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BLUES

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Speaker: The Honourable Jeremy Harper

NOTE

This document, referred to as the "Blues", is the preliminary issue of the Hansard of the Yukon Legislative Assembly and has not been edited fully. It may be used as a reference only with the understanding that it will be superseded by the final, edited version, entitled "Hansard", at a later time.

Yukon Legislative Assembly
Whitehorse, Yukon
Monday, April 22, 2024 — 1:00 p.m.

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

Prayers

DAILY ROUTINE

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

Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Clarke: Mr. Speaker, for the Earth Day 2024 tribute, we have in the gallery: Michelle Falloon, environmental protection analyst with the Department of Environment; Natalia Baranova, environmental protection analyst with the Department of Environment as well; and the executive director of the Yukon Conservation Society, Martin Melendro.

Please invite these guests to the Assembly.

Applause

Hon. Ms. McLean: Mr. Speaker, I would ask my colleagues to please help me in welcoming some special guests here today for our tribute for the Yukon Youth Summit and the awards that were given out last week.

With the Communities Building Youth Futures collective, we have youth collective coordinator Erin Cartan and project coordinator Aliya Grant. From the Youth of Today Society and ShakatMedia, Lance Burton, Ben Gribben, Nishka Pajor, and Seth Brown. From the Boys and Girls Club of Yukon, we have Lyndsay Cornell. Welcome to the Legislature today.

Applause

Speaker: Are there any tributes?

TRIBUTES

In recognition of Earth Day

Hon. Mr. Clarke: Mr. Speaker, I rise today to pay tribute to Earth Day. Each year, the annual celebration of Earth Day is held on April 22 to demonstrate support for environment protection.

First held in 1970, Earth Day is now celebrated in more than 193 countries. This year's theme "Planet vs. Plastics" calls to advocate for widespread awareness of the health risks of plastics to phase out single-use plastics and to push for a strong United Nations treaty on plastic pollution.

We are working toward these goals by implementing our new extended producer responsibility regulations, which shift the cost and burden of trash from municipalities to producers, importers, and brand holders. This new system will help reduce waste and support a greener, healthier planet.

Additionally, Mr. Speaker, through *Our Clean Future*, we are committed to reducing our non-mining emissions by

45 percent below 2010 levels by 2030 and to reach net zero emissions by 2050.

We are also supporting Canada's participation on the United Nations Intergovernmental Negotiating Committee on plastic waste to develop an international plastic-waste pollution treaty.

The Yukon is home to species that are more abundant here than in most other North American jurisdictions, such as wolverine, bison, caribou, and grizzly bears. We also have plants found nowhere else in the world, such as the Yukon draba and the Yukon goldenweed. One of the ways to help Yukon species to thrive is ensuring that they have healthy habitats.

I am proud to share that we recently reported 21.1 percent of conserved land within the Yukon under the Canadian protected and conserved areas database. On April 1, Fisheries and Oceans Canada and the Alaska Department of Fish and Game signed an agreement to support recovery of chinook salmon in the Yukon River drainage.

In addition to this recent agreement, we are in active discussions with Fisheries and Oceans Canada, the Council of Yukon First Nations, First Nation Salmon Stewardship Alliance, and the Kwanlin Dün First Nation on the possibility of using conservation hatcheries as a restoration tool for chinook salmon.

I would like to thank all of our many partners across the territory, which include Indigenous, federal, territorial, and municipal governments and many conservation groups.

The Yukon River Panel, Yukon Salmon Sub-Committee, Yukon Fish and Wildlife Management Board, renewable resources councils, Wildlife Management Advisory Council North Slope, Yukon Climate Leadership Council, Zero Waste Yukon, Raven ReCentre, Yukon Conservation Society, Canadian Parks and Wilderness Society, and Friends of McIntyre Creek are just some of the partners who work closely with us to achieve our stewardship goals.

This Earth Day, I urge every Yukoner to consider our own impacts on the environment and think about personal actions that we can take to protect our Earth.

Applause

Mr. Istchenko: Mr. Speaker, I rise on behalf of the Yukon Party Official Opposition to recognize Earth Day 2024. It is also happy Gwich'in Day — another beautiful place on Earth.

This year, Earth Day is focused on eliminating plastic usage for the sake of human and planetary health. While that is a tall order considering the hold that plastics have throughout society, it is certainly a great goal in many family households to reduce their own plastic-waste output.

