



MEE, ING, HE CHALLENGE F, DA

Mr. Speaker, Honourable members and guests, it is my honour and privilege today to table the 2015-2016 Budget, the fourth budget of the thirty-first Yukon Legislative Assembly.

The official purpose of the Budget Speech is to inform the House and to inform Yukoners how we are managing the territory's finances.

As Premier and as Minister of Finance, I consider this is one of my most important tasks.

Mr. Speaker, the Government of Yukon's Budget for 2015-2016 is \$1 billion and \$367 million (\$1,367,070,000).

The Operation and Maintenance Budget totals \$1.054 billion, of which \$111.537 million is recoverable.

The Capital Budget is \$312.8 million, of which \$46.9 million is recoverable.

The 2015-2016 Budget has a healthy \$23.2 million surplus.

This budget is all about putting Yukoners to work.

Mr. Speaker, for that reason as Minister of Finance I have purchased a new pair of work boots instead of a new pair of shoes.

Our government will stimulate the private sector economy by reducing taxes and putting more money in the pockets of Yukoners.

And we will continue implementing, budget by budget, our government's vision of prosperity for the territory by making Yukon the best place in Canada to live, work, play and raise a family.

This vision is the focus of this Budget Speech.

Sir John A. MacDonald once said "A set definite objective must be established if we are to accomplish anything in a big way."

In other words, vision is a prerequisite of achievement.

Since this Yukon Party team was elected in 2011, our aim has been clear: to move forward together on the path towards a stronger and more prosperous Yukon.

In the same breath, they say they support economic diversification when they have ruled out the majority of Yukon's economic mainstays.

Being opposed to everything doesn't prepare you for governing.

We believe it is possible to have the best of both worlds: responsible development and a healthy environment.

It is not a choice of either or.

In 2011, we told Yukoners where we stand in the Yukon Party Platform and we have been delivering on these commitments, year by year, budget by budget.

Mr. Speaker, we know there are some challenging economic times ahead as a consequence of the downturn in the metal markets.

 is challenge can become an opportunity.

We have an opportunity to make some bold strides forward by investing in infrastructure and programs and services on behalf of all Yukoners.

And that is precisely what this Budget aims to do.

We are very proud to have a record capital investment that will put Yukoners to work and create a legacy that will benefit the whole community for years to come.

 at capital investment is only possible because of the fiscal leadership of this government.

We believe in managing finances in a way that ensures we have money when we need it most.

Yukoners are tightening their belts this year, which is why we are making these investments and providing tax relief – that what our fiscal management over the past decade allows us to do.

I want Yukoners to know that we are committed to continuing with reliable responsible fiscal management.

Over the coming years, we expect that growth in our Territorial Formula Financing to slow over previous years.

While we won't face the same challenges other jurisdictions are facing around cuts and reductions, we are facing a period where restraint and responsible investment are required.

Yukoners can trust this government to manage finances in the good times and the lean times
– something the other parties can't say.

MAKING YUKON THE BEST PLACE TO LIVE

Our focus has always been, and will continue to be, on Yukoners.

We are committed to making Yukon the best place to live in Canada.

Our first step in this regard is to further reduce the tax burden on Yukoners.

Mr. Speaker, our government will be amending the Yukon *Income Tax Act* and Regulations.

A few of these key amendments will include:

- revising the personal income tax rate structure;
- significantly increasing the Yukon Child Benefit;
- increasing the political contribution tax credit to match on an ongoing basis the federal political contribution tax credit; and
- aligning the Yukon Children's Fitness Tax Credit with the federal Children's Fitness Tax Credit.

In addition, we are working in consultation with First Nations to undertake two major initiatives to improve the territory's regulatory and permitting regimes.

One is the Mine Licensing Improvement Initiative (MLII), which will clarify the roles of regulatory agencies and make sure that the many levels of our regulatory system work well together.

In no way will this lessen environmental protection or oversight of mining activity.

The second major initiative is the Mineral Development Strategy (MDS), to be completed in a year, which covers business climate, infrastructure, First Nation engagement, environmental stewardship and workforce training.

Mr. Speaker, underlying all of our initiatives with regard to making Yukon the best place to live is our commitment to strengthening our partnerships with Yukon First Nations.

Yukon has just less than half of the modern, comprehensive land claims agreements in Canada.

Yukon self-government agreements are unique in Canada, if not the world.

It is in everyone's best interest for the Yukon Government and Yukon First Nation governments to work together for the betterment of all Yukoners and we are committed to doing just that.

