to Yukoners. We had an exodus of our population. We had double-digit unemployment figures. We had no hope or positive outlook in terms of our private sector growing and flourishing. There was no vision or plan for this territory, and Yukoners had had enough.

To date, that choice by Yukoners, I believe, has proven to be the correct choice. So, from those very challenging times fiscally, Yukon has progressed a great deal and we've increased our fiscal capacity by some \$400 million plus. We have brought forward the largest budgets in the history of the Yukon, the largest capital investments in the history of the Yukon -- all these investments building a better quality of life that we committed to Yukoners some five years ago.

Mr. Speaker, even though those record-sized budgets were being expended here in the territory, we also increased our net financial position considerably. So, let us look at this budget document.

With this supplementary, our total expenditures in the Yukon Territory will be \$914,630,000. With that significant investment -- in all the areas it is being allocated to -- we still maintain a \$99-million-plus net financial position.

I think that's a significant accomplishment and a great deal of effort from our Department of Finance, and our solid approach to fiscal management has produced these kinds of positive results. I go further to make the point that, when you look at the worth of the Yukon today -- when you include cash and tangible-asset calculations and the calculation of net non-financial resources at the end of year, resulting in what is our accumulated surplus -- we are sitting at a healthy \$531-million surplus. This is Yukon's net worth. This is a demonstration and an example of this government's fiscal management.

Where is this investment going? We have ensured that we continue to invest in areas of importance. Today, on the floor of the Legislature, hopefully we will get to debate departments like Community Services, where there is an increase for this department in its operation and maintenance budget to some \$54 million to contribute to the well-being of Yukon communities.

There is an increase for Economic Development and its continued efforts in leading this territory in a direction of diversified economic growth. There's an increase in Education, to a total revised vote for this fiscal year of \$118 million investing in our education system, K-to-12 and post-secondary overall, for the benefit of Yukon and its future.

Energy, Mines and Resources has an increase of over \$36 million in building Yukon's resource sector and contributing to private sector growth and investments for this territory. The Department of Environment has received a further increase to ensure the department can continue with its good work of protecting, conserving and managing Yukon's pristine environment.

Health and Social Services is an area that is critical to the social side of the ledger for Yukon and there is an increase of \$7.3 million, for a revised vote of \$208 million for health care and social services in this territory. This is a significant increase for Yukon and it is delivering programs and services to Yukoners to address their health care needs and other challenges in the social safety net.

Mr. Chair, we are proud of these increased investments, but it is due to the fact that fiscal management has been our foundation.

Mr. Chair, Highways and Public Works -- building and maintaining our infrastructure is an important area for any jurisdiction and it is especially important for Yukon. Given our network of highways and other roads and airports and all that goes with it, the Department of Highways and Public Works is receiving a revised vote of \$82.8 million to maintain and build Yukon infrastructure -- another tremendous contribution to community well-being, to quality of life and to economic growth.

The Department of Justice is receiving an increase. This total revised vote will be over \$44 million. This is to contribute to our justice system, whether it be correctional reform, getting tough on crime through SCAN, through our street crime unit,

and the list goes on and on, including programming in the correctional system, unlike recent reports out of a media outlet in this territory that was trying to imply to Yukoners that there were no programs in our jails -- that resulted in the release of an individual from that jail. Unfortunately, the homework that was needed to be done in this area was not done, and it brings up an example for me of how in this country -- and, indeed, I see the same approach to justice in this country by the Liberals and here in the Yukon by the Yukon Liberals of catch-and-release justice.

That is not something this party or this government stands for, and we are taking steps to ensure that we reform our correctional system, so that we reduce the recidivism rate, but deal with crime and its aftermath and its after-effects in the appropriate manner.

The Public Service Commission is receiving more money to meet wages for our employees.

The Department of Tourism and Culture is receiving more money. This is intended, through targeted investments, to address our cultural community, to build tourism and, of course, address investment in our arts community, which is a vibrant, contributing constituency for Yukon.

The Women's Directorate is receiving more investment once again. And this is a government that, after the former Liberal government had decimated the Women's Directorate and stuck it in the background -- considering that almost 50 percent of this population in the Yukon is comprised of women -- we, the Yukon Party government changed all that and have, at this point in time, doubled the resources made available to the Women's Directorate and reinstated it to the position that it belongs in the corporate structure of the government, doing its good work on behalf of women in the territory.

The Yukon Housing Corporation is receiving more resources to address housing needs for Yukoners and, of course, the list goes on and on.

When it comes to capital, I can go through the same scenario but, at the end of the day, we've increased our gross capital expenditure from \$212 million to \$240 million for this fiscal year. These are investments that are building infrastructure, providing facilities, and creating stimulus in Yukon through capital investment. This is benefit for Yukoners and jobs for Yukoners. It helps create the positive attitude. It helps create an investment climate that is certainly garnering investment for this territory in many, many sectors.

Mr. Chair, I think it's fair to say, when you consider the overall fiscal framework for this territory, our fiscal plan for the coming years -- our cash-management approach to the finances of the Yukon -- our investment approach for Yukon is gaining millions -- millions -- of dollars in return for Yukoners. I think when you sum it all up, there is a distinct difference between this Yukon Party government's fiscal approach and financial management capacity and the Official Opposition's. I shudder. I shudder to think that at some point, this territory would have to try to maintain under the Official Opposition's fiscal management.

We've had many debates in this Assembly with the Leader of the Official Opposition, and it has always left us and Yukon-

ers wondering what the Leader of the Official Opposition is actually talking about. We have yet to figure that out, but we're trying. In the spirit of cooperation, we are trying to understand what the member is trying to say and what point the member is trying to make. We will endeavour always to do so, but it certainly appears that the member has a distinct lack of understanding when it comes to the finances of the Yukon. That would be a very dangerous scenario for this territory.

Furthermore, Mr. Chair, to have a solid financial approach and to have the appropriate fiscal management, one must have a plan and a vision for the territory. Where? I ask you, Mr. Chair, and I ask the members of this House; I ask Yukoners. Where is that plan? Where is that vision that the Official Opposition has yet to demonstrate? They have yet to show Yukoners that they even have one. There's a great deal of criticism that comes our way from the Official Opposition, and unfortunately, it's unfounded. It's unfounded criticism; empty criticism. That is not constructive. It's counterproductive, and it demonstrates this lack of plan and vision. It reminds me of the Lorne Elliott comedy skit, *Madly Off in All Directions*. What else can I say? The Official Opposition is once again, in this sitting, demonstrating the propensity to run off madly in all directions.

That's not leadership. That's not direction. That's not planned. That's not vision. That's not good for Yukon.

This party, this government, has demonstrated for Yukon over the last mandate and into the first year of this mandate -- the second mandate, and the first time in 17 years an incumbent government was re-elected -- that we have that plan and vision.

Mr. Mitchell: How very interesting. The Finance minister, the Premier, indicates that he shudders to think how things would be if this side of the House were sitting on the government side. I would like to suggest that, based on his \$36-million gamble, that 32,000 Yukoners are probably shuddering 1,200 times each. So much for his hyperbole.

The fact of the matter is that he has made an awful lot of assertions over the course of this week and provided a lot of information that could best be characterized as incomplete or misinformation to members of the public in trying to reassure them that he wasn't asleep at the switch instead of doing his job.

Some Hon. Member: Point of order.

Point of order

Chair: Member for Porter Creek North, on a point of order.

Hon. Mr. Kenyon: On a point of order, giving misinformation to the public would appear to be slightly against our Standing Orders.

Chair: Member for Kluane, on the point of order.

Mr. McRobb: On the point of order, Mr. Chair, the reference to the public was not included in what the honourable Leader of the Official Opposition referred to; therefore, there is no point of order.

Chair's ruling

Chair: On the point of order, Standing Order 19(h) speaks about charging another member with uttering a deliberate falsehood. There is no point of order.

Mr. Mitchell: Since the minister is making a lot of statements surrounding ABCP, we'll stick with that for a moment. This was posted yesterday by the *Financial Post*, sorting out the \$40-billion ABCP market, and the minister has made reference to the meeting on the Montreal accord that will conclude, hopefully, on December 14: "Jim Flaherty, the Finance minister, has applauded the so-called Montreal accord even though there is no government representative involved. Just one agency, DBRS, rated ABCP in Canada. Diane Urquhart, an independent analyst, has just completed a major project in ABCP -- which she calls 'another made-in-Canada defective investment product'. (She says income trusts were the first.) In her 15-page report, Urquhart says DBRS 'bears significant responsibility for giving false top credit ratings on the ABCP that did not meet the international standard for liquidity agreements' and for not satisfying five investment axioms. The axioms include: liquidity agreements that have loopholes for ABCP market disruption and diminished asset creditworthiness; funding long-term assets with short-term commercial paper; ABCP issuers owning subprime mortgages, which carries default risk; ABCP issuers owning derivatives that are untested in different economic environments and not knowing how vendors share the investment returns and risks. She says, 'conduit owners, bank suppliers and distributors took the lion's share of the boosted yield even though they knew the owners were ultimately responsible for all of the liquidity and default losses.'" I believe I filed this earlier today, but I can file it again, just in case it wasn't among the articles that I did file.

So when the Finance minister continues to assert that these instruments were as safe as Government of Canada treasury bills, which he did in Committee of the Whole, I believe, this week on Tuesday, that's obviously not the case.

Although they may have been rated the same by one agency, they're certainly not being treated the same by the issuers. Really, I think what the Finance minister should be doing Mr. Chair, instead of looking around and blaming officials, instead of casting aspersions on officials, instead of questioning the authority of the Canadian Broadcasting Corporation or of economics professors, he should do what other premiers have done.

Premier Klein did it at one point. And I think it is all Yukoners are looking for. He should say, "You know what? I messed up. I made a mistake. I'm human and I let this one go by and I'm going to do better next time. I'm going to spend more time doing my homework and make sure that I don't do it again." That would be a good start. But he hasn't done that, and that is disappointing.

There are some other things that I would like to move on to because I think we've spent enough time on this issue today and we haven't gotten any answers from the minister so there is not much point in continuing to ask him questions only to have

him talk about past premiers and past officials. There is no point in doing that.

I would be interested in knowing, since he is the minister responsible for land claims and land claim implementation -- and I've asked these questions recently, but I didn't get what I consider to be a satisfactory answer. There are three outstanding land claims. Now I asked him about the Fitch report and basically the answer we got was that, when the federal minister is satisfied with the report and releases it, then we will know.

I'm going to rephrase the question and ask if the minister responsible for land claims can provide us with some kind of an update as to the progress that is being made with the three First Nations that have outstanding claims, the three First Nations that don't have final agreements. What progress is being made in those discussions toward reopening the negotiations and getting back to the table? Has the minister made progress with the DIAND minister in getting a new approach going and what timelines does the minister have? What possibility is there of the minister having some news for us on this issue? So that's one thing I'd like to know.

Furthermore, I'd like to ask the minister for a more detailed explanation of where we're at with the nine-year review. Now, we were very hopeful on this side of the House of hearing some significant announcements recently, when Minister Strahl was up here, in terms of the funding that the Government of Yukon believes should be forthcoming -- and we support that belief -- as well as, more importantly, that First Nation governments believe is due them, so they can properly implement their claims, so they have the adequate resources and capacity to go forward and take charge of their affairs, and so they can respond in a timely manner, as required, on the vast amount of areas where they need to be involved, in terms of consultations and in terms of reviewing and providing their input on YESAA applications. This all takes money. And we haven't gotten any real answer from the minister on this.

So, I would like to know where we're at with those discussions and if any progress is being made with Canada toward providing the money that they are obligated to provided, based on the land claims.

There are some other issues I'd like to ask this minister about, but I would certainly like to hear the answers to those two questions. I hate to give him too much of a menu of questions at one time because then he'll pick only one to focus on and doesn't respond to the others.

Hon. Mr. Kenyon: I appreciate the long list of questions over the last couple of days from the Leader of the Liberal Party, and I will certainly try to pick out perhaps a few of his favourites and allow him the chance to complain that the rest weren't dealt with.

We do seem to have here the *Monty Python* approach of asking questions. We certainly appreciate hearing from the Leader of the Liberal Party and the great wisdom of that party, having led the shortest lived majority government in the history of the Commonwealth of Nations.

On Tuesday, the member asked if the minister had any comments from his colleague, the minister responsible for the

Yukon Housing Corporation. I'd like to take this chance to deal with some of those issues. One big issue we deal with on a daily basis all through the Yukon is the affordable housing issue. We are concerned that Yukoners may be paying too much of their household income for suitable housing.

This of course brings about a real definition problem in how to consider that -- someone paying almost 50 percent of their income to support a \$1.6-million condominium in Vancouver versus, for instance, the 25 percent rent-geared-to-income policy of Yukon Housing Corporation, which is the lowest in Canada, by the way. Of course, the members opposite don't always like to admit that, but it is the lowest in Canada.