There are also many things that individuals and families can do. Making small but smart choices around consumption, storage, purchasing, and repurposing can have a huge impact on how much waste a household makes. When you begin the path to greener living in your own home, you begin to discover just how many different uses that our household items — plastic included — can have in your homes and lives. It is a

season for indoor seed starting, and for many, this means collecting and saving as many plastic yogurt containers, milk cartons, and other useful containers to start off your container seedlings. Many use margarine containers with yesterday's leftovers or have cookie tins full of sewing supplies. The quirky habits that our parents and grandparents had are often once again gaining popularity among the younger generation. They grew up in a world where they simply could not afford to throw the plastics and the tins in the trash. Everything had a purpose, and when it served that purpose, it had another one.

So, I encourage all Yukoners to think about all the useful items in their homes and find ways to recycle, reuse, and repurpose them. Think of the impacts of excessive packaging when you purchase, and just put a little more thought into your day-to-day. We can all make a difference.

Applause

MLA Tredger: Mr. Speaker, I rise on behalf of the Yukon NDP to celebrate Earth Day. Here are three things giving me hope for the Earth today. The rate of deforestation in the Brazilian Amazon fell by nearly half in 2023, and there are predictions that global greenhouse gas emissions may finally peak this year. Many recent court cases in the Yukon have upheld the rights of First Nations to make decisions about their territories thanks to decades of work and determination.

This Friday, young Yukoners will lead a march across Whitehorse calling for climate action to protect the future for the Earth and the future for us all.

I don't say any of this to take away from the enormous challenges facing us here in the Yukon and across the world but to remind us that change is possible and together we can do it. I recently came across an article by author Rebecca Solnit called "Ten ways to confront the climate crisis without losing hope". It's a great read. I think everyone should read it, and I'll just quote a little of it today: "For a long time we have told horror stories about ice and coral reefs and violent weather events to try to wake people up to the fact that the climate is changing. I have a different fear now — that this chaos will come to seem inevitable, and even normal, as war does to someone who has lived their life in wartime.

"I believe we now need to tell stories about how beautiful, how rich, how harmonious the Earth we inherited was, how beautiful its patterns were, and in some times and places still are, and how much we can do to restore this and to protect what survives. To take that beauty as a sacred trust, and celebrate the memory of it. Otherwise we might forget why we are fighting."

The future is not yet written; we are writing it now.

Applause

In recognition of Yukon Youth Summit

Hon. Ms. McLean: Mr. Speaker, I rise today on behalf of our Yukon Liberal government to pay tribute to the youth, elder, and educator awards that occurred last week as part of the Yukon Youth Summit.

As the Yukon Youth Summit brought us together, we embarked on a journey to shape the future of young people in the Yukon. The Yukon Youth Summit is a platform for

dialogue, collaboration, and action. It's about acknowledging the positive contributions of our community members and forging pathways for the next generation.

The awards ceremony is a time to recognize and celebrate those who have gone above and beyond to make a difference in our communities. The youth, elder, and educator awards shine a spotlight on individuals who embody the spirit of service, innovation, and compassion. Whether it is through mentorship, advocacy, or grassroots initiatives, each awardee has left an incredible mark on the fabric of our society.

Congratulations to all of those who were nominated and received awards — all so well-deserved. One award winner whom I would like to recognize is Dr. Alyce Johnson. I have known Alyce for many years and have been guided by her commitment to the youth of our territory. Alyce played a large role in guiding curriculum development for the Inspire Yukon program, being sure to include culturally relevant topics and emphasizing Indigenous perspectives. Alyce's leadership has enriched many culture and language programs, leaving a lasting impact for generations to come.

I would also like to take a moment to express my deep gratitude to the Communities Building Youth Futures collective, the Youth of Today Society, ShakatMedia, and all of the partners and supporters who have made the event possible. Your dedication to empowering young people and fostering inclusive communities is truly inspiring.

On Friday, I attended the signing of the declaration in support of the Yukon Territorial Youth Strategy alongside the Premier, youth representatives, elders, and community partners. During the event, we were pleased that, from the youth perspective, the Department of Education's three school authorities are actively engaging with the voices of young people and they are witnessing tangible, positive changes. Our commitment remains. We will continue listening attentively and implement the changes needed to foster positive outcomes for students.

Let us remember that our work is just beginning. It's not enough to simply envision a better future. We must actively work toward systemic change together. By harnessing the collective power of youth, elders, educators, and community members, we can overcome any challenge and create a brighter tomorrow for generations to come.