While our government believes that comprehensive land claims and self-government agreements through CS0 cs 1 4 reJ 0 -1 wiu f1Gal Aments thr p nmloa30.7ommittedrment Tj pathT* (ShiToA)6(w)

Our vision of building a prosperous Yukon and becoming a net contributor to Canada could happen very quickly.

is is why our government continues to urge Ottawa to partner with us by investing in major infrastructure projects to help develop our vast resources.

We need more and better roads to access our resources.

We need more reliable and redundant telecommunications infrastructure to drive the expansion of our IT sector.

And we need an abundant and affordable supply of clean power to ensure that as we grow, we grow responsibly.

We are moving forward on all these fronts.

And we took a major step in November 2013 when our government directed the Yukon Development Corporation to plan a new large-scale hydro dam to power our future.

It will be another ten or fifteen years before the project is completed, but we need to be proactive about infrastructure development.

And our action now will be rewarded in the future.

Mr. Speaker, infrastructure projects like these have long horizons.

But we are undertaking many other initiatives whose impacts can already be felt.

For instance, we're dedicating significant resources to making land available to Yukoners.

In rural Yukon, we have signed Memorandums of Understanding with seven municipalities to work towards providing land for potential territorial, municipal and private development.

I could talk at length about the many initiatives we're undertaking to this end, but I'll just point out a few highlights.

Recently, the Government of Yukon and the Government of Canada signed a new five-year Northern Wellness Approach agreement worth over \$2 million to promote healthy living and build capacity at the community level.

We've also extended the popular Municipal Domestic Water Well program, which will allow eligible property owners in participating municipalities to apply for a low-interest loan to develop domestic wells.

And in Ross River, we are committing \$250,000 towards the purchase of a new water delivery truck.

This Budget also commits significant funds towards addressing community safety issues like wild fires, emergency services, and flooding:

- To mitigate the risk of wild fires, we will provide \$850,000 to fund Fire Smart projects across the territory over the next year;
- To improve emergency services, we will make Basic 9-1-1 available to all Yukon communities and will continue to invest in modernizing our emergency fleet vehicles and infrastructure, including the construction of a new \$3.8 million fire hall in Carcross this year; and
- To manage the risk of flooding, we will allocate over \$1.5 million in this budget for flood and erosion control projects in Carcross, Mayo and the Liard River.

Mr. Speaker, there's no way I could talk about the Yukon as the best place to live without reference to our beautiful, clean environment.

The Yukon Government is doing its part to ensure it stays that way.

That's why we are investing more than \$5 million for remediation work at contaminated sites to minimize the risks to human health and the environment.

One of the legacies left to us to clean up is the Marwell Tar Pit, the largest hydro-carbon-contaminated site in Yukon.

We are in year five of a ten-year project to remediate the site with a cost of up to \$2.5 million in 2015-2016, and we will invest up to that same amount in remediating other contaminated sites that we own across the territory.

Mr. Speaker, another significant initiative we are undertaking to protect our environment is the Yukon Water Strategy and Action Plan.

e importance of water to our livelihood and to our identity cannot be overstated.

We are a territory of rivers, lakes, streams, and glaciers.

As part of this action plan, we will further develop a groundwater program, expand our water



MAKING KHEBELACE K

Mr. Speaker, making Yukon the best place to work is what the 2015-2016 Budget is all about.

is is the largest Capital Budget in Yukon's history.

Our government has heard loud and clear that Yukon's private sector is facing economic challenges and it is time for government to invest in public infrastructure.

Highways, resource roads, bridges, airports and aerodromes are integral to our development and high on the list of priorities that create jobs for Yukoners.

Over the coming year, Yukoners will be doing work on the Campbell Highway.

Yukoners will be doing work on the Dempster Highway.

Yukoners will be doing work on the Klondike Highway.

And while funding for the Shawkak Agreement to improve the Alaska Highway and Haines Road remains in limbo, we will use the remaining funds, some \$10 million, to put Yukoners to work rehabilitating sections of it.

Yukoners will also be doing work on bridges, specifically the Partridge Creek Bridge, the Nares River Bridge, and the Tatchun Creek Bridge, and on airports and aerodromes, ensuring that our entire transportation network is in top condition.

Specifically, Yukoners will be put to work providing almost \$5 million of upgrades to community aerodromes.

And in Whitehorse, Yukoners will be put to work providing pavement overlays to the Parallel Runway and Taxiway A and E, and developing twenty lease lots on the south side of Apron II to address the demand for small lots at the Whitehorse Airport.

Mr. Speaker, this budget also includes funds of \$13.5 million to provide for government's building infrastructure, plus an additional \$1.4 million to maintain Yukon Housing Corporation stock.

But we're not just investing in re-roofing, painting, and energy upgrades.