We have introduced changes to the social housing program to better serve those with the greatest housing needs, as well as changes to the lending programs that are designed to improve the existing housing stock and the overall affordability of housing.

The Yukon Housing Corporation continues to research and consider new ways to help low- to middle-income Yukoners obtain affordable rental accommodation and home ownership.

Those changes we have made to the social housing programs are basically aimed to ensure that those with the greatest need are offered the first available unit, and this is always a challenge, at the very best of times, to make sure this occurs. Priority lists have to be made and things have to be done with that.

It's interesting that the Leader of the Official Opposition on May 1, 2007, made the statement in this House that -- and I quote from *Hansard* -- "... the fact that other individuals have been given an exception to this policy. They've been guaranteed a seniors housing unit and then been given some time to sell their current accommodation. In other words, the policy does not seem to be being applied evenly ..."

I said at that time that if he had personal information about this breach of a long-established policy, he should certainly give that to me or put it on the table, or admit that his information that he had at that point in time was incorrect.

Again, later in that same debate, Mr. Chair, I stated: "I heard the member say that he has personal knowledge of other people given these guarantees. I would expect that member to provide them to this House." The Leader of the Official Opposition has to date refused to respond to that, refused to correct the record. Again, we deal with information that is unfortunately not true or, at least, not sustainable.

We do continue to research and consider new ways to help low- to middle-income Yukoners obtain affordable rental accommodations and home ownership. Some of the programs we have -- for instance, the loan limit for the home repair program has increased from \$35,000 to \$50,000 so that repairs can assist a disabled occupant. The home repair program offers home owners zero percent financing for energy efficiency improvements.

The rental rehabilitation program offers rental property owners zero percent financing for energy efficient improvements. That is under the rental rehabilitation program. I will get to that in more detail.

The Yukon Housing Corporation has increased its mortgage lending amounts twice in the last year and a half to stay abreast of current market conditions. In this year's budget, for instance, we have provided \$1.6 million for joint venture programs, \$150,000 for the rental suite program, \$100,000 for the rental rehabilitation program, and the operation and maintenance funding to support the cost of operating over 550 social housing units. The number of social housing units in the Yukon has increased and will increase again, of course, because of us putting 48 more units on the market for seniors housing at Yukon College in what was affectionately known as the athletes village.

I would again point out, Mr. Speaker, that the Official Opposition went to great lengths over the last year to claim that seniors would not move from the downtown core up to the athletes village. Well, that didn't work out too well for them. Unfortunately for him, I have to report that 51 percent of the people who moved into the athletes village in fact left the downtown core because they thought the site at the college was preferable.

So this year we will operate 48 new social housing units in Whitehorse and, of course, six new social housing units in Haines Junction. I am pleased to point out, especially of interest to the Member for Kluane who, of course, sits there paying rapt attention, that we will be increasing that by building another three, possibly four, units within the same building. So we're going to be extending that.

As of September 2007, the vacancy rate for rental accommodation in Whitehorse was four percent, or 34 of the 856 units surveyed by the Yukon Bureau of Statistics. Now, this is always an interesting statistic, because obviously, if the vacancy rate is too low, there is a huge problem for people looking to rent units. If it's too high, of course, it's really quite terrible for the people who own the units and are trying to provide an income and a business by renting these things out. Four percent is considered pretty good, pretty average. So we're not too awfully upset about that.

This quarterly survey has a flaw. It does focus on buildings with at least four units, and apartment seekers should always check, obviously, the classifieds in local newspapers to find any available units, including those in homes and smaller buildings that aren't captured by that survey. So likely there were more units available. And again, the statistics are only for Whitehorse itself.

Now, the vacancy rate is low. As I said, when the vacant units do not meet the housing needs of those searching for rental accommodation, renters in general are forced to pay a greater percentage of their household income than they should for suitable housing, reducing the ability to afford other basic necessities for themselves and their families.

While the vacancy rate has declined, the cost of renting an apartment has not really changed and that's an interesting point. The Yukon Bureau of Statistics reports that from 1994 to 2004, the Whitehorse median rent ranged from a high of \$671 in 1998 to a low of \$650 in 2001-03 -- it actually went down at that point. Then again, people were moving out at an alarming rate during the short Liberal regime. In March 2005, the

Whitehorse median rent was still only \$660, though, and in March 2006, it was \$675. As of September 2007, it is \$700 per month. So there are a number of statistics that you have to consider in here.

There are some other things, of course, under affordable housing. This is something that members opposite have had just a terrible time understanding. For instance, at one point they were claiming that seniors were so terribly against the development of the athletes village. Again, for the record, 51 percent of the people moved up there from the downtown area, and in fact, on April 17, the Yukon Council on Aging wrote a marvellous letter of support for that and kudos to everyone up there.

The affordable housing program in the first intake was actually \$5.8 million. For the members opposite who never seem to quite understand how that was spent, it was done in a way that required input from the province or territory, and through our incredible people and staff within Yukon Housing Corporation, they managed to actually negotiate with the federal government the Copper Ridge Place as being part of this deal and being our contribution to it. So we had access to the whole thing.

This is a huge issue for many of the jurisdictions. For instance, Ontario, British Columbia and Alberta might have few problems in matching these funds, but Yukon, Prince Edward Island and Nunavut were jurisdictions that actually had to return the money from the affordable housing in the beginning. I suspect they may have done other programs, but initially they weren't able to match that. Through the good work of our officials, that actually did become a reality.

I really have to express my deep appreciation to the Yukon Housing Corporation Board of Directors who made very sound decisions regarding the investment of funds for affordable housing. The second intake went down to some \$300,000 in a program that the Northwest Territories Housing Corporation dubbed the "affordable house project" -- if they matched it, they might actually get a duplex up.

We have definite problems in terms of dealing with this particular program, but we are very fortunate to be able to use some of the funds to go toward what was known as the athletes village. They sought opportunities in rural Yukon. That is the big impetus that led to the Haines Junction six-unit seniors building, and we will be extending that by a few more units.

To date, and in the final analysis, there was \$3.5 million for seniors at the athletes building. Although, the Official Opposition has again totally misread the books and claimed that that was too late -- strange, I remember a very good Canada Winter Games and a lot of athletes living in it, so it was hardly too late -- and that it was overbudget. The reality is that it actually came in underbudget. It came in at about \$225 per square foot, given the fact that it includes alarm systems, sprinkler systems and the finished basements. Really, it's just an amazing facility up there, with a paved parking lot and electric outlets for the cars.

We had meetings with the officials -- not at a political level -- of Nunavut and the Northwest Territories housing corporations as well, and they were quite amazed that we managed

to bring it in for \$225 per square foot and, as I said, it was underbudget.

We put a fair amount of money into the Haines Junction building, as I mentioned. Initially, substantially more money was to have been put into a project in Copper Ridge called Falcon Ridge. We took a lot of criticism from the Official Opposition at the time that this was supporting an out-of-province or an out-of-country company. The reality at the end is that \$172,500 went to the private sector developer. He actually built 21 affordable home ownership units.

The contribution to that is registered on titles. For a period of 10 years, this is required to be at that low level. If there is a sale, that money comes back to us. They built more, obviously, and eventually that stimulated over \$23-million worth of economic activity within the Yukon. I'm sure the member opposite will have a spin somehow that investing \$172,000 for a \$23-million return wasn't wise. But I leave that for others to judge.

There was a rental component to that. The developer, at a later time, did not pick up that money and, in fact, it was that money that built the facility in Haines Junction. All of those units are built to Yukon Housing Corporation's green and accommodating home standards, which is basically R2000 on steroids. We're also able to claim funds under the agreement for homes that received in excess of \$24,000 in funding under the corporations home repair program. There is approximately \$325,000 remaining under the agreement, and the Yukon Housing Corporation's staff will be presenting options -- or are presenting options -- to the Yukon Housing Corporation Board of Directors on investment strategies for the remaining funds. Once the decision has been made, Yukon Housing Corporation will follow the protocol agreement with Canada Mortgage and Housing Corporation regarding a joint news release.

So that is sort of a background on affordable housing. Of course, there are other problems in terms of affordable housing. The Member for Mount Lorne brings these up often, and I certainly tend to agree with him that housing has gone up and that this is a definite problem. There are other ways to deal with this as an overall problem. One of the things we have adopted, in order to keep people in homes or keep the price of homes down, is to work with people who can modify their homes. They can access some of the many programs that we have. For instance, under the home repair program we have low-interest financing of up to \$35,000 to address one or more of the following improvement items, such as: structural, electrical, plumbing, heating, health and safety, over-crowding, energy efficiency or accessibility. That is a zero-percent investment rate and it is available for energy efficiency repairs and upgrades. Loan limits to address the needs of a disabled occupant have gone up now to \$50,000.

The home repair program provides a very favourable subsidy to low-income homeowners to make improvements to their homes. The amount of subsidy will depend upon the income of the homeowner. In some cases, homeowners are only required to pay \$25 a month for 10 years -- a pretty reasonable deal -- and the net repayment would then actually be \$3,000. Again, Mr. Speaker, I'm sure the member opposite will want to spin that -- that we loan out \$3,500 and take \$3,000 back. But I

would submit that this is a good subsidy for people who are trying to keep their homes in decent repair.

We have a mobile home upgrade. This program assists mobile homeowners located on rented property to make repairs to minimum standards. The terms and conditions are very similar to the home repair program. One thing I would like to mention in here is that through this department and the Energy Solutions Centre, there is a rebate for replacing furnaces, for doing upgrades and for more efficient units.

I had the great pleasure of working with Councillor Roberts of the City of Whitehorse to find that, of the older trailers, there is only one furnace that fits into those trailers without doing fairly major modifications. I'm pleased to report to anyone listening that those furnaces that are actually slightly lower than the level we have set for efficiency would now be eligible for the rebates. So, we will be contacting people who have spoken so far. But I would urge anyone with an older trailer who is looking at this to contact the proper officials and talk about this. They may get a very pleasant surprise that things have changed.

We also have a mobile home emergency repair program. That's designed to immediately address health and safety issues by fast-tracking the application review and inspection of mobile homes. Other terms and conditions are similar to the home repair program.

So that's a brief overview of some of the programs. For the member opposite, if he would like, I'm certainly more than happy to continue with all the marvellous programs for affordable housing, home repair or trailer repair -- all the programs of the Yukon Housing Corporation. I look forward to continuing the debate.

Mr. Mitchell: Fascinated though we always are to hear the housing minister wax eloquent about his department and to hear more and more from his briefing notes, I would point out that the specific questions I was asking here this afternoon were of the Finance minister, the minister responsible for land claims. As recently as earlier this week, the Finance minister was unhappy about being asked questions of other departments and suggested that we could ask those of the relevant ministers, no doubt, in departmental debate. So I find it sort of interesting that today he's not interested in standing on his feet and answering specific questions about his department.

As far as the remarks that the minister just made in making reference to debate last spring, having to do with -- as he knows, with a constituent who felt he was not being treated fairly and who brought forward information to us indicating that other applicants were being treated differently for him. I might note that after we rose in support of that constituent, the minister's department -- and ultimately, obviously, the minister -- did arrange for that constituent to get into seniors housing, and I thank the minister for that.

But I would point out that that very week -- while the minister is making strange references to demands that we produce evidence of the situation that we brought forward in this House -- what the minister brought forward at the time was to make reference to a letter that we had not yet received and which, in fact, was only faxed unsigned to our offices after we got into

the sitting that afternoon and after the Question Period was commencing. In fact, our capable staff time-stamped that -- it was an unsigned letter purporting to be from the minister -- and then I believe the minister, in his zeal to show that he had actually responded on this very issue prior to that afternoon's sitting, filed copies of, again, an unsigned letter that was reputed to be from the minister -- it was on ministerial letterhead but wasn't signed by anybody -- in this very House.

And then later, after the fact -- several days later -- he mailed us a signed copy of the same letter. I think later that day, several hours later that day, after our staff phoned the minister's office and said we received an unsigned document and was this meant to come to us at this point, we were then faxed a signed copy. So when the minister chooses to chastise us for the accuracy of our documentation, he should look no further than his own attempts at providing information that certainly is incomplete, because I think any letter from the minister would be incomplete without a signature, and that's the quality of the information that he brought forward.

Since we are in general debate and we have the pleasure of not being constrained by 60-second time limits as we are in Question Period, I would again like to ask the Finance minister -- the minister who is responsible for land claims -- if he can answer the questions that I asked the last time I was on my feet, regarding the progress, or lack thereof, of the three outstanding land claims, whether in his discussions with Minister Strahl, either when the minister was up here earlier this past week, or since then, perhaps in telephone conversations or prior to then, there has been any discussions toward making progress of returning to the land claims table with any or all of the three First Nations with outstanding claims. If so, what timelines did the minister provide?