Applause

Ms. Blake: I rise on behalf of the Yukon NDP and the Yukon Party to pay tribute to the youth, elders, and educators awards and the many individuals who were recognized for their work. The contributions of these individuals to our communities are vital in shaping who we are as we move forward as a territory.

The youth, elders, and educators awards highlight the work of many folks across the Yukon of all ages who are making differences through many inspiring initiatives. There are young people throughout the Yukon who have been recognized for leading conversations and initiatives on arts, language and culture, climate change, water protection, wellness, and community safety. These are youth who see opportunities for

positive change and are building programs that are unique, mind-opening approaches that can promote the conversations of solutions and open up new ways of understanding for their peers and for us as leaders.

We extend our deepest congratulations to the many youth who were recognized for their hard work, their time, and their commitment to their communities. The youth leaders today remind us all that the future of our territory will be in good hands, as these young people are fierce, outspoken, courageous, and not afraid to bring their true selves forward in the work that they do.

There are also many educators and elders who were also recognized for their hard work and contributions to their communities, to the youth across the territory, and to education in every Yukon community. Many of the elders and educators awards recognize the positive impacts that have been made within the education system.

I was in awe as many of the individuals were recognized for their leadership, individuals who have lived through the residential school system, Indian day schools, and the Sixties Scoop, as well as having been impacted by the systemic issue of missing and murdered Indigenous women and girls.

Despite the adversity that many have lived through, these elders and educators continue to show up every day in their communities willing to give back, to teach, to mentor, to support, and to share their experiences and new ways of thinking to ensure a better path forward for future generations. These are the folks who are teaching in schools, hosting cultural activities, leading support groups, creating music, and breaking down barriers within systems for the next seven generations.

Congratulations to the many folks who have been recognized on their achievement, their contributions to community, their work toward building a more inclusive society, and for showing up daily for the young people.

Mahsi' cho to the youth-serving organizations for upholding our leaders across the territory.

Mahsi' cho.

Applause

Speaker: Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Mr. Dixon: Mr. Speaker, I have for tabling a letter addressed to the Premier and cc'd to me, the Leader of the Third Party, and others dated April 22, 2024.

Speaker: Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

Hon. Mr. Pillai: I rise to give notice of the following motion:

THAT this House wish Yukon's Jewish community a chag Pesach sameach, a very happy Passover.

Ms. Van Bibber: Mr. Speaker, I rise to give notice of the following motion:

THAT this House congratulates former Yukon Commissioner Angélique Bernard on the release of her book *From Fort Cudahy to Taylor House: The Office of the Commissioner of Yukon*.

Mr. Cathers: Mr. Speaker, I rise today to give notice of the following motion for the production of papers:

THAT this House do issue an order for the return of the following documents:

(1) any feasibility studies or plans regarding the developing of continuing care facilities in rural Yukon that have been done since December 2016;

(2) any feasibility studies or plans regarding the development of another continuing care facility in Whitehorse that have been done since December 2016; and

(3) any feasibility studies or plans regarding the development of a second phase of Whistle Bend Place that have been done since December 2016.

Ms. Blake: Mr. Speaker, I rise to give notice of the following motion:

THAT this House congratulate the Gwich'in people in the communities of Aklavik, Inuvik, Fort McPherson, and Tsiigehtchic on the 30th anniversary of the signing of their comprehensive land claim agreement with Canada.

Speaker: Is there a statement by a minister?

MINISTERIAL STATEMENT

Environmental protection of Peel watershed

Hon. Mr. Clarke: Mr. Speaker, today, April 22, is Earth Day, but it is also Gwich'in Day, the day on which the Gwich'in Tribal Council celebrates the signing of the *Gwich'in Comprehensive Land Claim Agreement*, which the Member for Vuntut Gwitchin just indicated.

I am pleased to provide an update that is worth celebrating today and, in particular, as it contributes to the value of environmental protection, which we recognize on Earth Day, and it supports our work together with the Gwich'in Tribal Council and the First Nation of Na-Cho Nyäk Dun to protect areas of their traditional territories. Today, I am pleased to share the news that the Government of Yukon is working together with the Gwich'in Tribal Council, the First Nation of Na-Cho Nyäk Dun, and Parks Canada on a feasibility assessment for a new national park in the Peel watershed.

Mr. Speaker, under the *Peel Watershed Regional Land Use Plan*, the Peel River corridor, Turner Lake wetlands, and Caribou River are identified for permanent protection. The Peel River corridor, Turner Lake wetlands, and Caribou River are culturally significant areas and intimately connected to the traditions, culture, and way of life of the Gwich'in Tribal Council and the First Nation of Na-Cho Nyäk Dun.