We're investing over \$11 million in tech infrastructure of which \$4.8 million is allocated for e-Health and there is an additional \$2.1 million for school-based IT.

Among other things, our tech investments include a platform to enable online permitting and licensing for fishing, camping, hunting, transport, and trades.

I'm sure I'm not the only one in this room who is very much looking forward to the convenience of getting my camping permit online when my family and I decide to go away for the weekend at the last minute.

Mr. Speaker, Yukr schog for,n n g forS 1 -t mi 0 0 rm totl0or

One of these projects was a collaboration between Vuntut Development Corporation and

We love participating in a whole variety of different sports involving all age groups from the very young to the very old.

The government will continue to support this healthy active life style through sponsorships, funding arrangements, and direct investment in leisure facilities.

To that end, we're investing \$400,000 in preliminary work on a new soccer and running track complex to be built in the Whistle Bend subdivision in Whitehorse.

And we recently announced a \$400,000 increase in Community Recreation Assistance Grant funding for unincorporated Yukon communities.

In addition, we will allocate \$1 million to support the 2016 Arctic Winter Games in Nuuk, Greenland, and \$100,000 to support the Arctic X Games – an alternate event hosted in Yukon that provides a competitive opportunity for participants of those sports not included in the Arctic Winter Games.

is government is committed to keeping us there:

- We are establishing a local Adult Diagnostic Clinic to replace the current itinerant model;
- We are training physicians and psychologists to better respond to individuals with FASD; and
- We are investing in the completion of the FASD Prevalence Study to look at the incidence of FASD, substance abuse, and mental health issues in the adult corrections population.

Our government is also working hard to find more long term care spaces for Yukoners to free up acute care hospital beds.

We recently purchased the Oblate Centre on 6th Avenue in Whitehorse and will be converting it into a small ten-bed continuing care facility to be opened late this fall at a cost of almost \$2 million.

And on a larger scale, we will be proceeding with construction of the 150-bed Whistle Bend Care facility in January 2016 with an initial allocation of \$26 million. We will design the facility to allow future expansion.

Dawson City will also see enhanced continuing care services when the new 15-bed McDonald Lodge opens in 2016 – another facility that will have an option to expand.

\$7.8 million will be allocated from this Budget to the completion of the project.

Mr. Speaker, an important area of health that has not always had the attention it deserves because of a lack of understanding or because of social stigma is mental health.

is government is committed to changing that.

is Budget allocates funding to several mental health initiatives.

To help persons with mental health conditions develop their independence, we will provide transitional housing for a period of two months to two years.

To provide a safe and supportive group home to Yukoners who suffer from cognitive disabilities we will be rebuilding the St. Elias adult group home, and have already set aside over \$4 million for its design and construction.

is new building will increase capacity from five to ten spaces and will be constructed by the Kwanlin Dun First Nation.

And to support Yukoners with enhanced alcohol and drug detoxification services, we will begin construction of the new Sarah Steele building this spring for a total target cost of \$21 million.

The new complex is a much needed replacement of the old Sarah Steele building and will have enhanced medically supported detox, a separate youth detox unit, concurrent inpatient treatment for males and females, and continuous intake.

Two days ago, our government also had the pleasure of jointly announcing the contribution of over \$13 million to the construction of a new Salvation Army centre that will provide improved and expanded services to some of our more vulnerable Yukon citizens.

Our partnership with the Salvation Army is a strong foundation upon which to build hope for those most in need.

Mr. Speaker, it is easy to see that with the construction of all these facilities Yukon's private sector is going to be very busy this construction season.

This work will be spread throughout the territory.

In Faro, our budget includes \$3.5 million to begin construction of a replacement for the RCMP detachment in Faro.

And in keeping with our justice initiatives, we are happy to report we will be dedicating \$500,000 annually to extend the Community Wellness Court pilot program for an additional three years.

Mr. Speaker, we're also taking steps to address women's issues in the territory.

A new Women's Legal Advocate will support women navigating legal and social systems and will provide training for front-line workers throughout the territory.

Starting in October, the Women's Directorate will also launch an interactive website showcasing a profile of women's equality in Yukon based on indicators like health, education, economic security, leadership, child care, safety, arts and athletics.

Mr. Speaker, housing is a Yukon Government priority.