I know we don't want to give too long a list of questions to the minister, but the other question is about the progress of the nine-year review. Where are we at? We know we heard of a new protocol for meetings, but is there actually any commitment by Canada to bring forward additional funding to meet their long-standing commitments in the final agreements and under the *Umbrella Final Agreement* to providing the proper funding for implementing those existing land claims?

Hon. Mr. Kenyon: It's rather interesting that the member opposite complains that he wants an answer only from the Minister of Finance. I was going to rise on a point of order, because it's my understanding that we are actually still in general debate. I find it rather interesting that when I look through *Hansard* and there are comments on everything from Highways and Public Works to Economic Development, more Economic Development, Community Services, Public Service Commission, corporate services branch, Community Services, Yukon Liquor Corporation --

Some Hon. Member: Point of order.

Point of order

Chair: On a point of order.

Mr. Mitchell: I believe that a member under the rules of debate, Standing Order 19: A member shall be called to order by the Speaker if that member: (b) speaks to matters other than (i) the question under discussion ..."

I believe the question under discussion, the questions I asked, were very specifically questions about land claims and the nine-year review.

I would be perfectly happy for this minister to answer those questions --

Chair's ruling

Chair: Order please. The Chair will determine whether it's a point of order. It is not a point of order.

Mr. Kenyon.

Hon. Mr. Kenyon: Thank you, Mr. Chair. We have had rulings on many occasions that we are in general debate. Unfortunately, the member opposite can't have it both ways: we're either in general debate or we're very happy to close general debate and go line by line and department by department. We're happy to do that, Mr. Chair.

In looking through *Hansard* in general debate, the member opposite is basically scattering all through the departments so that nothing can be answered without him standing back up and saying we ignored a question.

Again, if he's going to ask 20 of his favourite questions, we're going to pick out a couple and answer them.

In terms of his constituent he mentioned, he mentioned I actually tabled a letter on ministerial letterhead, tabled in this House by the minister. I think most people would think it was somewhat intuitively obvious that maybe it was a letter from the minister, but who knows. This is the Monty Python approach of debate and we won't bother to go there.

Again, Mr. Chair, the debate wasn't over an individual question or an individual case. And I read from *Hansard* again: "... the fact that other individuals" -- other individuals -- "have been given an exception to this policy ..." and that is not a fact. Either put the information on the table or admit that he mis-spoke. Again, an apology is always well worthwhile in these. We all make mistakes.

Now, if we look back on some of the other programs and some of the things that the member opposite I'm sure is very, very interested in, since he did ask questions about it, we also have the rental rehabilitation program. Now, this program assists landlords with the opportunity to borrow up to \$30,000 per unit -- per unit so, if there are multiple units, that goes up, of course -- to upgrade rental accommodations to current standards, to increase energy efficiency and to improve accessibility for seniors or persons with disabilities. The rental units must be evaluated by technical officers to determine the need. A zero-percent interest rate is available for energy efficiency repairs and upgrades.

We even have a rental suite program. The rental suite program provides assistance of up to \$25,000 in low-interest financing with repayment terms of up to 10 years to homeowners to build a rental suite where market conditions warrant or to upgrade an existing suite. The addition of a rental suite enables lower income homeowners to supplement their income, making their home ownership much more affordable, of course.

Under rental housing development and the affordable housing program, funding is available, as I have mentioned, under the Canada-Yukon affordable housing agreement that

has been used or is being used to fund new home ownership and rental units, including senior-friendly housing that is constructed, again, to Yukon Housing Corporation's green and accommodating home standards and to provide assistance to undertake major repairs on housing that would otherwise be lost.

Grants funding to the Falcon Ridge project in Copper Ridge -- again, which we took a number of *Monty Python*-esque questions about -- help keep the sale price of housing units in this private sector development to an affordable price. That worked for the houses that were built under the program. However, what members opposite consistently missed was the fact that there were many more houses built and the prices for those were not controlled under this program.

\$3.5 million of cost of the athletes village was funded through the affordable housing initiative agreement as well, and the Haines Junction senior housing is also funded with assistance from this agreement. Again, the opposition has claimed that the athletes village was overbudget and that it was done too late, when in fact it was underbudget. They'd have seen that if they had looked at the documents. Again, it seemed to be pretty complete when I was up there volunteering for security. So we're very pleased how that came out.

The accommodating home mortgage program provides a tiered interest rate reduction on the mortgage financing of homes that meet or exceed the Yukon Housing Corporation's technical requirements of an accommodating home. An accommodating home is defined as one that provides greater ease of access, fewer accident risks, and simplified renovations related to aging or physical disabilities. Each certified accommodating home is catalogued and records are retained.

Under the home ownership program, this program provides first mortgages to modest-income clients who have insufficient resources for the required downpayment and obtain mortgage financing from the private financial institutions. The program provides 97.5 percent mortgage financing for clients who have an acceptable credit history and income capable of supporting regular mortgage payments. Mortgages can be paid over a period of 30 years to keep monthly payments more affordable -- one of the modifications that the Yukon Housing Corporation Board of Directors made. The Yukon Housing Corporation has recently raised the amount of money that can be borrowed under the program in recognition of recent increases in housing prices. The maximum amount of mortgage funding now was increased from \$195,000 to \$225,000. Many lower income applicants borrow less than the maximum loan amount. They may borrow \$150,000, but these are the maximums that they are allowed to go to.

We also have an owner-build program. This program provides construction financing for up to two years to assist residents to build their own modest homes. Once the project is complete, construction financing is transferred into a Yukon Housing Corporation mortgage. Approved clients contribute labour, equity or management skills into the building of their own homes. Clients without demonstrable management skills can participate in the Yukon Housing Corporation self-help

building courses. So if they don't have the skills off the top, then certainly we will work with them to develop those skills.

By building the home themselves, homeowners keep the costs lower and more affordable. We have a mobile home purchase assistance program. This program works in conjunction with the mobile home equity exchange program to assist low-income home owners in rented stalls to obtain home ownership on titled property.

The home completion program provides assistance to rural home owners to complete home construction by either refinancing an existing mortgage or providing a personal loan to cover the costs of completion. It is primarily designed to assist households that are located in areas where the cost of construction exceeds the market value of the home.

I should mention the seniors home and yard maintenance program. The program is funded by the Yukon Housing Corporation and is actually delivered by the Yukon Council on Aging. The program matches seniors who have basic home and yard maintenance needs with community residents registered to provide the services that they need. Payment arrangements between the senior and the resident worker are then privately negotiated. We work as a middle person on that.

Of course, the 2007 Yukon flood relief initiative provides for two financial assistance methods based on the normal use of the property. Grants are available to repair flood-related damage to principal residences. Low-income home owners are also eligible for subsidized home repair program loans for repairs not eligible for grant funding.

Coming back to the flood relief -- we were very pleased to get involved in that program and some of the real disasters that we had there. Interestingly, flood relief has become quite a forte of the Yukon government. We are very pleased at all of the accolades that we've had, even from across the floor, on the response of our Emergency Measures Organization, Community Services, Highways and Public Works, and now the Yukon Housing Corporation.

Yukoners should be aware of the fact that -- if I can kind of circle into this, with your indulgence -- in 1981, Yukon was a founder of the Northern Forum, a sub-national regional group in many ways similar to PNWER -- the Pacific NorthWest Economic Region that I have had the great pleasure of being involved in for so many years. With the Northern Forum, which now consists of about 10 different countries and 20 different jurisdictions, one of our working groups is on flood control and flood mitigation.

We have been very proud to involve a number of people from the Yukon government, and particularly our hydrologist from the Department of Environment, to look at satellite imaging, and this sort of thing, to predict floods in the northern climate. Of course, this is expected to become even more of a problem.

Without getting into terrible statistics of the effects of flooding, it should be noted that across the Arctic worldwide, since Yukon has been involved with the flood management program of the Northern Forum, there has not been a single death due to flooding across the north, and that includes north-

eastern China, Russia, Finland and, obviously, Yukon and Alaska and, to a degree, northern Alberta.

We were very happy to get involved through the Yukon Housing Corporation to assist homeowners who were affected by the flooding. When we announced that, we basically announced it to help homeowners who had experienced damages to their principal residence so they could receive grants. Owners of recreational properties can receive loans at zero percent interest to cover the costs of repairing all flood damages.

Owners of flood-damaged property are encouraged to contact the Yukon Housing Corporation to discuss the options and let Yukon Housing Corporation housing experts provide advice on the best approaches to make the necessary repairs. To date, I'm very pleased to report that 45 homeowners have actually applied to the Yukon Housing Corporation for assistance regarding damage to their homes, as a result of this summer's flooding.

The Yukon Housing Corporation Board of Directors approved the flood relief initiative. It was really tailor-made to provide financial assistance programs. The initiative will follow the existing home repair program and the delivery process, and loans do have a ceiling of \$35,000. They will be amortized over a 12-year period. An assessment of damage will be conducted through the Yukon Housing Corporation inspection procedures, which are being developed and executed.

Through our supplementary budget, we requested another \$14,000 for an additional technical officer, \$15,000 for advertising in the O&M budget and \$400,000 in the capital budget for the repair and upgrade capital program. We are coordinating efforts on all of this through protective services branch, Department of Community Services and the filing of claims to Canada for disaster relief. This is all very much involved with the federal government and some of their programs. Effectively, what we're doing is fronting the money and fronting the programs to get people out of trouble initially and then we'll catch up with the federal government later.

Another challenge that this government had and this department had was with the adjustment of the rate relief and energy costs potentially going up. First of all, I completely support that, because how many people really didn't think about turning off a light or conserving energy in general when the electrical rates go up -- perhaps we should be looking at that. There were members on the floor opposite who were very good in terms of recognizing the facts that this was a conservation effort, as well as the minister responsible for Energy, Mines and Resources and Yukon Electrical to go in and take a closer look and do an evaluation, which was definitely in order.

That brings up the same problem that, at a time when people's potential heating costs and this sort of thing are going up, we really should be looking at other ways to mitigate that. So, Yukon Housing Corporation and its board of directors did some amazing work in coming together with a smorgasbord or a buffet -- in the words of one of the staff -- of programs that you could pick and choose from that would allow you to reduce energy consumption and reduce your electrical bills.

In July, the Yukon Housing Corporation and the Energy Solutions Centre -- it was all done with them -- introduced six

new energy efficiency initiatives designed to assist existing homeowners and those looking at building new homes, and even owners of rental properties who still are responsible for their electrical bills. These programs are designed to provide property owners with valuable technical information and affordable housing. In putting these programs together with the flood relief programs, there was an increased need for technical services. We have addressed that now with bringing in more technical officers to respond and to try to set up a program of these technical officers to go out to the communities on a regular basis and make their services available at a distance.

As a result, applications for the home repair program have increased 20 percent, compared to the same time last year. That, I think, kind of indicates the relevancy and importance of the program to Yukon homeowners. By providing interest-free loans, as well as one-time grants, Yukoners will have access to affordable funding streams to build or repair their homes to enhance energy efficiency. I'll give some examples: zero-percent interest is available for energy efficiency improvements under the home repair program. I think I mentioned that before. Loans of up to \$30,000 are available for alternate energy systems, with the interest rate set at zero percent for the first 10 years and then one percent less than the posted home repair program interest rate upon renewal. In other words, the Member for McIntyre-Takhini, who is concerned about the oil from his generator, could put up solar panels and solve that problem very easily.

A zero-percent interest rate is also available to owners of rental property who undertake energy efficiency upgrades. A grant of \$400 is available to offset the cost of an energy evaluation. Now, that particular one I should spend a moment on, because it sounds like, oh, it's a nice little touch. But the reality is, Mr. Chair, that there are a number of different programs that are available through the federal government. Unfortunately, they require an energy audit before and an energy audit after in order to qualify. So if you want to replace a couple of windows and a door, you might only have, say, \$800 worth of renovations, and it becomes sort of a moot point whether you want to go through all of the trouble of spending \$400 to get the energy audit. We will now do that on a grant, and it allows you to access a whole range of federal programs. A grant of up to \$1,750 is available for homeowners accessing the home repair program, who upgrade their home to meet Yukon Housing Corporation's green home standards. We also have available grants of \$4,500 for the construction of new certified green homes, up to \$750 to offset design and inspections and up to \$450 from the Energy Solutions Centre for the purchase of ENERGY STAR appliances. These all have to be complete and done by March 31, 2009.

This is an overview of some of the programs that are available. I really do thank the Leader of the Liberal Party for asking for that, among his many questions, and giving me an opportunity to inform Yukoners of these programs.

Mr. Edzerza: I have a couple of issues that I would like to pursue with the Minister of Finance.

My first question is going to reflect on the extension of Hamilton Boulevard. It was a very important project for the

Kwanlin Dun First Nation, which, in fact, is one of the biggest First Nations in the Yukon.

It took more than 25 years to negotiate land claims agreements in the Yukon. They originally started out between Canada and the First Nations. However, the Yukon government became a third party to the negotiations because of their persistence in being a signatory to land claims in the Yukon.