These areas sustain important species, including caribou, grizzly, peregrine falcons, and moose. The deep river canyons

support many different waterfowl, birds of prey, and other migratory birds. The Peel River supports habitat for whitefish and other important fish species. This is truly a special area that is worthwhile protecting for future generations.

Protecting these areas not only safeguards these unique ecosystems and the culture and traditions connected to them; protecting these areas also helps us respond to the challenges of climate change, biodiversity loss, and human impacts on the environment.

I am honoured to advance the commitments outlined in the *Peel Watershed Regional Land Use Plan*, which maintains conservation as a key goal. While these areas have already been identified for permanent protection under the land use plan, additional work is needed, together, to establish the protected area designation and on long-term management planning. A feasibility assessment for a national park in this area is a key step toward implementing the *Peel Watershed Regional Land Use Plan* and supports the conservation and protection goals of the *Canada-Yukon Nature Agreement*. If established, a new national park would permanently protect this area, which includes approximately 3,000 square kilometres of rich and diverse landscapes.

I want to express my thanks to the Gwich'in Tribal Council, the First Nation of Na-Cho Nyäk Dun, and Parks Canada for supporting this important initiative. I look forward to embarking on this important work together.

Mr. Istchenko: Mr. Speaker, thanks to the minister for this update, but as I'm sure we can imagine, this creates a whole number of questions.

In my riding, we have had plenty of experience with the creation of a national park and what it means for the communities around it, potential users of the park, and existing third-party assets.

I will start with questions about fish and wildlife. In Kluane National Park, there is no resident hunting and no outfitting. Fishing is allowed but only with a national park fishing permit. So, what will a national park mean for licensed resident hunters in the Peel region? Also, what will it mean for outfitting concession holders in that area? Has the minister had any discussions with the outfitters about this proposal yet? Will Yukoners who want to fish in this area be required to get a national park fishing permit?

Next, I would like to ask about access and tourism. In Kluane National Park, access by any motorized means, including planes, helicopters, boats, motorcycles, or ATVs, is extremely limited and controlled. Tourism operators who conduct trips in Kluane need special guiding licences and permits. We know that the Peel area is popular for wilderness tourism currently, so can the minister tell us what the creation of a national park in the Peel region will mean for current wilderness tourism operators? Has the minister consulted with the tourism industry and more specifically the wilderness tourism industry?

I know that when the negotiations occurred in Kluane, there were many folks — including my grandfather — who wished that better access for tourism opportunities was

preserved and that they were more thoughtful about the boundaries.

I have previously shared in this House reports that were done by former Kluane MLA Bill Brewster entitled “Fulfilling Kluane’s Promise” and a report by the municipality of Haines Junction entitled *The Question of Access*. Both of these reports outline these concerns and I hope that the Minister of Environment and other members across the way review them carefully.

Next, I'd like to ask about existing third-party interests in the region. We know that there are currently thousands of existing mineral claims there. Over the past several years, the government has been able to exchange some of the claims for assessment credits, but there are many other claims that won't work for that. What is the plan for dealing with these existing mineral claims in this area?

Further, I know that the government is actively seeking guidance from the courts about the assessment done by YESAB for a project in the Peel region. So, can the minister tell us what the latest is about this matter which is before the courts and how the creation of a national park might affect things?

I have many more questions, of course, but if the minister could answer these to start with, that would be a really, really good start.

Ms. Blake: Mr. Speaker, every day is a good day to be Gwich'in. Today, I think about my relatives in the Northwest Territories as they celebrate the anniversary of the signing of the *Gwich'in Comprehensive Land Claim Agreement*.

Growing up Gwich'in means growing up with ties to the land, the animals, and the water, learning the stories from our elders about the importance that a place holds or the lessons learned from the animals. You can't separate the Gwich'in from our land and its natural resources.

Earth Day is a worthy day to talk about the creation of a new national park in the Peel watershed. I express our gratitude to the Gwich'in Tribal Council, the First Nation of Na-Cho Nyäk Dun, this government, and Parks Canada for their support in moving toward the permanent protection of 3,000 square kilometres through the establishment of a new national park.

During the long, drawn-out Peel watershed land use planning process, First Nation people were always very clear about the importance and value of this special sacred place. The Peel River corridor, Turner Lake wetlands, and Caribou River areas were recognized as being culturally significant with deep connections to the traditions, culture, and way of life of the Gwich'in Tribal Council and the First Nation of Na-Cho Nyäk Dun. These places are the homes of the animals that sustained us both physically and spiritually long before industrialization.

