



**Budget Address**  
**2011 - 2012**

*presented by*  
**Premier**

**Dennis Fentie**

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Yukon Legislative Assembly**

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*Mr. Speaker*, Honourable Members, it is my honour and privilege today to table the 2011-2012 Budget, a surplus budget, Mr. Speaker, the fifth budget of our second mandate and our ninth budget overall since our government was first elected in 2002.

The eight budgets we tabled previously were the building blocks of Yukon's future.

The 2011-2012 Budget will continue this trend. Our budgets have clearly put Yukon on the pathway to prosperity.

The Government of Yukon's Budget for 2011-2012 is \$1 billion and \$89.580 million.

The Operations and Maintenance Budget totals \$851.863 million, of which \$93.916 million is recoverable.

The Capital Budget is \$237.717 million, of which \$143.020 million is recoverable.

It is interesting to note that our first budget, the 2003-2004 Budget was only \$550 million.

This is our third budget that exceeds the \$1 billion dollar threshold.

We have utilized our previous budgets to help stimulate Yukon's private sector economy. The 2011-2012 Budget will be no exception.

That strategy has worked extremely well.

**Mr. Speaker**, despite this obvious success, our government has been criticized for utilizing our budgets in this way.

Our critics would not and do not support the Yukon government using its "savings account" to help create economic growth in the private sector.

They argue that the Yukon government and the Yukon economy are too dependent upon transfer payments from the federal government.

Our critics are wrong.

First of all, the territory is only receiving its fair share of federal transfer payments under the Territorial Formula Funding Agreement based upon the fundamental premise of comparable levels of service for comparable levels of taxation.

Secondly, using our “savings account” to leverage the Government of Canada’s stimulus spending programs to provide necessary and much-needed infrastructure while stimulating the economy only made sense.

What is the point of having a “savings account” if you can’t use it in a time of need?

Our government reviewed our strategic capital investment plan with the priority objective of delivering maximum benefit to Yukon and we succeeded.

Our critics fail to recognize that the territory’s private sector is fast approaching parity with government in contributing to the growth of the Yukon economy. In 2010, that contribution is over \$800 million for mining alone.

**Mr. Speaker**, our critics need not fear Yukon’s financial position.

The 2011-2012 Budget replenishes the Yukon government’s savings account by providing a surplus of \$38.456 million with net financial resources at year-end of \$43.137 million.

**Mr. Speaker**, this is a budget where our revenues exceed our expenditures. This budget shows a balance between a whole range of competing priorities. Further, this budget, like our previous budget now includes a Multi-Year Capital Plan.

This plan identifies our commitment to stable predictable investments in key sectors of our economy that enable Yukon's private sector contractors to plan accordingly.

We are committed to a three year plan of core expenditures concerning Information Technology of \$6.5 million, and Capital Building Maintenance of \$12 million. In addition, \$41.921 million is being provided for Land Development and a minimum of \$46.663 million for Highways and Airports.

**Mr. Speaker**, in considering Yukon's healthy financial position, one must also consider the fact that the Yukon is only one of two jurisdictions in Canada – the other being Alberta – that has the fiscal resources available to finance future government operations without creating a net debt.

The 2011-2012 surplus Budget is also in keeping with Canada's national strategy whereby the federal government and all provincial and territorial governments are being urged to return to surplus budgets as soon as possible. With this Budget, Yukon has already met this commitment.

If this isn't good, prudent financial management, I don't know what is.

**Mr. Speaker**, as this is the last budget of our current mandate, it is time to take stock, to reflect on from whence we came, where we are at today and where we are headed in the future.

## WHERE WE WERE IN 2002

**Mr. Speaker**, in 2002 when our government first took office, the Yukon had experienced seven years of economic recession.

Yukon's population had been in decline for six consecutive years following the closure of the Faro mine in 1997.

Yukon's unemployment rate was in the double digit range of over 10% for years.

Tourism was Yukon's number one industry.

Yukon's mining industry was almost defunct. Annual mining exploration and development spending in the territory was less than \$10 million.

There were several major factors causing this decline irrespective of world mineral prices.

There was a lack of investor confidence in Yukon's mining industry due in large measure to an improper balance in government policy, regulation and legislation between the economy and the environment.

Unsettled land claims, a cumbersome time consuming, Ottawa-based permitting regime and implementation of policies such as the Yukon Protected Areas Strategy at the territorial level and placer mining policies at the federal level impeded Yukon's mining and other resource industries.

One of our government's first actions in January of 2003 was to discontinue the seriously flawed Yukon Protected Areas Strategy that was being implemented in competition with the processes established in the Umbrella Final Agreement for creating parks, habitat protection areas and Special Management Areas.

We also had to address the conflicts created by previous governments in relation to mining

claims in the establishment of Tombstone and Fishing Branch territorial parks.