Claims were deemed to be negotiated in good faith. The First Nations negotiated, believing the agreements would be honoured and respected. Not once did the First Nations believe any government would seek out loopholes and use them to their advantage. However, this does not hold true any more for Kwanlin Dun First Nation.

I will do my best to explain why Kwanlin Dun First Nation feel they have been somewhat betrayed by this government. In Kwanlin Dun's final agreement, chapter 22 has to do with economic development measures for the First Nation. The objectives of this chapter are: (1) to provide Yukon Indian people with opportunities to participate in the Yukon economy; (2) to develop economic self-reliance; and (3) to ensure that Yukon Indian people obtain economic benefits that flow directly from the settlement agreements.

Mr. Chair, the Yukon government and the city signed a memorandum of understanding up to that date. Or let me back up a bit here, Mr. Chair. Kwanlin Dun had been negotiating with the Yukon government for approximately two years with regard to the extension of Hamilton Boulevard. All of a sudden, Mr. Chair, the Yukon government signed a memorandum of understanding with the city. The memorandum of understanding that was signed with the city had the city apply under the MRIF program, thus making the city the proponent in the project.

Mr. Chair, because of this newly developed relationship, the Yukon government was able to get around the purpose of 13.0 in chapter 22. Mr. Chair, 13.0 refers to the Yukon asset construction agreement, which means an agreement providing benefits for Kwanlin Dun First Nation, Kwanlin Dun or Kwanlin Dun firms, concluded in accordance with 13.1 to 13.2.1. Mr. Chair, 13.1 states, "Subject to 13.2 where the Yukon intends to conduct an asset in the Traditional Territory of the Kwanlin Dun First Nation that has a Capital Cost of \$3 million or more the Yukon and the Kwanlin Dun First Nation shall conclude a Yukon Asset Construction Agreement in accordance with 13.3 to 13.11 unless the Yukon waives the requirement for a Yukon Asset Construction Agreement in accordance with 13.12 to 13.17."

Mr. Chair, the government got around this commitment by using 13.1.1, which states, "For greater certainty, 13.1 shall only apply in circumstances where the Yukon is the sole proponent of the Asset construction and the sole owner of the Asset."

On behalf of some of my constituents, my question to the Premier is: why did government choose to seek out a loophole so they would not have to honour this portion of the Kwanlin Dun First Nation agreement?

Hon. Mr. Rouble: It's my pleasure to rise and debate here today on the *Supplementary Estimates No. 1* for 2007-08

and enter this quite far-ranging discussion -- it appears that everything in the territory is under debate now in this discussion.

Earlier, a couple of questions ago, the Leader of the Official Opposition put a question on the floor -- actually, there was more than one. I haven't gone through and counted all of them, but in the 20 minutes that the member was on his feet, he asked questions ranging from the response of EMO and Public Works to flooding, to education, to the *Landlord and Tenant Act*, to the *Liquor Act*.

I appreciate that it's general debate, as the members opposite have said -- general debate, in which all members are encouraged and expected --

Some Hon. Member: (Inaudible)

Hon. Mr. Rouble: Well no, the Member for McIntyre-Takhini is asking me if I need a dictionary. I'm quite familiar with general debate and what it involves.

It is a bit of a departure -- sorry, Mr. Chair, do I have the floor?

Some Hon. Member: (Inaudible)

Hon. Mr. Rouble: Yes? Thank you.

A few moments ago -- or, actually, it would have been a few questions ago -- one of the Leader of the Official Opposition's questions was about the potential replacement of the F.H. Collins Secondary School, that the Hold Fast report makes reference to this as perhaps being a priority, as opposed to other projects, such as any other form of new school or educational facility up in the Copper Ridge or Granger area, and was wondering if there is anything we can hear as to how that process is coming.

Well, Mr. Chair, I would like to rise now and address that very specific question that has been brought forward. Members will recall that the government, upon taking office, commissioned the company to take a look at our school facilities. A company called Hold Fast Consultants was contracted to review and make recommendations for the future facility needs for a new school in the Copper Ridge subdivision, the Whitehorse schools of F.H. Collins Secondary and the Porter Creek Secondary School. Mr. Speaker, we've all seen the report. If members haven't I'm sure that they can find it as it's posted online on the government's Web site. It contains some good information that will certainly help to provide the government with direction in planning for these very important educational initiatives.

Now, Mr. Speaker, one of the recommendations that came out of this report was that there be a review of the program direction of F.H. Collins Secondary School and the preparation of a vision for the future. This is an opportunity to review the program directions of F.H. Collins and then use that in defining the building and what it needs. Well, I would remind members of the budget items for the Department of Education, which is in Vote 3, and that there is a capital expenditure there under the title of "Review of secondary programs" in the amount of \$300,000. Mr. Chair, the Leader of the Third Party asked if anything was being done, and I can stand up here and give an unqualified yes, there is something being done. I trust it will

have all of the support of all members in the Assembly in going forward with this.

The government has taken into consideration the comments from the consultants on this and has acted.

I should add that immediately upon receiving the report, I did ask that the Copper Ridge school advisory group -- they were the advisory group of interested stakeholders that were involved in the development of this project. I did have a meeting with them. I asked them to come in and tell me about how they felt about the process, how they felt about the creation of the recommendations, how they felt about the research that was done, and whether or not their recommendations reflected the broad view of the community.

Mr. Speaker, I was very encouraged by the words of the Copper Ridge advisory group. Yes, they felt the recommendations that they put forward did truly reflect the needs of the community and the feeling of people throughout the Copper Ridge area. I am very glad to hear that we had a good process that was endorsed by the stakeholders.

We sat down, listened to the stakeholders, worked with the consultant, and received their report. One of the recommendations is to review the program direction at F.H. Collins Secondary School. We have an item in the budget that looks at this. To give members a bit more of an update on this, I would direct them to the Yukon government's tender Web site -- I am sure they are all familiar with this -- where there is now a request for proposals posted for a secondary school programming study to be done. This will be an exercise to look specifically at F.H. Collins and our other high schools in the area.

Some Hon. Member: Point of order.

Point of order

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

Mr. Fairclough: Mr. Chair, all members of this House have agreed to try to improve debate in the Legislature and, in particular, in Committee of the Whole. We have heard the Premier time and time again say that --

Chair: Order please. If you are speaking on a point of order, could you give the Standing Order that is being broken, please?

Mr. Fairclough: Yes, Mr. Chair, I was working up to that; it's under 19(b) and probably many others -- you can determine that.

Even the Premier has said to focus debate in a general manner. I believe the question was posed to the Premier in that manner and the Minister of Education is up answering questions and diverting attention, and talking about Education and specific line items in that department. I feel that is a point of order and he should be called to it.

Chair's ruling

Chair: On the point of order, under Standing Order 19, a member shall be called to order if that member, "(b) speaks to matters other than (i) the question under discussion."

The question under discussion is general debate on the 2007-08 supplementary budget. There is no point of order.

Hon. Mr. Rouble: If I could direct the Member for Mayo-Tatchun's attention to page 1,465 of *Hansard* and to his party leader's comments wherein he asked the specific question and I'll quote: "I'm wondering if there is anything that we can hear as to how that process is coming."

Mr. Chair, we've been accused by the opposition members of dodging questions, of not answering questions, and here I am answering a very specific question that the Leader of the Official Opposition has put on the floor. The Leader of the Official Opposition put forward several different questions and I'm trying to assist in this debate in answering them.

Some Hon. Member: (Inaudible)

Hon. Mr. Rouble: Now, the Member for Mayo-Tatchun is heckling from the back row, saying I'm just wasting time. His leader asked a very specific question -- can I update the Assembly on this issue? Now he's saying it's asked of the Premier.

Chair's statement

Chair: I'd like to inform all members that all questions should be posed through the Chair. Mr. Rouble, you do have the floor.

Hon. Mr. Rouble: Thank you, Mr. Chair. There was a question asked about what the government is doing with regard to the Hold Fast study, the report that was titled *School Facilities Study*. We received the study. I met with the Copper Ridge advisory group and had a discussion with them about how they felt about the recommendations that were going forward. One of the specific recommendations is to review the program direction of F.H. Collins Secondary School and prepare a vision for the future.

I'm also directing the members to the response, which is outlined in Vote 3, in the Department of Education's capital expenditure. We're requesting an additional \$300,000 to do a review of secondary programs.

In this area, I expect it will include broad stakeholder consultation with many Yukoners on how they see secondary school programming being done in Whitehorse, looking at the use of facilities, looking at the idea of having comprehensive schools throughout the City of Whitehorse, or whether it's possible to use some kind of sharing of resources. We've been encouraged to undertake a visioning exercise to look at what the school should look like, and I think that's a very important step. Before we go ahead and make an investment of tens of millions of dollars into something like this, it's important to do our due diligence on this and look at the best possible use of what this school could look like.

Therefore, members should see and be aware that there is a request for proposals out right now for a secondary school programming study in the Yukon that will be part of the review of secondary programs. We're taking concrete steps in going forward and implementing the recommendations and taking action on the concerns raised.

Mr. Chair, the Leader of the Third Party went on to ask -- after he asked the question, "I am wondering if there is anything we can hear as to how the process was coming" -- if this was going to be another case of where we spend money for

many years on an aging facility as opposed to making the tough decisions to eventually look at a new facility.

I would caution the Leader of the Third Party to say that responding to the needs in the current facility is throwing good money after bad. I hear questions like, "Why are you bothering to fix problems there? Why not just replace it?" I liken it to someone who is looking at buying a new car, where someone would make the decision to buy a new car in six months and then, if they have a problem with their brakes, say, "Why bother getting my brakes fixed? I'm going to get a new car."

Well, I don't think that's a reasonable approach, and I hope that's not what he's encouraging us to do. I think we do have to make best use of all our facilities and ensure that they have the right tools in there, that they're kept in good order and that they're fixed and repaired. That's why, for example, there is action being taken right now to replace the wheelchair lift at F.H. Collins. We're not simply going to say, "No, we're not going to bother to get that fixed because we're going to build a new school, don't worry about that" -- no, absolutely not. The government is committed to providing students with safe, appropriate schools that meet the needs of students, and that is going to mean that we're going to make investments in the facility until a new one is built to replace the old facilities.

So I appreciate that the Leader of the Official Opposition asked so many wide-ranging questions, from the *Landlord and Tenant Act* to the *Workers' Compensation Act*, to the *Children's Act* and to the *Liquor Act* and to issues of education, to looking at issues regarding the collective agreement. I appreciate how far-ranging they were. I hope that I have answered his questions. I trust that I have. If he does have any other questions regarding education, he could either ask them here in general debate or, if he'd like, we can address them when we get into Vote 3, Department of Education. We'll go into general debate on the Department of Education when we get there, and then we can also discuss specifics when we go into line-by-line. Again, one of those specifics is a review of secondary programs, which I believe will address the member's questions and concerns.

Mr. Edzerza: I find this rather confusing as the Official Opposition is not the member asking questions; it's the Member for McIntyre-Takhini. Why the member chooses to constantly refer to the Leader of the Official Opposition and questions that might have been asked in the last week is, I feel, really irrelevant to this discussion. I would like to remind the Member for Southern Lakes that a serious question was asked on behalf of some of my constituents of McIntyre-Takhini and it has nothing to do with the Leader of the Official Opposition.

Mr. Chair, let the record show that the minister has chosen to rise and read from a paper about something not relevant to the question asked. In fact, he chose to talk about issues raised by someone other than myself. It clearly demonstrates that, if the riding is not held by the government, those citizens concerned are not important and they are being neglected. I asked a very serious question, and I would appreciate it if the minister would get serious about answering these questions.

Now, let's try it again. I raised a serious issue that some of my constituents feel is a real breach of an agreement and one

that the Yukon Party government has taken pride in being a signatory to, which is the *Kwanlin Dun First Nation Final Agreement*.

Now, the Premier boasted on the floor of this Legislature about being the one who signed that claim off. Now it's not being honoured and, in fact, it appears that things are being done to avoid responsibilities of that agreement, which the Kwanlin Dun First Nation takes very seriously. In fact, I would be so bold as to say that it has deteriorated the relationship between the Kwanlin Dun First Nation and the government.

Mr. Chair, 13.13 in the asset construction agreement states: "Where the Yukon intends to waive the requirements for a Yukon Asset Construction Agreement under 13.12.1, 13.12.3 or 13.12.4, the Yukon shall so notify the Kwanlin Dun First Nation in writing with reasons." To the best of my knowledge, that has never happened.

In fact, in a recent discussion with the leadership, this part of the agreement was also breached.

There was nothing in writing to the Kwanlin Dun First Nation indicating all reasons for when and why this contract would be waived.

I would like to ask the Premier a question with regard to this. Did the Yukon government notify Kwanlin Dun First Nation of their intent to waive the requirements for a Yukon asset construction agreement? If so, will the minister produce that letter to me as a legislative return, and when was the letter written?