Moose, caribou, grizzlies, migratory birds, waterfowl, birds of prey, and all types of fish have thrived there since the beginning of time. Protecting this land, water, and animals is our duty to future generations. We thank the First Nation of Na-Cho Nyäk Dun and the Gwich'in Tribal Council for their leadership and perseverance.

Mahsi' cho.

Hon. Mr. Clarke: Thank you, Mr. Speaker, and thank you to the members opposite for their comments today.

The *Canada-Yukon Nature Agreement* is supported by our government working together with Indigenous governments on key initiatives related to conservation, protected areas, and biodiversity. At 21.1 percent of total protected areas, the Yukon currently holds the highest percentage of lands and waters reported as protected to the Canadian protected and conserved areas database of all provinces and territories.

Through the *Canada-Yukon Nature Agreement*, we are working together with the Yukon First Nations and transboundary Indigenous governments to increase our efforts toward conservation and protection. We are pleased to be working together with the Gwich'in Tribal Council, the First Nation of Na-Cho Nyäk Dun, and Parks Canada to assess the feasibility of a national park in this area of the Peel watershed.

While these areas are already identified for permanent protection through the *Peel Watershed Regional Land Use Plan*, embarking on a national park feasibility study will provide the opportunity to consider a national park as a permanent protected area designation, determine the protected area boundaries, discuss longer term management of this area, and consider the potential social, environmental, and economic benefits of establishing a national park in the area.

Now as we move forward with this process, it is also imperative to acknowledge our ongoing work with parties of the Peel plan to designate further protected areas, potentially including territorial parks outlined in the *Peel Watershed Regional Land Use Plan*. Parties of the Peel plan representation are from Vuntut Gwitchin First Nation and Tr'ondëk Hwëch'in as well as the Gwich'in Tribal Council and the First Nation of Na-Cho Nyäk Dun.

We are working and will continue to work collaboratively with these Indigenous governments in order to determine these designations that define the way to best protect these areas in the future. I am proud of the progress that we have made together to advance this important work not only for Yukoners but for all Canadians.

These ongoing efforts reaffirm the Yukon's position as a leader in safeguarding our special places. This is work that requires the dedication and commitment of many for the benefit of all. The collaboration that we see on this work is another example of our Liberal government doing things differently from the Yukon Party.

Again, with the 21.1 percent of total protected areas, Yukon stands as a leader, holding the highest percentage among all provinces and territories reported in the Canadian protected and conserved areas database. We look forward to continuing to work with partners to honour our incredible lands and waters by leading the way in conservation efforts. I have certainly heard the questions from the members opposite and I would also emphasize that this is a feasibility study. We support the good work that will be done by all of the impacted parties to come up with a comprehensive plan that considers many of the issues that were raised by the members opposite.

Mr. Speaker, thank you for the opportunity to provide the ministerial statement on this important topic today.

Speaker: This then brings us to Question Period.

QUESTION PERIOD

Question re: Educational assistant and teacher-on-call training

Mr. Kent: Mr. Speaker, the 2023 confidence and supply agreement has a specific commitment concerning education. It says — quote: "... provide a one-year training plan program for Educational Assistants and Teachers on Call by 2024 in collaboration and consultation with the Yukon Association of Education Professionals, Learning Disabilities Association of Yukon, and Autism Yukon."

Last week, the YAEP sounded the alarm in an e-mail to a department official. They said — quote: "We see no action response or engagement on the issue of the Moodle course delivery and training methodology as being totally ineffective, not to mention the content being seriously irrelevant and outdated. We all acknowledged this reality more than a year ago, yet nothing has been done by Yukon Education to address YAEP, member's and stakeholder concerns." It doesn't sound to us like this commitment is going very well.

Does the minister expect this commitment to be met this year as promised to her NDP partners in the CASA?

Hon. Ms. McLean: Mr. Speaker, I am happy to rise to talk about our folks at work in our schools to support our students, ensuring that we have folks who are well-equipped to do the jobs that they are doing in our schools. It is very important to us as government.

Training for educational assistants and teachers on call certainly is a commitment that we have made. Staff have met with Autism Yukon, Learning Disabilities Association of Yukon, the Yukon First Nation Education Directorate, and the Yukon Association of Education Professionals to discuss this commitment.

In January and February 2023, we provided specific training to educational assistants and we continue to offer that training during the 2024-25 school year.