**Mr. Speaker**, there is an old adage that if you don't learn from history you are destined to repeat history.

This is why our government is taking a systematic, balanced and reasoned approach to land use planning in the Peel River area, following the processes set out in the Umbrella Final Agreement.

Achieving a proper balance between the economy and the environment is as important today as it was in 2002. It is interesting to note here that our government is the only government to achieve a land use plan, the North Yukon Land Use Plan of 2009, since the Umbrella Final Agreement was ratified in 1993. Our government succeeded where all previous governments failed.

The seven years of economic decline exacted a heavy toll on Yukoners.

In some instances, the actions of previous governments made the situation worse by reducing services.

For example, the Cross Roads Detoxification Centre was closed and under Government Renewal the Women's Directorate lost its stand-alone status, the Department of Tourism was combined with Small Business, and the Department of Economic Development was disbanded. The Community Development Fund (CDF) was also pared down.

The bulk of the 2,800 Yukoners who left the territory between 1995 and 2002 were in the 25 to 34 age group which was our prime labour force. Our children had to leave the territory to find work outside.

This was the legacy left to us by previous Yukon governments since the Yukon Party government was last in office from 1992 to 1996 when the economy was prospering.

Accordingly, rebuilding Yukon's private sector economy was job one for our government in 2002.

We more than succeeded in that task in our first mandate from 2002 to 2006.

**Mr. Speaker**, our government is now approaching the end of its second mandate that commenced in 2006 and runs until October of 2011.

The 2011-2012 Budget is our final budget for this mandate.

Comparing where Yukon was in 2002 to where Yukon is sitting for the period ending December of 2010 is like comparing night and day.

## PROMOTING A STRONG, DIVERSIFIED PRIVATE-SECTOR ECONOMY

**Mr. Speaker**, our government succeeded in turning Yukon's economy around from being one of the weakest economies in 2002 to the best economy in Canada today.

In a recent survey by the Fraser Institute, they discovered that in the opinion of senior mining executives from around the globe Yukon is the 4th in the world as far as being a good place to invest.

The survey looked at everything from regulatory duplication to uncertainty over taxation regimes.

In the opinion of over 400 companies doing business around the world, Yukon ranked 4th out of 51 jurisdictions.

Back in 2002, Yukon was ranked 36th out of 45.

One of our first challenges was to create a stable political, economic and regulatory environment.

The settlement of three more land claims and promoting Yukon's First Nations as full partners in the economic development of the territory contributed to this economic turn around.

We promoted a positive investment climate by providing favorable taxation, business incentive programs and royalty regimes.

Last fall, we amended the *Income Tax Act* so that the corporate income tax small business deduction limit was increased from \$400,000 to \$500,000 which means small business corporations in Yukon will be paying less taxes in 2011.

Our individual and small business tax rates are some of the lowest in the country and we have neither territorial sales tax nor any payroll taxes.

We also have the lowest fuel taxes by far in Canada. Compared to British Columbia our tax rate on gasoline is 67% lower and on diesel is 64% lower.

We streamlined regulatory processes and supportive legislation together with establishing a system of integrated resource management.

During the period of global economic uncertainty, we focused our efforts on diversification by promoting natural resource development, tourism, trade, arts and culture, film and sound, research and development, information technology, agriculture, forestry, manufacturing, trapping and outfitting and small business diversity.

**Mr. Speaker**, there is economic strength in diversity.

We invested heavily in transportation, energy, communications, and Information Technology as well as in the Innovation and Knowledge sectors; the Shakwak Project, Mayo B, the new Mobile Communications Solution (MoCS), the Yukon Climate Change Research Centre of Excellence and the Cold Climate Innovation Centre come readily to mind.

Yukon has well-maintained highways, resource roads, bridges, airports, access to ports and expanding energy and communication networks.

In this budget, we are investing \$38.58 million for a variety of work on the Alaska Highway, Klondike Highway, Dempster Highway, Atlin Road and other territorial roads including \$4.43 million for bridge work.

In 2010, our government marked the opening of the Erik Nielsen Whitehorse International Airport Terminal Building.

This expansion ensures that Yukon can continue to receive direct international flights such as Condor Airlines as well as attract additional international air carriers such as Edelweiss Air who are working to initiate a new direct service to Whitehorse from Zurich, Switzerland beginning this summer.

The 2011-12 Budget includes \$2.990 million for more improvements to Yukon's airports.

Our government invested heavily in tourism marketing such as the 2007 "Look Up North" marketing campaign and the 2010 "Pan-North Marketing Consortium Olympic Marketing Initiative".

"Destination Yukon" builds on this momentum and the awareness generated by Yukon's participation and targets the gateway cities of Edmonton, Calgary and Vancouver with an eye on Toronto for larger campaigns.