Hon. Mr. Fentie: It would be advisable for the Member for McIntyre-Takhini to be consistent with what the agreement says. First off, this whole area relates to a Yukon capital investment for a capital project within the Kwanlin Dun traditional territory at a \$3-million threshold and above. Hamilton Boulevard is not that. Hamilton Boulevard is not a Yukon government capital investment, nor is it a Yukon government capital asset. It's a City of Whitehorse asset. It's a City of Whitehorse infrastructure. It's an MRIF -- municipal rural infrastructure fund -- project with the Yukon government as a one-third partner. The Government of Canada is a one-third partner. The City of Whitehorse is a one-third partner. Therefore, the agreement as structured does not apply.

Where there is a capital investment by the Yukon government of \$3 million plus -- and is strictly a Yukon government capital project with Yukon government capital -- we do adhere to the terms and conditions of the final agreement. A recent example of this is the Whitehorse Copper development

Mr. Chair, we need to deal with facts. We need to deal with agreements as they are structured. You can't import situations, projects and other matters that are inconsistent with the agreement itself.

Now, I know the member is going to go on and say that we found a loophole; we circumvented; we did that; we did this. He's talking relationship. Well, Mr. Chair, this is a pointless debate. So, we'll let the member fill the pages of *Hansard* with all those points, and the government side will continue to encourage that we move on and debate factual matters.

In this case, it's also important to note that even though the application of the final agreement in this matter does not apply,

extensive discussions took place with Kwanlin Dun throughout the process of this project, and we've moved to now, where the project is activated, and work is commencing, and the Hamilton Boulevard extension is taking place.

Provisions are provided, should Kwanlin Dun, in the future, want to connect their selected lands -- and there is a minister responsible for this, by the way, if you want to get into the operational and technical details -- those selected lands can be connected. And the government has said, "We'll work with you on that to the main line boulevard extension."

So, I'll leave the House with those factual points, and maybe the member can move on.

Mr. Edzerza: Well, this line of questioning must have had some merit to it, because it finally got the Premier to his feet.

The Kwanlin Dun First Nation believes wholeheartedly that the government used clause 13.1.1 in order to get around their commitments in this agreement. Why do they suspect that? Because negotiations were going along until the memorandum of understanding was signed between the city and the government.

That memorandum of understanding made the city the proponent of this asset construction; therefore, being able to invoke 13.1.1. Again -- for the record -- it is clearly stated: "For greater certainty, 13.1 shall only apply in circumstances where the Yukon is the sole proponent of the Asset construction and the sole owner of the Asset." Well, Mr. Chair, we just heard the Premier say that they are not the proponent, the city is. Why? Why would the government choose to do that other than to be able to get around their commitments to this agreement?

The Premier has that right to speak his opinion, but so do the citizens within my riding, and when they feel that some actions by the government are going to really jeopardize future partnerships, future relationships, then I think it should be taken a lot more seriously than it is.

Mr. Chair, the bottom line is that the Kwanlin Dun has been cut out of this project in their traditional territory -- deliberately cut out. Again, I state for the record that this has very serious ramifications for relationships -- not only with Kwanlin Dun but with all First Nations when they realize that this government is more interested in finding loopholes than they are in being sincere and up front and trying to make this agreement work.

Mr. Chair, my constituents believe wholeheartedly that the Yukon government must do everything within its powers to embrace these agreements and to make them work, not water them down and try to find ways around them.

Mr. Chair, to the best of my knowledge, Kwanlin Dun is the only First Nation that has this kind of an agreement within their agreement. They're the only First Nation that has this asset construction clause in their agreement. Other First Nations looked at it and thought it would be a really good idea to adopt this section because they have that right to do that. Having seen what's happening already, I would think that other First Nations thinking about adopting this clause would have to sit down with Kwanlin Dun, and I would encourage the other chiefs to go and sit down with Kwanlin Dun. The chiefs and councils --

sit down with Kwanlin Dun and just discuss this one issue and let them determine whether or not the Yukon government is really sincere about working in conjunction with agreements. Maybe they need to sit down and see how many other First Nations are having problems, and maybe this has some bearing on why there appears to be a deterioration of a working relationship between some First Nations in the territory and the Yukon government -- and rightfully so. If the Kwanlin Dun First Nation is going to have to go through this every time there is a capital project in their traditional territory, I think there are going to be serious, serious ramifications in the future over this kind of behaviour.

I believe wholeheartedly that the Premier really ought to take this far more seriously than just brushing it aside and saying, "Oh, we are not the proponents." They aren't because they deliberately made it so.

I never got an answer from the Premier. I would like to know if the government did notify Kwanlin Dun First Nation of their intent to waive the requirements for a Yukon asset construction agreement. If so, when did they do that?

I would like to ask the minister if he would be willing to provide me with a legislative return about that letter, stating why and what the requirements were to waive that commitment to an asset construction agreement.

Hon. Mr. Kenyon: In terms of dealing with something that is not a Yukon government asset, it's difficult for me to even begin to go in that direction. But he brings up some good points in terms of chapter 22 initiatives. I would like to speak to those for a little bit.

The Department of Economic Development has been working closely with the First Nations of Tr'ondek Hwech'in, Kluane and Na Cho Nyak Dun on regional economic development planning initiatives.

Economic Development is evaluating a request for proposals to engage a consultant to undertake an economic scan and opportunity identification in the Tr'ondek Hwech'in traditional territory.

As some background for the member opposite, in the 2007-08 fiscal year, the regional economic development branch of the Department of Economic Development has been allocated \$130,000 from the land claims implementation secretariat specifically to undertake chapter 22 initiatives.

The actual cost to date to participate in the Tr'ondek Hwech'in planning process is only \$6,958.39. Before the member opposite makes his notes and rises on that, I have no idea what the 39 cents is for and how that got in there. But anyway, there is a large project pending, and it is pending closure for the request for proposal process. So that will certainly be coming in there. That's the reason that number is a little low at this point in time, but it will be spent.

The *Umbrella Final Agreement* requires that Yukon government participate in the regional economic development planning process, as outlined in chapter 22 of the *Umbrella Final Agreement*. Now, under the terms of the implementation plans, chapter 22 is initiated by the First Nation when it notifies Canada and Yukon of the intention to establish a tripartite planning group to prepare a regional economic development

plan for the First Nation's traditional territory. Kluane First Nation and the Na Cho Nyak Dun First Nation have indicated that they would like to focus on some internal issues and governance issues before they continue, and we respect that. We are anticipating increased activity on the chapter 22 planning process for these First Nations by the first quarter of next year.

In regard to the Tr'ondek Hwech'in, in the coming weeks the project management committee will evaluate and award a contract to undertake an environmental scan and assessment of potential for development within the Tr'ondek Hwech'in traditional territory. This work will inform Economic Development's participation in the balance of the workplan developed by the oversight committee. The oversight committee consists of representatives from Yukon, Canada, and Tr'ondek Hwech'in, as well as the City of Dawson. I'm sure, Mr. Chair, that you will be very pleased to hear that.

The regional economic development branch continues to consult with the land claims and implementation secretariat and the Executive Council Office as issues arise. At this preliminary stage of planning, no other Yukon government departments are involved. Involvement will be determined by the issues associated with a particular project or activity.

When you look at the overall plan of working with First Nations on economic development issues, Mr. Chair, the Yukon on a government-to-government basis has undertaken joint decision-making with Yukon First Nations on initiatives of significant economic impact. For example, we have developed a framework for allocating \$40 million of northern strategy trust funds in Yukon and jointly assessing project submissions to the fund.

We've developed a draft investment plan for Canada's targeted investment program in the Yukon. This initiative allocated \$27 million for projects in the Yukon and I was very happy to have the chance to spend some time Sunday night with Minister Strahl -- the new Minister of Indian and Northern Affairs -- on some of our challenges and how we are meeting those challenges and how we hope he meets those challenges -- but that is another story.

With Yukon First Nations setting their economic priorities and playing the lead role, the Department of Economic Development works to support them from planning right through to implementation. Our activities include assistance in building capable institutions and governance and capacity development; development of strategic direction -- including strategic planning and economic development planning; development of policies that support economic development; opportunity identification and project selection; development of feasibility studies and business plans; and of course implementation.

Since its inception in April 2004 -- in three and a half years -- the regional economic development fund alone has provided contributions to 54 Yukon First Nation projects, totaling \$915,483. That's really since the Department of Economic Development rose out of the ashes of the previous Liberal government. Funds were provided to each of the 14 First Nations; \$915,483 represents 77 percent of the total commitments from the regional economic development fund.

The fund approvals for First Nations from April 1, 2004, to October 10, 2007, include: \$84,495 to Carcross-Tagish First Nation; \$56,014 to the Champagne and Aishihik First Nations; \$41,250 to Liard First Nation; \$86,066 to Little Salmon-Carmacks First Nation; \$38,609 to Kluane First Nation; \$66,929 to Kwanlin Dun First Nation; \$79,666 to the First Nation of Na Cho Nyak Dun; \$90,418 to Ross River Dena Council; \$83,533 to Selkirk First Nation; \$89,892 to Ta'an Kwach'an Council; \$26,809 to the Teslin Tlingit Council; \$8,294 to Tr'ondek Hwech'in -- I think I've already referred to why that's a little bit lower -- and \$59,561 to Vuntut Gwitchin First Nation; and a further \$9,594 to White River First Nation.

Now if anyone's actually sitting there and adding this up, you'll find that it doesn't quite add up because we do have organizations within -- and cooperatively working among First Nations. So a further \$15,792 went to the Kaska Tribal Council, \$17,025 to the Southern Tutchone Tribal Council, \$10,000 to the Council of Yukon First Nations, \$1,526 to Dana Naye Ventures, \$5,000 to the Yukon First Nations Tourism Association, and a further \$45,000 to the Yukon Indian Development Corporation. That will be the total of \$915,483.

In this fiscal year we have engaged with other departments and 63 percent of the First Nation projects that were supported by the regional economic development fund. I hope the member opposite can begin to understand that some of the money going into these projects -- which are, in fact, involving the Yukon government and not things that do not involve Yukon government assets, but are in fact, City of Whitehorse assets.

Now, in terms of some of the other things that we've dealt with -- the northern Yukon economic development partnership agreement, for instance. I will spend a moment on that. This came as a result of actions that were taken under the partnership agreement. The Yukon government and the First Nations of Vuntut Gwitchin, Tr'ondek Hwech'in and Na Cho Nyak Dun signed the Dempster corridor economic opportunities identification agreement on August 25, 2006.

The partners are exploring and identifying potential economic opportunities along the Dempster corridor and will ultimately develop recommendations for consideration by the political principals of the agreement.

The Government of Yukon is committed to ensuring that First Nations become key players in the Yukon economy, and this agreement is one of the steps for moving forward on this initiative.

The department is currently looking at funding options to identify and optimize economic development opportunities. That's one of the things that our department does. That's one of the things a department of economic development should do, contrary to the previous Liberal government.

In July 2004, the Yukon government and three northern First Nations signed that agreement and, on August 25, 2006, in Dawson City, the four partners signed the Dempster corridor economic opportunities identification plan. All of this, of course, is working with the good officials of the departments of Tourism and Culture; Energy, Mines and Resources; Environment; and with Executive Council Office, the Department of

Highways and Public Works, and we've even involved the Public Service Commission on that.

There are a number of other areas where we work in conjunction with all of these First Nations and programs we have that would allow First Nations, or any start-up business or organization looking at this, to start to look at business opportunities and start to develop the basic strategies, the basic legal documents, and the basic business plan in order to bring that to a funding decision-making body, such as a bank, or Business Development Bank, or Dana Naye Ventures, or something like that.

So, there is still a great deal of cooperation there, and all of these things are available to the First Nations. Unfortunately, the individual item that the member opposite refers to refers to a City of Whitehorse asset. So, we can't really get into commenting on that particular issue.

In terms of some of the other items -- I am just sort of looking through here so I make sure to catch everything and keep the member fully informed -- another fund I encourage people, First Nations and non-First Nations alike, to take advantage of is the enterprise trade fund. That was developed to stimulate and support the growth of Yukon business activity by focusing on the development and expansion of external markets to attract investment capital for business, as well as for business training in such areas as business planning and marketing. It's getting everything up to that decision point.

The program supports marketing and it supports export projects that enhance the likelihood of Yukon businesses generating increased production and sales of Yukon products, thus further diversifying and expanding the economy and enabling job creation.

Any business that is registered with corporate affairs branch, as defined in the Yukon government contracting directive, are eligible to apply to the enterprise trade fund. The applications may be put in at any point. You don't have to sit and wait for a certain intake. The department maintains an ongoing consultation with key industry stakeholders to help Yukon businesses develop and maintain a competitive advantage in external markets and to help raise the profile of Yukon business and industry in products and services in general.