On November 24, 2023, Student Support Services and the Yukon First Nation Education Directorate provided training to educational assistants. We have an updated training plan and timeline to move this work forward, which has recently been shared with our partners. We have been consulting and collaborating with our partners and educational stakeholders. We certainly will work to explore best practices and continue to build on the work that we are doing in the Department of Education as we go forward.

Mr. Kent: Mr. Speaker, it sounds like we have another disconnect between the minister and the YAEP on an important issue.

In that same e-mail that was tabled last week in the Legislature by the New Democratic Party, the president of YAEP states — I will quote again: "From the 'plan' you have outlined below it appear Yukon Education has unilaterally decided it will not meet the delivery timelines and commitments made in the CASA Agreement. So we are clear,

YAEP does not agree to the Department unilaterally ignoring the CASA timeline commitments.”

Can the minister tell us why she has not directed the Department of Education to collaborate and consult with these named stakeholders to meet the CASA timelines around this training plan?

Hon. Ms. McLean: Mr. Speaker, our agreement with the New Democratic Party is very important. Certainly, as we were working through this agreement — we share a lot of the same ideals that the New Democratic Party share. They included a number of areas that we can work together on. We have done a lot of work on this section within the CASA — supports for recruitment and retention of rural education professionals and increasing the allocation of educational assistants and learning assistance teachers, to name a few.

This particular area that the member is talking about today is very important work to ensure that educators and learners alike are supported in a good way. We are happy to be hearing from our partners and education stakeholders that they too want to continue to collaborate and consult.

The Department of Education also provides \$475,000 in annual funding to the Yukon Association of Education Professionals to provide training and professional development activities related to professional growth, curriculum implementation, and other priorities as well.

I think I have outlined some of the clear steps that we have taken toward this commitment and I will continue to build on that as we go forward.

Mr. Kent: Mr. Speaker, again, I have to highlight that there appears to be a disconnect between what the minister is telling us on the floor of the House here today and what the YAEP is sending us and sending her in e-mails.

So, in that same e-mail from last week — I’ll quote again: “YAEP is asking for an urgent, meaningful and clear plan which will demonstrate how Yukon Education intends to work in collaboration and consultation with the [YAEP], Learning Disabilities Association of Yukon and Autism Yukon to provide a one-year training plan program for Educational Assistants and Teachers on Call as soon as operationally practicable.”

Will the minister instruct her officials to develop this plan in collaboration with the partners? If so, when will it be done, and how will she ensure that it is done in collaboration with those partners it was intended for?

Hon. Ms. McLean: Mr. Speaker, again, our agreement with the New Democratic Party is very important to us. As I have stated, we share many of the similar ideals around what we would like to see in an education system in the Yukon. We have certainly made this a priority as we have moved into this mandate. Staff, as I have said, have met with Autism Yukon, the Learning Disabilities Association of Yukon, the Yukon First Nation Education Directorate, and the Yukon Association of Education Professionals to discuss this commitment.

In January and February 2023, we provided specific training to educational assistants. We will continue to offer this training in the 2024-25 school year — certainly committed to ensuring that we get this right and that the supports that are

needed for our education professionals are adequate and meet the needs.

At the end of the day, Mr. Speaker, this is about providing the right supports for learners in our education system. We are absolutely committed to reshaping education in the Yukon, and this is a very big part of that.

Question re: Educational assistants

Mr. Dixon: Mr. Speaker, it has been over six weeks since several important education stakeholders wrote to the minister about unilateral changes to the EA allocation policy that her department was making. The minister first defended the policy changes and said that the groups were mistaken and that the changes were simply minor administrative changes. However, after realizing that she was wrong, the minister backed down and agreed to pause those changes and engage with stakeholders to understand their concerns.

Can the minister tell us how many meetings between the stakeholder groups and the department have occurred since she made that commitment?

Hon. Ms. McLean: Mr. Speaker, again, our goal is to provide support and interventions for students to better meet their learning needs. Through the work that we’ve done on the reimagining inclusive and special education initiative, we are examining how to allocate educational assistants and other resources for students. This is very important work that we have committed to doing with all of our partners. We have worked with our partners throughout the territory since 2021 to work toward a comprehensive work plan that includes all of the work that we will do together.

Part of that was, of course, the allocation of educational assistants and the process over the last year. The department has met both individually and with groups of educators. I am pleased to share that we have started the formal consultation process with the Yukon Association of Education Professionals to ensure that we have fulsome input and to better understand the issues that they brought forward.