We also are continuing our investment in the Tourism Cooperative Marketing Fund that has helped further increase awareness of the Yukon as a travel destination.

The 2011-2012 Budget is providing \$750,000 and \$700,000 respectively to these two marketing initiatives.

Our government has also invested heavily in tourism, arts and cultural infrastructure over the years: the Old Firehall and Round House on the Whitehorse Waterfront, the Pacific Steam Whaling Company community house on Herschel Island and work at Forty Mile not to mention the official designation of Fort Selkirk and the A.J. Goddard as Yukon Historic Sites.

The 2011-2012 Budget will see more major investments in this regard: \$4.523 million for the Champagne and Aishihik First Nations Cultural Centre with a total cost of \$12 million, a \$916,000 contribution for the Kluane First Nation Cultural Centre, and \$1.5 million for the \$22.4 million Kwanlin Dun Cultural Centre together with the Whitehorse Public Library.

In addition, \$4.827 million is being invested in the Whitehorse Waterfront Project together with \$1.037 million for the Carcross Waterfront Project.

Our government's continued marketing initiatives in China have led to the development of a sister-province relationship with Shaanxi Province and the purchase of Yukon Zinc's Wolverine Project by two Chinese companies.

In addition, a Chinese zinc and lead producer, Yunnan Chihong Zinc and Germanium Co., Ltd. has established a joint venture with Selwyn Resources to advance Yukon's Selwyn project, one of the largest underdeveloped zinc and lead deposits in the world.

A growing economy requires developed land.

Our government invested \$15.1 million territorial-wide in residential, commercial and industrial land development in our 2010-2011 Budget and in 2011-2012 we are almost tripling that amount to \$41.921 million.

## WHERE WE ARE TODAY ENDING 2010

**Mr. Speaker**, this brings us to where we are today for the period ending in 2010.

Yukon's economic growth or Gross Domestic Product (GDP) of 3.9% was the strongest in Canada in 2009 and Yukon was one of only two Canadian jurisdictions along with Manitoba (0.05%) that registered growth. This was the fifth time in the last six years that real GDP growth rate in Yukon was higher than the national growth rate.

Yukon's population in 2010 is estimated to be 34,500. Our skilled labour force and our children who were forced to leave the territory are returning.

June 2010 marked the seventh consecutive June which recorded an increase in population.

As of December 2010, Yukon's unemployment rate of 4.4% was the lowest in the country.

Mining exploration expenditures in 2010 are expected to exceed the 2007 record of \$140 million by about \$10 million whereas the value of mineral production for 2010 is expected to total \$260 million.

By April of this year, there will be three operating mines in the Yukon: Capstone's Copper-Gold Mine at Minto; Alexco's Bellekeno Silver, Lead, Zinc Mine at Keno; and Yukon Zinc Corporation's Zinc-Silver Wolverine Mine near Ross River.

Three more mines are in the permitting stage; Victoria Gold's Eagle Gold property near Mayo, North American Tungsten Corporation's Mactung Mine north of Watson Lake and Selwyn Chihong's massive zinc, lead deposit at Howard's Pass in eastern Yukon on the Yukon-NWT border.

In addition, new discoveries such as White Gold and Rau greatly influenced exploration activity in 2010 and undoubtedly will continue in 2011.

**Mr. Speaker**, the last time Yukon had three operating mines was in the hey-days of the 1970's.

We are going back to the future.

Tourism, Yukon's other economic mainstay, while facing its share of challenges in 2010, has fared relatively well.

Year-to-date figures for border crossings show an increase of 10% marking eleven consecutive months of growth in border crossings to Yukon.

Compared to other jurisdictions across Canada, Yukon continues to lead the country when it comes to visitations.

The territory was not significantly impacted by the global economic recession and in fact has benefited from the increased capital spending by the Governments of Yukon and Canada in construction projects initiated in 2009 in response to the global economic downturn which took hold in late 2008.

**Mr. Speaker**, Yukon is the best place in Canada to live today.

This is the economic legacy our government is leaving for the next Yukon government.

## WHERE WE ARE HEADED – 2011 TO 2012

**Mr. Speaker**, the 2011-2012 Budget, like its predecessors, is based upon three other pillars in addition to “Promoting a Strong, Diversified Private-Sector Economy”:

- (1) Practicing Good Government;
- (2) Protecting and Preserving Our Environment and Wildlife; and
- (3) Achieving a Better Quality of Life

# PRACTICING GOOD GOVERNMENT

**Mr. Speaker**, practicing good government is a hallmark of our government especially in relation to the prudent fiscal management of the territory's financial resources. In my opening remarks, I noted how well off the Yukon is in this regard when compared to any other jurisdiction in Canada. To do all that we have done and still have a healthy surplus budget for 2011-2012 and no net debt forecasted for future years is a major accomplishment. I want to thank all our officials who have worked so hard to make this possible.