For the fiscal year 2007-08, to date, a total of \$176,634 has been approved in funding, providing support for 34 applications. Since inception of the fund in August 2004, approximately 218 applications totalling \$105 million have been approved and processed.

Applicants are eligible for up to \$50,000 toward marketing and investment attraction projects and up to \$10,000 toward the development of business plans and for business training. Business-related organizations, either for-profit or not-for-profit, must be registered and in good standing under the *Societies Act* or created under another legislated authority to be eligible for this program.

So that's another good program that has quite a bit of capability to develop either First Nations or non-First Nations and, again, some of the very, very good things that are available that we try to do. Again, Mr. Speaker, it becomes difficult to talk

about City of Whitehorse projects. That's not within our purview. Thank you.

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

Recess

Chair: Order please. Mr. Edzerza.

Mr. Edzerza: Thank you, Mr. Chair. Well, it appears I am not getting any answers here on behalf of my constituents, so I will continue this line of questioning with the appropriate minister. It appears the Premier cannot answer my questions for what I believe to be a lack of interest.

Mr. Chair, for the record, I would caution all First Nations who have signed final agreements to start recording issues where they feel the government has identified a weak point in their agreement and used it to their advantage. I make this statement, Mr. Chair, because it could prove to be very valuable when there is another review on implementation of these agreements.

Now, I'm going to move on to another issue that has been brought to my attention with regard to Hamilton Boulevard, and that has to do with the wood availability within the right-of-way of Hamilton Boulevard.

A couple of weeks ago, I raised an issue in the House about a woodcutting issue at the Fox Lake burn where the government built approximately eight kilometres of road and where there is no access for the general public. It was put in there solely for commercial woodcutters. Since I brought this to the floor, it appears a large number of citizens were pleased that it was raised because they ran into the same barrier when they tried to access wood from Fox Lake.

I also received some calls from citizens in and around Whitehorse who stated that they went into the area of the extension of Hamilton Boulevard to get wood earlier this fall, and they were told that they weren't allowed to cut any wood in there until the commercial woodcutters were finished in that area.

Now, if that's true, I think it's unacceptable that the citizens should have second choice. I see in the Yukon newspaper tonight that there is a picture of a big pile of wood that is for public consumption. However, that wood is all green wood, and I think if anyone goes to get a truckload of it, they'd best have overload springs and a few people to help them lift it on to the truck. From my experience, a length of green wood of that size would take at least two people to be able to lift it -- unless, of course, you're very young and very strong and physically fit. Then you could probably do it yourself.

My question for the minister: is it true that citizens were told that they have to wait until the commercial woodcutters are finished with what they want out of the right-of-way before the public had access to the area? Could the minister answer that question?

Hon. Mr. Lang: In general debate this afternoon, lots of questions have been asked and lots of questions answered. I appreciate the members opposite in general debate. Of course, looking back at general debate throughout this sitting, a lot of

questions have been asked, whether about forestry and Energy, Mines and Resources or mining or other questions in the department. What I would like to bring to the floor this afternoon, Mr. Chair, is some factual information. The Leader of the Official Opposition stands up in the House and, of course, through the Blues many, many times has talked about the mining community and how the mining community would have grown without this government responding to the issues that it has over the last five years. He also has spoken about the last seven or eight years in Nunavut and British Columbia and Northwest Territories and the fact that that growth has been larger. At that time -- seven years ago -- it was larger than the Yukon's growth and, of course, that creates the question out there regarding what is making the Yukon the mining hot spot in Canada.

Of course government is concerned about economic development in the territory, and so it should be. We can talk about the finances of our community when this government took office five years ago. We can talk about the fact that we as a government -- when we inherited it after the Liberals' short term -- were looking at overdrafts for operating costs, and the mining community was at a minimum in the territory. When this government took over, mining companies were maintaining their claims, and that's where your \$5 million or \$6 million a year investment was being placed. There certainly wasn't the exploration here that -- as the member opposite reminded us -- was happening in N.W.T., Nunavut and British Columbia. One of the areas that we were concerned about when we took office was how we could jump-start the mining community and build the trust that's needed to make that industry a very important part of our community and the fabric of our community. As we in the House all know, the territory was spawned out of mining. It came in 1898 when gold was discovered in the Klondike, and the Yukon was taken out of the N.W.T. to stand alone as a territory.

The further reason was the effects of the Klondike Gold Rush on the economy of Canada and of course we all know the history there. The history of mining in the territory went from there to expand to where it is today. United Keno Hill Mines was a massive producer of lead, zinc and silver for many years from the 1920s to the 1960s and early 1970s. We had Clinton Creek, which was a great supplier of product to the world. Of course, we worked with other mines such as Mount Nansen and Quill Creek. Faro was one of the largest mines in the world when it was in full production. All those were generated inside the territory. Through many governments and many governments' policies and regulations, the mining community pulled back on investing in the territory.

When we inherited the government after the Liberals' short term in office, Mr. Chair, they had pulled back to the point where all we were talking about in the mining community was maintaining existing claims; that's where the expenditure was. In other words, investors were saying that they would maintain their investment in the territory as far as claims were concerned, but they certainly were not comfortable enough with the government of the day to invest in exploration -- even though, Mr. Chair, those same individual companies were investing in Northwest Territories, Nunavut and British Colum-

bia. That was a worrisome thing because we knew -- as a new government -- that the investment dollar was out there. We felt that with a government that was industry friendly, balanced and with its regulatory house in order, we could encourage that kind of investment back into this part of the world.

The Leader of the Official Opposition insinuates this would have happened without that. This would have happened just because of the location of the territory and the wealth that was in it -- based strictly on geography. That, of course, is a misconception of how things work in the world today.

Investment dollars flow around the world. We are not the only jurisdiction with these resources. We are not the only jurisdiction with gold, silver, zinc, nickel, uranium. All those commodities or resources can be found in other jurisdictions. If the investment climate in Canada or in the territory is not conducive to the mining community, then that money can be spent offshore and this is done. The Toronto Stock Exchange is one of the biggest investors in the mining community in the whole world. They raise more money for worldwide exploration in Canada than almost any other jurisdiction in the world.

When we took over the reins of government, we looked at a couple of statistics. The statistic that jumped out at us was that, of approximately 120 jurisdictions, we were about in the 60s as an investment area. That was worrisome because it is very competitive out there and, of course, through devolution we were going to acquire a lot more of the responsibilities, so we had to go to work and change that 65. That is exactly what this government did over the last 60 months.

In the last 60 months, we moved from number 65 to number 11 in the world. That is a massive move in the right direction. Now, if you were to look at that, in Canada alone, we are the number one growth area in expenditures in the exploration industry. In the last five years -- the last 60 months -- exploration activity levels in Yukon have increased more than tenfold. In other words, we went from \$8 million to approximately \$130 million in the year 2007.

Now, the Leader of the Official Opposition will say that would have happened anyway, because Northwest Territories was doing so much better, Nunavut was doing so much better, so the territory, with its wealth, would have generated on its own that kind of growth.

Understand that when we took over -- and the Leader of the Official Opposition stated this -- Northwest Territories, Nunavut and British Columbia were doing so much better. Why weren't we doing better? Of course, he was talking about the period of time when the Liberals were the government. But in bringing this into factual statistics here, if you were to look at where the territory is today, if we were to take a poll of 65 jurisdictions -- that's Canada and other jurisdictions that are in the mining community and mining industry -- if you were to take British Columbia, Northwest Territories and Nunavut out of these 65 jurisdictions, what would we look at? Or, what would we look like after 60 months of hard work by the department and the government of the day? Where would we stand as a mining community?

Well, if you were to take policy, mineral potential assuming current regulations and land use restrictions in place -- if

you were to take a survey of those 65 jurisdictions, of 3,000 corporations that were polled, we stand at number 14. We're twice as likely to benefit from that as British Columbia; they stand at number 28. Again, as the Leader of the Official Opposition says, the Northwest Territories scored at 26 and Nunavut is number 24. That is not bad: out of 65 jurisdictions, we're number 14.

The environmental regulations -- out of 65 jurisdictions, we scored at 29. So, out of these companies, that's how we're rated: 29 out of 65. Again, B.C. is 39; Northwest Territories is lagging behind at number 57, so they have a way to go to catch up to us; Nunavut is not much better at 49.

Again, the member opposite is wrong. The Leader of the Official Opposition misled; in his statements here, the conversation was around --

Unparliamentary language

Chair: Order please. The member knows full well those comments are not appropriate for this Assembly. "Misled" is definitely not a term that is appropriate in this Assembly.

Hon. Mr. Lang: I apologize for that statement, Mr. Chair, but everybody in the House was lectured by the member opposite, the Leader of the Official Opposition, and I want to bring this into factual statistics that we can use as a barometer of our jurisdiction's hard work over the last five years.

If you were to talk to these corporations and compare these 65 jurisdictions -- let's take labour relations and employment agreements. Okay, here we go again. The Yukon Territory, out of 65 jurisdictions, stands 23 out of the 65. B.C. is not so good at 36 -- halfway down the numbers. Northwest Territories is tight with us at 24 and Nunavut is 33.

In social economic agreements -- this is 65 jurisdictions again -- we are very well placed at 19. B.C. -- the one the Leader of the Official Opposition highlighted regarding the exploration there -- stands at 34. This is almost twice as high as us, halfway in the 65. Northwest Territories is not so good -- again, 55 out of the 65. Nunavut is getting close to where B.C. is at 40. These surveys are all independently done by corporations on where they would like to invest their money and where our strengths and weaknesses are as a jurisdiction.

Understanding that all of this money -- all of those resources that are being put into our community -- is resources that could be invested anywhere in the world. So it's very important for us to compete at a world level.

Now, if you were to take another one -- a very important one -- the uncertainty concerning which areas will be protected as wilderness parks -- that's a very important one for industry. Again, 65 jurisdictions, and where did we place? Well, again, we're very well placed. Now, I'm not saying to the members opposite we couldn't improve. I'm standing here today saying, in 60 short months, this is where we've come to. First of all, the big move was going from 65 to 11 -- a big move in 60 months. But here we go. Uncertainty concerning which areas will become parks or protected areas: we stand at 19.

It's another reason to invest in the Yukon. B.C. is not quite so good. Remember, we are talking about 65 jurisdictions.

They are number 52. Northwest Territories, again, is lagging behind us at number 58. Of course, Nunavut is at number 54.

Current mineral potential -- there is an important one. Do we have the mineralization? Do these corporations think that not only is this a good place to invest their money, but is the mineralization here to invest in? Let's take a look at that. Again, out of 65 jurisdictions around the world -- number 14. We're the number 14 choice in the world of these 65 jurisdictions where the mineralization potential is. British Columbia -- well, they are number 28. Northwest Territories is 26, Nunavut is 24.

These are the facts that Yukoners should hear because this is where today's Yukon is going in the mineral industry. It's not just by accident; it's from the hard work of the Department of Energy, Mines and Resources and the confidence of the investing and mining community.

If we were to look over the database in our department -- again, it's a very small jurisdiction. What have we done for our geological database? What does industry think? Out of 65, we are number 12. We have a huge jurisdiction here, Mr. Chair. We have done a great job with our database. B.C. is number 10. Northwest Territories is number 13, and Nunavut is number 17.

I guess I would say to you that, as far as databases are concerned, north of 60 has done a fairly good job to bring the database up to date to work with industry.

Mr. Chair, in explaining to the members opposite the fact that our industry is a frontrunner in Canada -- the hotspot in Canada -- that's not by accident, Mr. Chair; it is by design. It is by the hard work of our department and, of course, the mineralization in the territory.

So, as far as general debate is concerned, I hope I answered the questions for the members opposite. Obviously, they didn't have the statistics that I have in front of me here today; and this could be a correction on when they ask questions or insinuate things about how things happen in the mineral world in the Yukon. This answers the question. The Yukon has room to improve but, in 60 short months, we've gone from sixty-fifth to eleventh in the world as a hotspot for investment for the mining community. Job well done to Energy, Mines and Resources, and I thank the industries that are here today and I look forward to meeting many more over the next five years.

Chair: Is there any further general debate?

Mr. Mitchell: I thank the minister for that interesting elocution. I thank him for helping to make our point when he pointed out that Yukon was perceived as having higher mineral potential -- I think it was number 14 versus number 28 over British Columbia. This proves the point that we were saying, which is that mining companies will go where the ore is. Obviously if we have more untapped potential, they will come here -- but it was very interesting.

In general debate, the Finance minister, the minister responsible for land claims, is keenly interested in his portfolio and, as I have been asking all afternoon, I'll ask of the Premier again if he can give us an update on his conversations with Minister Strahl -- both in person or perhaps more recently over the telephone -- regarding the three unfinished or incomplete land claims where there is no final agreement; and whether he

can give us some sort of an update on the possibility of a return to the negotiating table -- the possibility of Canada again establishing a table with those three First Nations.