I will continue to build on the good work by the Department of Education that is happening.

Mr. Dixon: Mr. Speaker, I would point out to the minister that my question was: How many meetings have occurred between the minister, her department, and these groups? I don’t believe she answered that.

Earlier in this Sitting, on March 11, the minister discussed the consultant’s report that led to the proposed changes that the government tried to impose. She said that they were still analyzing that report and that they would release that report — quote: “... at a later time”.

Has the minister shared that report with the five groups that have requested it, and if not, why not?

Hon. Ms. McLean: Mr. Speaker, the department is certainly collaborating with the Public Service Commission to determine appropriate times for the formal consultation going forward. Timelines may vary due to the nature of the requested stakeholder meetings.

Additionally, we are moving forward with important conversations on this topic with our trusted stakeholders. On

April 25, we will be having a facilitated conversation to understand and discuss their concerns. We strongly value the input of our partners and the relationship that we have developed. We will be considering how best to continue these and other conversations to share the priorities in a good way. That's always the underlying intent. We respectfully address these concerns.

As we took a pause to gather and better understand our partners' feedback, we look forward to being able to resume the process so that it can continue in a timely fashion for the upcoming school year.

In terms of the report, partners and stakeholders asked us to take urgent action to implement the RISE agenda, as I have already stated today. We are working internally to review the report and it will be eventually —

Speaker: Order, please.

Mr. Dixon: Mr. Speaker, I am a bit disappointed to hear that in the last six weeks there hasn't been a meeting and that we won't see another meeting until later this week. Of course, the question that I asked the minister was: Would she release that report that led to these changes? Of course, she said that she would commit to releasing it at a later date, but I would like to ask very clearly now: Will the minister commit to releasing that report to these groups before their meeting later this week?

Hon. Ms. McLean: Mr. Speaker, in the fall of 2023, we utilized an Outside, external consultant with a proven track record in working in the Yukon. Engage Consulting was contracted to facilitate and gather diverse perspectives about the current EA allocation process, which included individual and confidential interviews with approximately 30 individuals. The consultant also hosted a two-day session and information-gathering process in the fall of 2023 where many partners, including the Yukon Association of Education Professionals, provided their perspective on the overall EA allocation.

In the fall of 2023, at the very beginning of our efforts to improve the process as such, invitations included to partners who are currently involved in the process. Better sharing of information with educators and administrators, including increased transparency in EA allocation — there were a number of considerations. Any substantial changes to the EA allocation will take time. Part of the work was to gather the information. We are working with that. It will absolutely inform decisions going forward.

Question re: Renewable energy

MLA Tredger: The promise that this government has made to fight climate change depends on renewable energy to fuel electric cars and electric heat. Without new renewable energy sources, this government doesn't have a chance of meeting their emission reduction goals. Since 2011, all the new renewable energy projects that are connected to the main grid have come from one of two programs: microgeneration or home solar and the standing offer program.

This government has put grid-connected home solar on an indefinite pause, and the standing-offer program is very nearly full. They have given no timeline for when or if the home solar will reopen and no timeline for a new standing offer program.

Now that both of our successful renewable energy programs are paused or ending, Yukoners are wondering how we will get more renewable energy. Does the minister have a timeline to resume a renewable energy program, or is the plan to continue adding diesel generators?

Hon. Mr. Streicker: Mr. Speaker, first of all, we haven't paused the independent power producer policy. The standing offer agreement is starting to max out, but there are actually two other streams that are there under the independent power producer policy: calls for power and unsolicited proposals; those are typically the larger ones. For example, the Haeckel Hill wind project — the Thäy T'äw project — came under the unsolicited proposal.

So, yes, Yukon Energy is looking to do more of those because those projects get us more winter energy, which is what we really are looking for. I just got a report recently — and I shared it with the media — that the Yukon is second highest in Canada for solar per capita across Canada. Second highest is pretty amazing.

I think that we also need to make sure that our system is reliable. That's pretty important as well.

We will continue to work on projects like that to bring on more renewables. We are committed to renewables here in the territory.

MLA Tredger: Mr. Speaker, the standing offer program meant that First Nations, their development corporations, and private companies knew exactly what the government was looking for in renewable energy projects. They went out and built projects to fit within the government's guidelines. It worked even better than expected and brought on a lot of new renewable projects that were exactly what the government had asked for, but now it's nearly full and the minister has not committed to extending or replacing it. He said that it is because we don't need more variable summer energy, but he could make a new version of this program that asks for what we do need: winter energy and storage capacity. He could do that now.