Other major "good government" initiatives undertaken by the Yukon Party government since 2002 cover the entire spectrum of government services in relation to education, justice, the environment, energy, health and social services and the economy.

The Education Reform Project Final Report of February 2008 has led to the development of a new vision for education in Yukon, entitled "New Horizons: Honouring Our Commitment to the Future."

The Corrections Consultation that commenced in November of 2004 and concluded in March 2006 has resulted in a new philosophy of corrections that emphasizes the protection of the public, holds offenders accountable and provides appropriate opportunities for rehabilitation and is reflected in the new *Corrections Act* and all our new facilities.

The Corrections Consultation has also led to the development of the Victims of Crime Strategy and the development of the *Victims of Crime Act*.

The Yukon Substance Abuse Action Plan outlined in our 2006 Election Platform has four strategic directions, namely:

- (1) Harm Reduction;
- (2) Prevention and Education;
- (3) Treatment; and
- (4) Enforcement.

As a consequence of this plan, Yukon is a recognized leader when it comes to dealing with Fetal Alcohol Spectrum Disorder (FASD).

The Safer Communities and Neighbourhoods Office (SCAN) and the Street Crime Reduction Team which has now been incorporated into the overall police services agreement, are two initiatives emanating from the Substance Abuse Action Plan.

On September 5, 2006, our government released the Government of Yukon Climate Change Strategy that was followed on February 12, 2009, by our Climate Change Action Plan.

One of the key actions outlined in this plan as well as in our 2006 Election Platform was to establish a Yukon Climate Change Research Centre of Excellence at Yukon College which opened its doors on October 21, 2009.

At the same time, our government developed the Energy Strategy for Yukon in concert with the Climate Change Action Plan.

The Energy Strategy for Yukon was released on January 23, 2009.

A major commitment was the development of a territorial-wide electrical grid and our government was fortunate to have the first project approved under the Government of Canada's Green Infrastructure Fund.

The Government of Canada is contributing up to \$71 million of this \$160 million project for the Carmacks to Stewart transmission line connecting the Whitehorse-Aishihik-Faro (WAF) grid to the Mayo-Dawson grid and upgrading the Mayo Dam known as Mayo B.

The project is currently on time and on budget.

On November 5, 2009, our government tabled the Yukon Solid Waste Action Plan in this House, setting out how to improve our infrastructure and services for sustainable waste management.

In April of 2008, our government established another major review, the Yukon Health Care Review, which examined the sustainability of Yukon's health care system over the next decade.

The Yukon Health Care Review Final Report was completed in September 2008 and our government is acting on its recommendations.

One of the actions for change emanating from the Health Care Review was to develop a Wellness Strategy focusing on children and youth, healthy aging, and social inclusion. This work is now underway.

The investment in Social Inclusion initiatives, which improve the wellbeing of Yukoners, has been a focus of our government over the past nine years.

Some of the highlights of government accomplishments in this regard include the following:

- Increased social assistance rates by more than 25% in 2008;
- Doubled and indexed the Yukon Seniors Income Supplement;
- Increased and indexed the Pioneer Utility Grant;
- Increased Child Care Subsidies;
- Increased the Yukon Child Benefit;
- Increased and indexed rates paid to foster parents who are caring for Yukon foster children;
- Constructed a 32-unit \$8 million complex in Riverdale for single parent families;
- Built a new Habitat for Humanity triplex on the site of the infamous 810 Wheeler;
- Doubled the Prevention of Violence Against Aboriginal Women Fund from \$100,000 to \$200,000; and
- Building the \$12 million new seniors' complex on the Whitehorse Waterfront replacing the Alexander Street seniors' apartments.

**Mr. Speaker**, these are just a few accomplishments on the social side of our government's agenda.

There are over one hundred more. No previous Yukon government has allocated so many resources, time and effort in working to improve the quality of life of Yukoners.

But we know there are still areas where Yukoners could use more assistance. The work underway currently on the Social Inclusion Strategy will highlight the priorities for future investments.

The Social Inclusion Strategy will be one of the most significant policy initiatives in the history of the Yukon government that will include a broad range of initiatives focused on poverty reduction, access to housing, education, health and social services and other services.

Another hallmark of good government is cooperative governance and once again our government has excelled in this regard.

Under our watch since 2002, the Kluane First Nation, the Kwanlin Dun First Nation and the Carcross/Tagish First Nation all reached final agreements.