Northern Housing Trust funding of \$1.395 million is being provided to support affordable rental units of which \$1.16 million is for units in Carmacks and \$235,226 is for units in Carcross.

e remaining balance of \$6.83 million in the Northern Housing Trust will be allocated to the following initiatives:

- \$3.5 million for the Municipal Rental Construction Program to partner with municipalities to increase the supply of rental housing in Yukon communities;
- \$1 million for the Rental Housing Allowance for families to enable low and moderate income families to access rental housing in the private market with a direct subsidy aimed at reducing incidences of core needs;
- \$800,000 for Rental Quality Enhancement Grants to increase the quality of rental housing stock in Yukon to meet or exceed minimum rental standards;
- \$800,000 for Accessibility Enhancement Grants to increase accessibility of housing stock for homeowners and landlords;
- \$480,000 for Housing Action Plan (HAP) Implementation to provide contracting resources to implement HAP; and
- \$250,000 for a public, private partnership plan for 5th and Rogers designed to increase the supply of affordable rental housing as well as meet other needs. This plan will maximize private sector investment and involve the City of Whitehorse.

In addition, the CMHC and the Yukon Government, under the Investment in Affordable Housing (IAH) Agreement, have agreed to match contributions of over \$1.5 million per year over five years to fund affordable housing projects.

A portion of this funding must be targeted for victims of violence.

Also, a new 48-unit Seniors building on Front Street in Whitehorse is being constructed with funding of \$13.5 million over two years, and a six-unit seniors building in Mayo is scheduled to be completed later this summer.

Mr. Speaker, our government is investing a further \$7.5 million to complete the construction of the new F.H. Collins school this fall.

Once the school has been completed, there will be a procurement allocation of almost \$3 million to provide furniture and equipment for the new school and an additional \$3 million to upgrade the current Technical Education Wing at F.H. Collins school.

Mr. Speaker our government is investing heavily in improving all facets of Yukon's education system.

To address fundamental life skills, we are continuing work towards a Yukon Literacy Strategy.

And to address the needs of our post-secondary learners, we will be reviewing the *Student Financial Assistance Act* as well as the Yukon Apprenticeship Training and Tradesperson Certificate Program to ensure that both programs are modernized and synchronized with similar programs across Canada.

Another priority for all of us is closing the outcomes gap between rural and urban students, and between First Nations and non-First Nations students.

To this end, we work closely with communities, with the Council of Yukon First Nations and with individual First Nations themselves.

We are currently working with CYFN on a Joint Education Action Plan that focuses on the priorities of culture and language, authority and responsibility, sustainability supports and success, and student achievement.

And we have developed the Rural Equity Action Plan to promote distance learning and collaboration opportunities for students in our communities.

A similar initiative is currently underway in Watson Lake, where the Secondary School has piloted a new approach to education that “blends” online instruction with classroom instruction to provide more educational options.

As well, a new Residential Schools Curriculum is now part of the grade 10 Social Studies in three schools – Robert Service School in Dawson City, Tantalus School in Carmacks and Vanier Secondary School in Whitehorse.

Both the blended learning approach and the residential schools curriculum will be expanded to other communities in the future.

Mr. Speaker, we’ve concluded a number of important agreements to expand our research and post-secondary educational offerings.

We have approved over \$6 million in funding for the Yukon Research Centre for the next five fiscal years, and we have entered into a 5 ½ year funding agreement with Yukon College to support the ongoing operation of the Northern Institute of Social Justice.

We will also be receiving funding from the federal government under the Canada-Yukon Job Fund Agreement (CJF), which was launched on September 4, 2014.

Over the next six years, Canada will provide Yukon with almost \$6 million to encourage greater employer involvement in training and to enable Yukoners to develop the skills they need to find and maintain employment.

In addition, we've partnered with Canada on the Labour Market Agreement for Persons with Disabilities (LMAPD), which was signed last February.

Over the next four years, Canada will allocate \$5 million to provide labour market support specifically to persons with disabilities.

Mr. Speaker, we have a lot of exciting initiatives in this Budget, and I've only touched on the highlights here.

So to say, I am confident that our commitment to being proactive, to taking steps now that will pay off immediately and well into the future, will continue to advance our vision of making Yukon the best place to live, work, play, and raise a family.

EDUCATION: A MADE IN CANADA EDUCATION: A MADE IN CANADA

Mr. Speaker, in closing, I want to return to education for a moment.

It has been said that “Education is the most powerful weapon which you can use to change the world.”

Ask just about anyone, and they’ll tell you they agree with that statement.

But when the economy is struggling, when jobs are being lost, education is often shifted to the backseat – as an important policy focus, but not demanding immediate attention.

The Yukon Party government has never stopped working to improve Yukon’s education system, but it is time to give education a permanent front seat spot.

Our most important job as leaders today is to prepare the leaders of tomorrow.

Education is not an alternative to investing in our economy; it IS an investment in our economy.

There are many economic factors we can’t control.

We can’t control mineral prices.

We can’t control oil prices.