I'm sure he has been working diligently on this, and he'd probably be very eager to report on it. Also, respecting the progress on the nine-year review -- what are the next steps and has he gotten any encouragement from the DIAND minister regarding Canada meeting its obligations under the land claims agreements for providing the necessary funding for First Nations to implement their claims and to move forward and make progress?

I know the minister will be eager to answer those questions, so I'll allow the Finance minister to now speak to those.

Hon. Mr. Lang: In responding to the Leader of the Official Opposition's comment about the mining -- answering his question or defending his stand on the mining community, as far as investment in the territory -- again the Liberals are leading from behind. What the member insinuated is not relevant to today's Yukon. In fact, mining companies -- as I remind the member opposite again -- have choices, and they have investors, and they take the choices and the investors' consideration into play when they make decisions.

Obviously, with the hard work of the department and the confidence that department has built up within the mining community, we are the hot spot in Canada today. That wasn't factual five years ago -- 60 months ago. Now, understanding that I do not deny the potential, or the dollar value, or the investment dollars that are here today -- were they here 60 months ago? Not the same number. Not the same figure.

But whatever money was out there wasn't being invested in the territory.

That's what I was saying to the member opposite. The member opposite can defend his party's stint in office in the territory as much as he wants, and I guess that's his job, but the facts speak for themselves. I've gone over the facts of what the community has done and what we've done in the territory to diversify the economy. There was another question in general debate: what are you doing to diversify the economy?

It's almost like they don't live in the Yukon. Anybody who lives in the territory today looking around at what we're doing as a government to diversify the economy -- you only have to look as far as a normal person can see. We have a film industry, which we didn't have 60 months ago. We have a mining community, which we didn't have 60 months ago. We have a forest industry, which we didn't have 60 months ago. Any individual, any Yukoner, who would listen to the opposition talking about diversification of an industry -- Mr. Chair, I just sat through a briefing with Air North. Air North was not the airline 60 months ago that it is today. You only have to look at the statistics. Between Air Canada and Air North, the business is growing in the territory. The opportunity for that airline has expanded. That one company has the flexibility now to do many things because of the diversification of the industry, whether it's tourism or the mining community.

If we were going to highlight one thing -- the film industry alone. One of the things that happened when we first took office -- the need for a film industry in the territory was high-

lighted, not only in our campaign but by individuals, whether they were hotel keepers or people working on the ground or in the industry itself. How could we as a government encourage the film industry in the territory? It was this government that took the bull by the horns and worked with the film industry to create what we see today.

That is called "diversification". I am not quite sure if the members opposite know what it means in the economy and what every little piece of the economy means to the bigger picture. I know the members opposite are in the House critiquing what we as a government do on a daily basis, and we appreciate that. That's why they are called the Official Opposition, Mr. Chair, and we are the government. We have been the government for the past five years, and we will be the government for a period of two or three more years.

At the end of the day, we will look back at our successes and as far as what this government has done on the economy in the last five years, it is certainly a far cry from the chaos that we found with the Mayo-Dawson line or the chaos we found in Dawson City. All those issues were created by the last Liberal government. They are certainly not going to bring that out. Was what happened in Dawson City called "diversification of the economy", Mr. Chair? Allowing a community to go over its line of credit? Allowing the Mayo-Dawson line to get into a position where it was virtually financially hamstringing a Crown corporation? I don't think so, Mr. Chair. That's why Yukoners picked a different route, and that's why they looked at the Yukon Party and elected this party to form the government. Of course, we acquired the responsibility to clean up the decisions that the last government made. The fact is that last government was a Liberal government.

We had to take a look at the economy, which was fairly brutal at the time. The biggest business in town was U-Haul. U-Hauls were hauling Yukoners out to jobs all over western Canada. Of course, I would remind every Yukoner that the Liberal government ran on a line of credit. They had to borrow money to pay their daily expenses, and that's a fact. The members opposite can defend it and they can talk at great length about how it didn't exist, but anybody in Finance or anybody sitting around the table when this government was formed 60 months ago and was privy to the facts -- we were not a healthy community financially. We would not be here today if it wasn't for the hard work of the Department of Finance and the Minister of Finance -- who happens to be the Premier of this territory -- who went to work to correct that fact. He did it on many levels.

Our hospitals, our medicare -- the cost was going up and our revenues were going down. The Liberal Party of the day decided in their wisdom that they would run on a line of credit. Well, a line of credit will eventually run out. I don't know what would have happened to the territory if the Liberal Party had been successful in forming the government five years ago. We have the members opposite who joined the Liberal caucus talking about the economy and they were demanding public inquiries on the Mayo-Dawson line -- public inquiries on the Mayo-Dawson line and Dawson City.

Those were two issues that haunted us for two years until we rectified the situation, but this government has diversified

the economy. This government has taken the hard decisions; this government has worked with Ottawa; this government has worked with our partners in Northwest Territories and Nunavut, north of 60; this government has worked with industry; and this government only has to show the books as they exist today. Sixty short months ago we were in a situation that doesn't exist today.

This government -- through the good management of our resources, has choices now -- has the resources to make decisions, to make Yukoners' lives better and more secure.

Once we get to the line items in Yukon Housing Corporation, they will see the resources that this government has put into our school system to make the schools more user-friendly. Regarding the Health and Social Services department and our hospital -- the budgets that are put together today, that we have the flexibility to do, are only there because of the hard work of this government and the Department of Finance.

Now, the member opposite, the Leader of the Official Opposition, raises a question about: "We're getting transfers from Ottawa." Somehow, we're doing something with Ottawa that Yukoners don't deserve. We are part of Canada, I remind the members opposite. Why would somebody in Tuktoyaktuk or Old Crow get any less medical attention than a person in Toronto? Is that an argument? Is that where we're going to go with general debate -- who gets what in Canada?

We're not taking anything from the public treasury in Ottawa that we don't deserve. We are part of Canada. We pay our taxes, and we should garner some of the benefits. As far as the member opposite saying that it's by some accident that these resources have fallen in Yukon's lap, that's not the case. Why, if it was so simple, didn't the Liberal government do it over a 24-month period, when there was a Liberal government in Ottawa? They had the ear of the government in Ottawa, and yet they were running on an overdraft. There is not much sense to that.

Yukoners, when they elected our government -- the Yukon Party government -- and sent us to work to not only balance the books, but to reconcile the projects put in front of Yukoners by the Liberal government of the day -- Dawson City, Mayo-Dawson Line, the Energy Solutions Centre -- all these decisions that were made by that government. Not only did we have to do that, but we had to reconcile pension funds as we went along -- whether it was in the hospital or the college.

Those were all economic decisions made by boards and made by governments of the day. We had to bring our financial house in order so that we could get an audit that was acceptable to Yukoners; Yukoners expect that. We've had a balanced budget for five years, and now we have a surplus. That surplus will help Yukoners move ahead -- whether it is in education, health, social welfare, social programming or justice. Yukoners are looking at an investment for a justice system that is user-friendly and that works -- a justice system that creates individuals who can contribute to the community; not a revolving-door system, not a catch-and-release system as the Liberals advocating doing with our justice system.

So those are all decisions made by the government of the day. Now, after five more years -- we're a year into our man-

date now, so we've got 48 months. When you look, Mr. Chair, at what we've done 60 months, I think Yukoners are looking forward to the next 48 months -- I know that I am. There is optimism in the Department of Energy, Mines and Resources because of the progress that has been made over the past five years.

Highways and Public Works is putting \$31 million into the Campbell Highway. We're the first government to invest in the Campbell Highway in many, many, many eons.

Guess why we have to invest in the highway? I will remind the members opposite that it is because that's a growing resource base for the territory. We have Yukon Zinc coming on line. We have the Ketzia mine -- I mean, a multiple of investors in that area. That is going to tie in Ross River and Watson Lake, Ross River and Carmacks -- all of that money well-invested in the infrastructure so that corporations can do the good job they can, and invest in the territory.

Again, the member opposite is not contributing to the debates we have here. The opposition is painting a picture that doesn't exist. I'm sure that the majority of Yukoners -- if you were to go and talk to individuals on the street, they feel a little better about their government today than they did 60 months ago and, of course, the opportunities are here for our youth. A lot of young Yukoners are coming back to go to work in the territory and we're looking forward to opening the door for more of that kind of influx of people.

The wheels have fallen off the U-Haul business, Mr. Chair. There isn't the business here of people moving out. That is a good barometer of what is happening in the territory. Just look at the U-Haul trailers, Mr. Chair, then you can decide whether or not there is an economy here, or if there was one 60 months ago, or was there just a U-Haul business where people packed up and moved out of the territory.

You only have to go out and look at house prices, you only have to go and look for a house and find out that there isn't the inventory out there that there was 60 months ago. I lived through that; I know what houses were available five years ago.

The member opposite, the leader of the Liberal Party, I think was a realtor then -- I'm not quite sure -- but he would understand that too. Of course, I am not going to put any facts in front of the member opposite because, at the end of the day, Yukoners will decide whether they have an economy and whether the government of the day does the job they were elected to do. They will get an opportunity to do that in approximately 48 months.

So looking forward to the opportunities this government has in front of it -- and certainly 48 months is going to make a huge difference to the territory as we see it today, and it will be completely different from what it was 60 months ago.

So, Mr. Chair, I am looking forward to more questions in general debate, and hopefully some of these statistics and some of the facts will rub off on the members opposite so they can leave the House with a little bit more knowledge than they came to the House with.

Mr. Mitchell: Again, because I know this is of great importance to Yukoners and no doubt of great importance to the minister responsible, I would ask about the three out-

standing land claims. In case the minister responsible has forgotten which First Nations those are, I'm talking about White River, Ross River Dena and Liard First Nation. Can the minister give us an update following his conversations with Minister Strahl as to the timeline for getting back to a negotiating table with those First Nations and also on the implementation of land claims -- the nine-year review? Are there any pending announcements of the funding that we know should be forthcoming to help those First Nations to properly implement their land claim? Because Canada is obligated to do so.

I know the Premier wants to talk about this because he cares deeply, so I look forward to his response.

Hon. Mr. Kenyon: It gives me great pleasure to rise and continue trying to deal with the myriad of questions that have put forth in the last little while and see what I can do on some of those.

When we go back -- the member opposite was asking a number of different questions on Tuesday I believe it was. There were some questions as well on the Yukon *Liquor Act*.

Some Hon. Member: (Inaudible)

Hon. Mr. Kenyon: Assuming I still have the floor and not the member for wherever, who is going on up there.

The member opposite did have some questions on the *Liquor Act* so I wanted to spend a little bit of time on that and sort of on where we stand. We have gone through and reviewed all the various recommendations coming out of the *Liquor Act* and regulations review that was done a couple of years ago. That public review was done in the fall of 2000 and they submitted their final report in the fall of 2001 -- and very good work indeed.

The changes to the act and/or regulations would be required to implement a number of the remaining things of the recommendations, but we should spend a little time and look at some of the things that have been accomplished. A lot of them do require further discussion and analysis because they do have significant disadvantages, and there are some definite problems within that.

I believe there were 49 recommendations that were done at that point in time. Simply with changes within policy and changes within the regulations, which can be done by order-in-council, or things that can be done within the Yukon Liquor Corporation Board of Directors -- who do a spectacular job -- 28 of the 49 recommendations have actually been met. Some of the easy ones, obviously -- four recommendations wanted certain sections of the act and regulations to remain unchanged, and that is, of course, pretty easy to do. Recommendation 8, was to maintain the legal age for buying and consuming liquor in the Yukon at 19, and we completely agree with that.

Recommendation 30: Do not license UBrews or UVins nor tax UBrew or UVin products. I have no difficulty with that, and that certainly makes sense.

Recommendation 46: "The Yukon Liquor Corporation should continue to determine the off-sale mark-up rate." And we do continue to determine that mark-up rate.

Finally, recommendation 49: "The Yukon *Liquor Act* should continue to support the various aspects of recycling liquor beverage containers and packages." That's something we

still do, although there has been a bit of movement on that -- some of the changes are in the communities, where individual recycling groups within the community wanted to take that over. We're happy for that to happen. In other cases, there needed to be work done on the recycling centre -- better facilities or whatever. We can certainly understand the reticence to take responsibility at this point in time. But we will continue to work with those communities to try to do what we can to rectify any of the problems and work with the communities and do what they need us to do.

Recommendation 1: the minister responsible for the Yukon Liquor Corporation should convey to Cabinet colleagues the need for alcohol education awareness and treatment programs. That is an easy one to fulfill, because we do that on a daily basis. We have a very active social awareness staff member who works with her equivalent in other jurisdictions. In fact, we hosted the meeting a few weeks ago, which looked at social awareness campaigns. Moosecapades shows some of the things that would happen when you drink and the fisherman who has a moose's antlers tied up in the fishing line with a case of beer nearby. One of the funnier ones involved the Liquor Corporation of Nova Scotia, and it's one of my personal favourites. Their campaign was "There are lots of ways to get home safely; all you need is one." They created three businesses -- one was Burly Joe, who would carry people home on his back; one was Wheelbarrow Willie, who charged by the kilometre, modified by the grade of the street; and Donnie's Donkeys -- Donnie and his donkey, Don Pedro. One of the funnier things on that was calling the City of Halifax to ask if there were any restrictions on filming with donkeys in downtown Halifax and, after a very long pause, the response was, "Not yet". So there are probably regulations now about donkeys in Halifax.