Our government-to-government relationship with Yukon First Nations is based on mutual respect of our respective jurisdictions, including the three First Nations who have not settled their claims, and has produced positive results, namely:

- (1) the re-establishment of the Intergovernmental Forum involving the Governments of Canada, Yukon and all fourteen Yukon First Nations;
- (2) the creation of the Yukon Forum involving the Government of Yukon and all fourteen Yukon First Nations to discuss matters of mutual interest and common good;
- (3) the allocation of various federal funding programs such as the \$50 million Northern Housing Trust; the \$40 million Northern Strategy Fund, and the \$27 million Strategic Investments in Northern Economic Development (SINED);
- (4) Yukon government support for new self-government Financial Transfer Agreements with the Government of Canada that resulted in a \$10 million increase; and
- (5) The showcasing of Yukon First Nations culture at both the 2007 Canada Winter Games and the Vancouver 2010 Olympics.

Unlike previous Yukon governments we adopted a pan-northern approach with our two sister territories, the Northwest Territories and Nunavut, in dealing with both the federal and provincial governments.

Utilizing this approach, the three territories were successful in creating the five-year Territorial Health Access Fund and its two year extension now called the Territorial Health System Sustainability Initiative.

We are currently engaged with the federal government to seek a further two year extension to coincide with the health care agreements with the provinces that terminate in 2014.

Perhaps our greatest accomplishment, however, was convincing the federal government to retain the Territorial Funding Formula for the three territories that served Yukoners so well since it was introduced by the late Honourable Erik Nielsen back in 1985.

The 2007 Canada Winter Games involving our two sister territories was another major accomplishment that made all northerners proud and later led to the establishment of Northern House at the Vancouver 2010 Olympic Games.

The 2010 Vancouver Olympic and Paralympics Winter Games were one of the largest marketing initiatives ever to be undertaken by Yukon.

Our government's investment of over \$3 million raised global awareness of Yukon as a travel destination and celebrated our culture with a worldwide audience.

All three territories benefited from this Northern exposure and are continuing to work in collaboration.

In our 2006 Election Platform, we also made a commitment to make the Yukon Legislative Assembly work better and our government has remained true to that commitment.

No previous government in the history of the Yukon Legislative Assembly has passed more unanimous motions on matters of importance to Yukoners than our government working in collaboration with the Official Opposition and Third Party.

Moreover, no previous Yukon government has established as many all-party committees of the legislature to conduct public consultation on matters of importance to Yukoners such as Anti-smoking legislation, Human Rights, Whistleblower Protection, the *Landlord and Tenant Act*, the Safe Operation and Use of Off-road Vehicles and Bill #108, the *Legislative Renewal Act*.

**Mr. Speaker**, all members of the 31st and 32nd Legislative Assemblies can be proud of the fact that they have set aside partisan differences to make the Yukon Legislative Assembly work better for the common good of all Yukoners.

# PROTECTING AND PRESERVING OUR ENVIRONMENT AND WILDLIFE

**Mr. Speaker**, the Yukon government has had control and management of Yukon's wildlife resources for many decades; however, on April 1, 2003 our government assumed the management and control of Crown land in the territory due to the Devolution Transfer Agreement.

Our government was the first Yukon government to be in a position to protect and preserve Yukon's environment and wildlife without direction from Ottawa.

Accordingly, our government, the Yukon Party government, has done more to protect and preserve Yukon's environment and wildlife than any previous Yukon government.

Currently, Yukon has 12.68% of its land protected – second only to the province of British Columbia.

Under our government's stewardship, we have committed to identify the following six areas as future territorial parks:

- Ni'iinlii'Njik (Fishing Branch) Wilderness Preserve established in 2003;
- Ni'iinlii'Njik (Fishing Branch) Ecological Reserve established in 2003;
- Tombstone Natural Environment Park established in 2004;
- Asi Keyi Natural Environment Park identified in 2003;
- Kusawa Natural Environment Park identified in 2005; and
- Agay Mene Natural Environment Park identified in 2005.

Our government also worked with the Tr'ondëk Hwëch'in government and Holland America to construct the state-of-the-art Tombstone Visitor Reception Centre that serves as an economic catalyst encouraging visitors to travel in the area and stay longer in the region. The centre was fully operational last summer.

Further, under our government's watch seven Habitat Protection Areas have been established or identified as follows:

- the Ni'iinlii'Njik (Fishing Branch) Habitat Protection Area established in 2003;
- the Lhutsaw Wetlands Habitat Protection Area established in 2007;
- the Old Crow Flats (East & West) Habitat Protection Area established in 2009;
- the Nordenskiold Wetlands Habitat Protection Area established in 2010;
- the Pickhandle Lake Habitat Protection Area identified in 2003;
- the Lewes Marsh Habitat Protection Area identified in 2005; and
- the Tagish River Habitat Protection Area identified in 2005.

As I noted previously our government reached an agreement on June 29, 2009, with the Vuntut Gwitchin Government on the North Yukon Regional Land Use Plan.