We can’t control economic developments in other provinces or other countries.

But we can ensure that our kids get the best education possible so that whatever unexpected challenges arise in the future, they are ready to face them.

Over the coming months, we will be rolling out a new vision for education in Yukon.

We will be taking a comprehensive look at Yukon’s education system, to assess what’s working, what’s not working, and how we can make it better.

And let me clear that this is not just a thought exercise.

This is not just about gathering our educational partners and stakeholders to produce a set of recommendations that will be shelved away somewhere, never to be realized.

It's time for action.

It starts with the curriculum.

Mr. Speaker, Yukon is currently tied to British Columbia's curriculum.

In the *Education Act*, there is a provision for some local content, but it's not enough.

Our social and economic realities are not the same as B.C.'s.

One size does not fit all.

We need to ensure that our curriculum reflects the different aspirations of our diverse student body.

Not all of our students have the same aspirations.

Some want to attend university; some want to start their own businesses; some want to enter the trades; some want to start working as soon as possible.

We want them to have the competencies and skills that they need to follow any path they choose.

Yet despite this, we still offer only one standard; one educational stream through which all students must pass.

It's time to change that.

We need to offer education options that set students up for employment opportunities in all fields.

Our goal is an education system that is engaging and relevant for all our students.

Not only will it make for more satisfied students, I believe it will improve our labour market.

Young Yukoners with jobs are more likely to become Yukoners raising families.

Mr. Speaker, this alone will go a long way to improving our education system.

But education is not just about the curriculum.

It's more than academics.

We used to talk a lot in education about “pedagogy.”

Pedagogy literally means “guiding a child.”

We need to bring this idea back into education.

Education needs to be a team effort among parents, educators, communities, our partners and all other stakeholders to guide each child towards adulthood.

In part, yes, this means academic guidance.

But it also means emotional support and personal guidance, focusing on the individual needs of our students.

A child who feels insecure, stressed, angry, or threatened will struggle to learn, and will struggle to develop fully as an individual.

School will never be a replacement for a healthy home, but if the fundamental promise of our education system is to develop the “whole child”, then we cannot ignore students non-academic needs in school.

To that end, we will be focusing specifically on assessing what resources our schools and our educators require to ensure that those needs can be met.

Mr. Speaker, these changes will take time to develop but it will be time well spent.

And it won't just take time; it will take partnership.

We all know the old saying that it takes a whole village to raise a child.

Well, it also takes a whole community to educate one.

And so this initiative will depend in large part on bringing the community back into education.

We need parents to get more involved in their child's education both at school and at home.

We need educators and administrators to provide their professional input.

We need all departments that deal with youth, such as Justice and Health and Social Services, to share their corporate knowledge.

And we need First Nations to be partners in building a system that reflects their aims.

Improving outcomes for First Nations students has been a longstanding goal of the Yukon Government and of Yukon First Nations, and it will be a major focus of this initiative.

We need to have an honest and open conversation about how to improve First Nations student outcomes.

All of us involved want the very best for each of our students and we are committed to moving forward together with First Nations to find practical solutions to these challenges.

Mr. Speaker, in government, many of the decisions we make are based on economics.

And an investment in education will pay dividends in the future.

But we're not just doing this because it makes economic sense.

Many of us in this room are parents. All of us have been students.

I believe we can all see the value in investing in our kids, and I am hopeful that this will be an opportunity for us to unify around a common objective without letting politics or partisanship get in the way.

is is too important for that.

Our kids deserve better than that.

Achieving this vision won't be easy nor quick, but I have every confidence that we will make it happen.

More details will be rolled out in the coming months, but for now let me reiterate that this initiative will depend on us all working together.

It will involve everyone who has a stake in our educational systems, students, their parents, Yukon First Nations, the Yukon Teachers Association and expert educators, Yukon College, representatives from business and industry and all those who want to be involved.

As I said at the beginning of this speech, vision is a prerequisite of achievement.

We have the vision.

Now let's achieve it.

C ❏ CL I ❏

Mr. Speaker, this brings me to the conclusion of the Budget Address.

I am proud of the work this Yukon Party government has done since taking office.

And I look forward to the work that lies ahead.

is 2015-2016 Budget will put Yukoners to work and continues the pathway to prosperity we set out in our 2011 Election Platform, “Moving Forward Together”.

It is designed to advance our government’s vision of prosperity for the territory by making Yukon the best place in Canada; to live, work, play and raise a family.

Budget by budget we are achieving this goal.

May Divine Providence guide our deliberations.

I commend the 2015-2016 Budget to all members of this House.

May God Bless Yukon.

May God Bless Canada.

And God Save the Queen.