When you actually call the 1-800 number on one of these that was widely distributed, you would get the relevant business, which would then say, "Don Pedro and I are out on a call, but there are other ways you could get home." It would give taxi cab numbers and this sort of thing. They budgeted for about 5,000 calls; I believe they got 76,000. It was wildly successful.

Recommendation 4 is that the board of directors be comprised of five persons, which it is today, representative of the Yukon population, including an industry representative, and there is one who serves that purpose.

Recommendation 5 is to clarify the mandate of the board and the corporation and establish an appeal board with independent legal counsel. That has now been implemented.

One recommendation was to develop a policy manual for use by the Yukon Liquor Corporation Board of Directors. That manual also now exists and is updated on a regular basis.

Recommendation 12 was to clarify that minors are not permitted to sell liquor at off-sales. That is more than reasonable and certainly within our policy now.

Recommendation 13 was to provide the ability to municipal and First Nation enforcement staff to enforce the *Liquor Act*. That has been done. I would also remind members that Royal Canadian Mounted Police are also considered liquor inspectors under the act. Actually, despite some comments that

were made by the third party last year, when you look at the population of the Yukon and put our number of inspectors against the number of inspectors in the Province of British Columbia, you will find that we have 11 times the coverage in inspectors. I think we are doing pretty well in that regard.

Recommendation 15 was to resolve jurisdictional issues involving waterfront lands. That, of course, is something that has also been done.

We have done a number of different things. I would be happy to continue to talk in that vein, but I will give the member opposite a chance to consider and add a few more questions to the list.

Mr. Mitchell: I would like to ask if the Premier could answer, based on his recent meetings with Minister Strahl, based on his ongoing conversations over the phone with Minister Strahl, whether there is any progress in the possibility of the table opening up again for the White River First Nation, Ross River Dena Council and Liard First Nation, and if there will be funding coming forward based on the nine-year review. Where are we going with that? Will there soon be additional funding for the First Nations?

Hon. Mr. Kenyon: A number of us had a chance to have meetings with Minister Strahl, and I had a good chance to spend a long time talking with him on a wide range of things, about labour issues and some of the funding issues that we face on this.

A lot of this involves the economic diversification -- I've been fortunate over the years to spend a lot of time with Minister Strahl and been able to pick his brain on these things.

One of the things that we are most concerned about is, of course, labour shortage -- it took up a lot of time in my chat with him on Sunday -- and labour shortage in terms of funding and things that his ministry can do, as well as to communicate with Minister Monte Solberg on some of our immigration issues on a federal level. At the same time, we are more than aware of the fact that we have some huge issues in terms of coordinating things like housing, transportation, education and a wide range of things that all have to be put into place before anything can occur -- even things like shorter term foreign workers coming in. You still have education, translation, English as a second language and training programs if they are able to stay -- on and on and on. So these were the wide range of things that we talked about with Minister Strahl.

Chair: Is there any further general debate?

Mr. Mitchell: I would ask the Premier if he could update us specifically on the progress of the three outstanding land claims -- White River, Liard First Nation, and Ross River Dena -- and also the progress of getting the funding that Canada owes to Yukon First Nations under the existing agreements to move forward with implementation.

Hon. Mr. Kenyon: The ongoing land claims involve the federal government -- you're very well aware of that. Our job, basically, as we stated in 2002, was to treat all First Nations equally and treat them all as partners. To that end -- on a government-to-government basis -- we've undertaken joint decision-making with Yukon First Nations on a number of initiatives with very significant economic impacts. I refer to, among

many other things, developing a framework for allocating the \$40 million for the northern strategy trust funds in the Yukon and jointly assessing project submissions to the fund, and then, of course, developing a draft investment plan for Canada's targeted investment program in the Yukon.

This initiative allocated \$27 million for projects in the Yukon. One of our challenges of course is that, having gone through devolution, we are significantly different from the other two territories. Unfortunately, what the previous Liberal government did when this was negotiated was to place all of the funds under the control of Indian Affairs and Northern Development. That works for Nunavut and Northwest Territories, but it certainly does not work for us. We would much prefer and will continue to endeavour to meet with First Nations on an equal basis, to determine how those funds are spent and what the priorities are. Our frustration of course is that, occasionally, DIAND tends to make announcements that they forgot to tell us about. We had some very good discussions on Sunday night with Minister Strahl on this, to try to open that whole thing up.

Mr. Mitchell: While the minister's limited responses regarding his conversations with Minister Strahl are interesting, I think it's important for Yukoners and Yukon First Nations to hear the Premier -- who is the minister responsible for this portfolio -- and his explanation of the progress that may be coming, based on his conversations with Minister Strahl on the three unfinished, outstanding land claims and also the money that he has spoken so eloquently about, regarding how First Nations should have this funding in order to move forward with their land claim implementation. I know the minister will be eager to respond and I'll allow that.

Hon. Mr. Kenyon: What I really hear the member opposite saying is that he's anxious to get into general debate within the departments and within Executive Council Office -- and that's certainly an appropriate place to have that. But being still in general debate, we certainly look at the wide range of questions that are on the table and we try desperately to answer those questions in a meaningful way for the opposition, and we don't want to miss out on any of them. I invite the member opposite -- if he has such a burning desire -- please, let's go into individual departments. We're very anxious to.

Mr. Mitchell: While the minister responsible for the Yukon Housing Corporation may feel that a question as broad-based as the progress of land claims belongs only within departmental debate, it was the Premier who actually stated that he wanted to limit his responses to the areas that he is directly responsible for, even within general debate, and not get into other departments. Certainly something as broad and far-reaching across the Yukon as land claims would be something I think would fall under general debate and not just departmental debate.

This has an impact on the ability of First Nations to move forward with education, health care, social programs and housing programs. For all of this, they need the proper funding. It certainly affects every aspect of Yukon's economy.

Again, if the Premier could just update us on his conversations with Minister Strahl regarding the three outstanding land claims of the White River First Nation, the Ross River Dena

Council, and the Liard First Nation -- and, speaking of Liard First Nation, I would like to take this moment to congratulate Chief Liard McMillan on his successful re-election on Monday of this week. It will be good to have another experienced leader back again -- and on the funding arrangements for the implementation.

Hon. Mr. Kenyon: The member actually is correct with some of his statements. The whole question of land claims does cross departments and does cover a wide area. This is why we feel the discussions on those individual things should be put into the departments and should be discussed on a more specific basis rather than in broad terms. Again I invite the member opposite to put those things within the departmental debates. We are more than happy to look at it.

In terms of his other point there, I, too, congratulate Chief Liard McMillan on his re-election. We have followed that with great interest, as we do with any of the elections within the Yukon. I am very pleased for him and give him our best wishes. I know he will work very hard on that and we look forward to continuing to work with him.

Again, rather than going back through some of the things we have done with First Nations, I can certainly continue with the long list of questions that the member has put on the floor. Or, he can adjourn and head us back into departmental debate, which we're very anxious to get into.

Mr. Mitchell: The minister may be very eager to get into departmental debate -- he certainly has spoken about one of his portfolios at great length today. Nevertheless, this is a broad question of the highest level, and it certainly has been demonstrated over many past sittings that it's the exact type of question that should be answered in general debate. I will again ask if the Premier could give us an update on whatever progress may have been made in conversations with Minister Strahl toward the opening up again of a table for negotiations by Canada, along with the three First Nations whose claims are still outstanding -- Liard First Nation, Ross River Dena Council, and White River First Nation -- as well as progress, beyond a memorandum of understanding, toward specific dollar amounts for the case that Yukon and Yukon First Nations have presented to Canada for their outstanding liability for funding the existing agreements.

Hon. Mr. Cathers: It's a pleasure to enter the debate here.

It's interesting to hear the Leader of the Official Opposition taking this tack. So often in this Assembly, it seems that their questions follow the line of media reports at the time, but it appears that they're not reading the good-news stories, I guess would be the only way to characterize this.

The member ought to be aware of what has transpired. He was referring to Minister Strahl and asking questions about the steps that have been taken. I point out to the member that the intergovernmental forum held earlier this week in Whitehorse with Minister Strahl, the Minister of Indian and Northern Affairs, was a significant step forward.

The reformation of this body is something that had been requested for many years and that under the former Liberal governments, there was simply a deaf ear being turned by the

then ministers to the concerns of the Yukon Territory, to the concerns of First Nations, and to the importance of engaging in a respectful relationship to address these issues.

We certainly appreciate the steps that the new federal government, the Conservatives, have taken in showing an increased willingness to actually work with us on addressing issues of concern to Yukoners, be they First Nations or other members of the public. The importance that they have placed on these increased relationships and communications has been much appreciated and stands in stark contrast to what was experienced under the federal Liberal government.

That applies not only to our last mandate, but from the action and the results -- or rather the lack thereof -- shown by the territorial Liberal government when they were in power. It would seem that either they were not representing Yukon's interest -- including the interests of Yukon First Nations -- to the federal government's Minister of Indian and Northern Affairs, or, alternatively, their Ottawa cousins were simply turning a deaf ear to the interests of the north because they did not regard them as important.

The new federal government, the Conservatives, and the time that they have taken -- the Prime Minister having visited the Yukon on two occasions and the number of ministers who have come up here -- to sit down with our government and with First Nation governments shows a far increased interest in working with the north and working on Yukon's issues.

The Leader of the Official Opposition has referred to the amount receivable from Canada as being a \$14-million item and asked about that. The member ought to know full well -- if the member has taken the time to read budget documents and the public accounts -- that under the Liberal government, the amount was well in excess of \$20 million, so we see improvement. But this is an ongoing area -- there are counts in these areas that apply to programs, such as some of the health programs, delivered through the Yukon government that are recoverable from Canada. They apply to programs and other areas for which money is received after a program is done. We appreciate the fact that the Conservatives under former Minister Prentice and now under the new Minister of Indian Affairs and Northern Development, Chuck Strahl, have in fact, significantly reduced that outstanding balance, have paid the bills on a far more regular basis and are reducing the amount that is receivable. Not to mention, in fact, the foremost important area, the fact that they have taken the time to work with not only the Premier, the Minister of Finance, but with officials from Yukon's Department of Finance and of course, their officials in Ottawa in providing for the territory's needs under the new territorial funding formula. It is a significant step forward in contrast to the former Liberal federal governments who were not addressing the needs of northern Canada.

They have provided a return to a principal-based TFF structure that provides for increased resources to all three territories, as well as the mechanisms to enable the Yukon to retain a greater share of its own-source revenues rather than having them clawed back. The simpler calculation, of course, is in the interest of Yukon and all territories -- the other two territories as well. The fact that it is significantly increased funding under

that formula stands in stark contrast to the relationship with the former federal Liberal government.

The Leader of the Official Opposition asks questions to which he knows the answers. His debate on financial matters, as exemplified by Question Period and by this debate, simply does not reflect the facts as he ought to know them. It is really disappointing to see that he has not taken the step of doing his homework, that he is not reflecting the facts as they stand on the public record, in the public accounts and in the budget. Instead, he reflects them in a manner that, whether through intent or through lack of understanding, simply does a disservice to the Yukon public by creating unnecessary debate and by providing information to the floor of this Assembly that is not factual.

That of course is not the approach of this government.

Chair's statement

Chair: Mr. Cathers, you should know that those comments are not appropriate on the floor of this House. Mr. Cathers, you do have the floor.

Hon. Mr. Cathers: Thank you, Mr. Chair. I do apologize if I phrased anything in a manner that is contrary to the Standing Orders. Let me rephrase by pointing out that the member's comments do not reflect the facts accurately.

That being the point, Mr. Chair, I think it is very clear to members that the Liberal Leader of the Official Opposition and his colleagues do not appear to have an interest in actually debating the budget here today, and therefore, seeing the time, I move that we report progress.

Chair: Mr. Cathers has moved that we report progress.

Motion agreed to

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

Chair: Mr. Cathers has moved that the Speaker do now resume the Chair.

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Mr. Nordick: Mr. Speaker, Committee of the Whole has considered Bill No. 8, *Second Appropriation Act, 2007-08*, and directed me to report progress.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

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

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

Motion agreed to

Speaker: This House now stands adjourned until 1:00 p.m. Tuesday, November 13.

The House adjourned at 5:26 p.m.

The following Sessional Paper was tabled November 8, 2007:

07-1-40

Absence of Members from Sitzings of the Legislative Assembly and its Committees: Report of the Clerk of the Legislative Assembly (dated November 8, 2007) (Speaker Staffen)