No previous Yukon government had succeeded in developing a regional land use plan since the Umbrella Final Agreement was signed off by the Yukon Party government in 1993.

One of our early successes with respect to the preservation of wildlife was the Chisana Caribou Recovery Project. Left unattended, experts agreed that the herd would be extinct in seven to ten years.

This genetically distinct herd had declined from 1,800 caribou to 300 and annually produced very few calves.

In March 2003, our government initiated an experimental pilot project to test the feasibility of rearing caribou calves in a protective enclosure.

This three year project was a tremendous success involving our government, the White River First Nation, the Yukon Fish and Wildlife Management Board, the Canadian Wildlife Service, the Alaska Department of Fish and Game, the United States National Parks Service, and the U.S. Fish and Wildlife Service.

It was a very successful model of international and intergovernmental cooperation.

**Mr. Speaker**, one our 2006 Election Platform commitments was to continue supporting the initiatives of the Vuntut Gwitchin Government to ensure the integrity and protection of the Porcupine Caribou Herd and its critical habitat, especially the calving grounds.

By July 06, 2010, a historic agreement was reached on the Porcupine Caribou Harvest Management Plan involving the Vuntut Gwitchin, the Tr'ondëk Hwëch'in, the Nacho Nyäk Dun, Gwich'in Tribal Council, the Inuvialuit Game Council, and the governments of Yukon, Canada and the Northwest Territories.

The agreement provides a management framework that varies harvesting practices with the size of the herd population and applies to all hunters.

It establishes a mandatory reporting and bulls only regime.

One of our first actions as a government in 2003 was to save the Yukon Wildlife Preserve for future generations of Yukoners.

The Yukon Wildlife Preserve promotes knowledge and appreciation of arctic and boreal ecology through the creation of a centre of northern education, conservation and research excellence.

A multi-year funding agreement from 2009 to 2012 will provide the Yukon Wildlife Preserve with a total of \$1.8 million over the three years to help the organization expand its programs and seek other funding opportunities.

A further \$1.9 million over two years has been provided for the design and construction of an animal research and rehabilitation centre at the Yukon Wildlife Preserve – a critical step for obtaining accreditation with the Canadian Association of Zoos and Aquariums.

Multi-year research projects are underway on moose, caribou, grizzly bears and selected fish populations. Information from this research informs our government's wildlife management and land-use decisions.

Under "Practicing Good Government," I already mentioned our government's Climate Change Strategy and Action Plan as well as meeting our major 2006 Election Platform Commitment to establish the Yukon Climate Change Research Centre of Excellence at Yukon College.

The newly-established Climate Change Secretariat is now coordinating our government's response to the thirty-three actions outlined in the Climate Change Action Plan.

In addition, we have provided funding support for the Yukon Cold Climate Innovation Centre, another important research facility located at Yukon College dedicated to creating commercial solutions to cold climate issues affecting northerners.

**Mr. Speaker**, the Department of Environment also has responsibility for contaminated sites.

The Site Assessment Remediation Unit (SARU) was established in 2008 to manage Yukon government-owned contaminated sites.

The SARU was set up in response to recommendations by the Auditor General of Canada for the Yukon government to create a contaminated sites liability policy and clean-up program.

The abandonment and reclamation of the Faro Mine is the most formidable environmental challenge facing the territory that fortunately remains the responsibility of the federal government.

Our government took over the management responsibility for the care and maintenance of the Faro Mine complex in early March 2009 after reaching a consensus with Canada and affected First Nations on a preferred closure option that is estimated to cost \$30 million per year for the fifteen-year construction phase and another \$10 million per year for the fifteen-year period of adjustment.

On June 29, 2010, Canada and our government reached an agreement to fund the remediation of the largest hydro-carbon contaminated site in Yukon, the Marwell Tar Pit in Whitehorse – another major accomplishment.

The Marwell Tar Pit has been an environmental hazard left over from World War II that was left unattended for all these years.

This ten-year long project is estimated to cost \$6.8 million with Canada funding 70% and Yukon the remaining 30%.

Ensuring Yukoners have access to clean drinking water is another major 2006 election platform commitment and our government has designated considerable financial resources to meet this commitment.

The Little Salmon/Carmacks First Nation in Carmacks, the Carcross/Tagish First Nation in Carcross, the Champagne and Aishihik First Nations in Haines Junction as well as the communities of Teslin and Ross River have all had water treatment programs.

Similarly, water treatment options have been examined in Old Crow, a further \$1.5 million is being spent this year to complete the project in Carmacks and, of course, there is the \$21.768 million secondary wastewater treatment and district heating facility in Dawson City that is still undergoing construction.

## ACHIEVING A BETTER QUALITY OF LIFE

**Mr. Speaker**, our government is extremely proud of our track record in improving the quality of life of Yukoners since taking office in 2002.

There is no question that Yukoners and the territory are better off today than they were in those dark days ending in 2002.

No previous government can claim to have done more.

Our government is striving to achieve a better quality of life for our citizens by increasing education opportunities; fostering healthy and safe communities through addressing drug and alcohol abuse; and promoting sports, art and culture.

**Mr. Speaker**, our children are our future and education plays a key role in developing that future.

Our government constructed a new school in Carmacks and we are now engaged in another major school construction project, the replacement of F.H. Collins Secondary School in Whitehorse. This budget includes \$2.7 million for that purpose.

On July 8, 2009 the Government of Canada and the Government of Yukon signed a Labour Market Development Agreement to implement new arrangements in the area of labour market development that enables Yukon to assume an expanded role in the design and delivery of labour market development programs and services in Yukon, to benefit clients.

The agreement came into effect February 1, 2010 and replaces the agreement signed in 1998 under which the federal government retained the responsibility for the design and delivery of EI-funded Employment Benefits and Support Measures.

Our government is dedicated to increasing the number of apprentices and skilled workers in the territory and training Yukoners for Yukon opportunities.

In the four years between 2004 and 2008, the number of registered apprentices was increased by 80 percent.

We have made and are continuing to make significant investments in post-secondary education and in initiatives such as Skills Canada-Yukon, Women in Trades and Technology and other programs that help us meet our needs.

In February 2009, our government launched a four-year Licensed Practical Nurse (LPN) program at Yukon College to encourage Northerners who are interested in pursuing a career in a medical profession to remain in Yukon.

The LPN program builds on our \$12.7 million Health Human Resources Strategy which was launched in 2006 to assist in recruiting and retaining Yukon health care professionals.

Training LPNs locally is helping us address Yukon's demand for health care professionals, particularly in continuing care and home care.

Today, Yukon College is also upgrading its physical infrastructure through the construction of new facilities at its Pelly Crossing Community Campus and the Dawson City Community Campus.

Two more major reviews were completed at the end of December 2010, "Sharing Common Ground: Report on the Review of Yukon's Police Force", and the Final Report of the "Task Force on Acutely Intoxicated Persons at Risk".

As a consequence of these two reports, the Yukon government in conjunction with the RCMP will be constructing a \$4.08 million Secure Assessment Centre attached to the new Whitehorse Correctional Centre. The new Secure Assessment Centre will have medical professionals on staff and will spell the end of the RCMP drunk tank era in Whitehorse.

This budget is providing \$7.414 million for the completion of the new Whitehorse Correctional Centre, one of the largest capital projects undertaken by our government and is based on the corrections philosophy outlined in the new *Corrections Act*.

Yukon has become a recognized leader in dealing with FASD with the setting up of the Community Wellness Court, a therapeutic court in the Yukon justice system, as well as the establishment of a pilot project, the Land-Based Healing Program at Jackson Lake administered by the Kwanlin Dun First Nation.

We will be urging the Government of Canada to work with our government in utilizing some of the \$69 million transferred to Health Canada to deal with residential school abuse here in Yukon by examining our FASD programs, the Community Wellness Court, Land-Based Treatment options and other facilities and programs.

Our government increased funding support for women with FASD and for women's shelters such as Kaushee's Place in Whitehorse and Help and Hope Society in Watson Lake. And, the opposition voted against this support for women in Yukon.

Almost \$11 million is being made available to non-government organizations to provide services to Yukoners. In 2011-2012, \$487,000 is being provided for the implementation of the Victims of Crime Strategy and this money extends through to March 31, 2013. Further, \$382,000 of Community Development Trust Funding has been allocated for the Northern Institute of Social Justice.

Since 2002, our government has invested approximately \$100 million in new affordable housing for seniors, families and Yukoners in need. This investment has increased the Yukon housing portfolio by 40%. Which, by the way, Mr. Speaker, the opposition also voted against.

New seniors' residences have been constructed at Yukon College in Whitehorse as well as in Haines Junction, Watson Lake, Teslin and Faro. In addition a new building is being built on the Whitehorse Waterfront to replace the Alexander Street seniors' apartments and plans are underway for a new seniors' Abbeyfield project in Whitehorse. In Dawson City, a new structure is being built to replace the Korbo apartments.

Our government implemented the most comprehensive review of Social Assistance since the inception of the program by increasing the rates, providing an incentive to encourage recipients to enter the workforce and by providing enhanced services for persons with severe disabilities.

What is clear, Mr. Speaker is who has the social consciousness for Yukon. It is the Yukon Party Government.

The 2011-2012 Budget provides \$14.154 million for Social Assistance.

Since 2002, Health and Social Services expenditures increased from \$143 million to \$262.611 million in 2011-2012. Our government provided \$5 million in May 2007 for the next five years for child care to improve the wages for child care workers and decrease the cost of child care for low income families.

We are providing \$220,000 annually in long term funding for three youth-serving organizations: Bringing Youth Towards Equality, Youth of Today Society and the Boys and Girls Club of Whitehorse.

In addition, our government has constructed a new Children's Receiving Home in Whitehorse.

Our government opened the remaining 12-bed unit at Copper Ridge Place and is currently providing \$3.258 million for opening 19 continuing care beds at the Thomson Centre in 2011-2012.

The Yukon Hospital Corporation is investing approximately \$70 million for three major infrastructure projects: the Residence for Visiting Health Care Professionals and Staff Office Complex on Hospital Road, and the two Regional Hospitals in Dawson City and Watson Lake.

One of our government's greatest health care accomplishments was the establishment of the five-year, \$150 million Territorial Health Access Fund for the three territories, together with a two-year, \$60 million extension now called the Territorial Health System Sustainability Initiative (THSSI) which amounts to \$6.965 million in 2011-2012.

We established new services to children with disabilities and funding for home repairs for disabled Yukoners.

Our government established the Yukon Palliative Care Program to provide consulting services, public and professional education and training and support to volunteers in communities.

Health care facilities are important to all Yukon communities.

This budget is providing \$3.2 million for the Whitehorse Ambulance Dispatch Station and \$103,000 and \$143,000 for community Nursing Health Centre renovations in Old Crow and Haines Junction respectively.

Community infrastructure is also important for contributing to Yukoners' quality of life.

We are investing \$1.171 million in recreation infrastructure improvements in Dawson City and \$700,000 for staff housing in Pelly Crossing.

The historic heart of downtown, the Whitehorse Waterfront, is being revitalized through twelve different projects including the Kwanlin Dun Cultural Centre and Whitehorse Public Library.

Our government recognizes that municipalities make a major contribution to improving the quality of life of Yukoners.

On October 22, 2010, we launched the territorial-wide "Our Towns, Our Future" review.

The review was set up in response to concerns put forward by Yukon municipal governments about important issues including funding levels, infrastructure deficits and recruitment and retention of qualified staff.

The comprehensive municipal operating grants in 2007-2008 totalled \$12.538 million. Starting in 2008, our government approved annual increments of \$808,000 and \$121,000 for unincorporated communities until 2012-2013.

The total increase over five years brings the total to \$16.578 million representing an increase of 32 percent or about 6 percent annually.

**Mr. Speaker**, sports and recreation are essential ingredients to improving the quality of life of Yukoners.

The successful hosting of the 2007 Canada Winter games was one of the Yukon's greatest achievements.

Our government is continuing to invest in Yukoner participation in various events, namely the North American Indigenous Games being held in Milwaukee, Wisconsin in August 2011, and the 2011 Canada Winter Games being held in Halifax, Nova Scotia.

We are also supporting the City of Whitehorse to host the Arctic Winter Games in 2012 and providing a \$150,000 contribution for the 2011 Western Canada Summer Games as well as a further \$130,000 contribution this fiscal year and next to Softball Yukon to host the Women's Fast Pitch World Championships in 2012-2013.

**Mr. Speaker**, our government continues to reflect in our policies and actions the importance of a balanced society.

While we develop Yukon's economy, we have an equal focus on ensuring that Yukoners are provided with services that strengthen and support healthy individuals, families and communities.

We are confident that as we continue our work towards growth in this territory, Yukoners will continue to enjoy a better quality of life.

## CONCLUSION – THE PATHWAY TO PROSPERITY

**Mr. Speaker**, there is only one pathway to prosperity and Yukoners are currently on it.

Beware those who are promising to change Yukon's direction.

On the pathway to prosperity, there is only one direction.

You can either go forwards or you can go backwards.

This fall Yukoners will have a clear choice to make.

Do they wish to continue on this pathway with the Yukon Party government as their guide?

In making this decision, we urge all Yukoners to consider what has been accomplished over the last nine years and who best will be able to meet the challenges of the future.

Rest assured there will be challenges.

The sustainability of Yukon's health care system and the provision of affordable energy to sustain the territory's economic growth will be two of the most paramount. We believe our government is the best equipped to meet these future challenges.

**Mr. Speaker**, our government has a proven track record of nine years of accomplishments, of which we are justifiably proud.

These accomplishments were only achieved through all the hard work of all our department officials.

We provided the policy direction and they delivered the goods.

Our eight previous budgets together with this budget, the 2011-2012 Budget, laid the foundation stones for the pathway to prosperity.

**Mr. Speaker**, it's a solid foundation and I commend the 2011-2012 Budget to all the Members of this House.