Will the minister commit to introducing a new standing offer program designed for winter energy and storage capacity by the end of this summer?

Hon. Mr. Streicker: Mr. Speaker, my recollection is that I have said exactly this in the House here. We had the Yukon Development Corporation in for questions during Committee of the Whole. The questions came about when the work would be done around variable renewables, and that is coming this fall. So, we have to make sure that this work is there in place to ensure that the grid is reliable and stable.

I don't think that there has been a day when a question has come to me about the energy future of the Yukon when I haven't stood up and said that it's renewables. That is where we want to go.

Yes, it is going to take investment and yes, the Yukon has been moving there already. When we think about home building and how much it's moved over to electric heat, when we think about electric vehicles and the Yukon being the third fastest at the uptake on electric vehicles — when we think about the growth of the Yukon, there is a lot of interest in enhancing how much we have for renewable energies. We do not want a

fossil-fuel future; that's why we are making this commitment to do all of this work, and I appreciate Yukoners' keen interest in renewable energy.

MLA Tredger: Standing up and saying "renewables" does not actually get us new renewable energy.

The minister has said that they will start redesigning the standing offer program sometime after another study is done in the fall. That's six months away at minimum and who knows how long after that to get the policy done.

Every season that we wait to start renewable projects is another winter that we burn diesel — another winter of creating avoidable greenhouse gas emissions. That's not what you do if you're serious about a climate emergency.

Why won't the minister take the climate emergency seriously and create a new standing offer program now to support new renewable energy projects?

Hon. Mr. Streicker: Well, Mr. Speaker, it is tough to hear from the member opposite that I don't take the climate emergency seriously. I'm sorry — this has been decades of my life. I have committed my whole life to this focus. In fact, I entered politics with this as a critical focus. So, sorry — no, I take it completely seriously.

First of all, what I stood up and said was that we did not cancel the independent power producer policy. In fact, I said that the elements of it where we are going to get the best power for renewable energy in the winter are the two pieces that are still in place. What I also said is that we can't keep going and put our grid at risk. What if we were putting more summer variable energy on the system here in Whitehorse and threatening the grid? That is what the utilities told me. So, no, we should make sure to get that right for Yukoners because we believe in renewable energy and because we believe in having a grid and an electrical system here that is reliable, affordable, and sustainable.

So, we will continue to work on renewable energy, and we do take the climate crisis seriously.

Question re: Kudz Ze Kayah mine

Ms. White: Mr. Speaker, in January of this year, the Yukon Supreme Court issued a ruling on the proposed Kudz Ze Kayah mine. The court found that the Yukon government failed in its duty to consult and accommodate the June 14 YESAB submission by the Kaska Nation. The court ordered the decision document on the Kudz Ze Kayah mine be set aside and that the governments of Yukon and Canada consult the Kaska on their June 14 submission.

The proposed mine will produce zinc, copper, and lead for an estimated period of just nine years. The Kaska have been clear in their opposition to this project. They do not believe that the effects of the mine on the caribou and local environment can be completely mitigated. On several occasions, both the Liard First Nation and the chiefs of the four Kaska nations have asked for the project to be rejected.

Is the minister still going to push ahead with this project despite the repeated objections of First Nations?

Hon. Mr. Pillai: Mr. Speaker, it is important to clarify that the government does not push on with projects. We have

an obligation to assess material and information that is put in front of us. Inevitably, in this case, it is a private sector entity that has been working in the Kaska territory for a number of years and has been moving a project forward. Our obligation, of course, is within the governing structure — in this particular case, looking at providing a decision document.

I am going to provide a little bit of background. The government is absolutely committed to responsible mineral resource development and collaborative resource stewardship with First Nations. As directed in the January 2, 2024 Supreme Court of Yukon's decision, the Government of Yukon, Government of Canada, Ross River Dena Council, and Liard First Nation had a consultation meeting on February 7 and 8, 2024 in Ross River. The governments of Yukon and Canada issued a decision document on March 8, 2024 recommending that the project proceed to the regulatory phase.

In response to Kaska concerns raised in the consultation meeting, existing terms and conditions were modified and new terms and conditions were included. I will wait for question 2.

Ms. White: I will just remind the House that the government has the ability to accept, reject, or modify YESAB recommendations. This government says that they will engage meaningfully with the Kaska, but if the Kaska say no, that means no. Engagement with the Kaska is meaningless if this government is not willing to hear their answer.

During the court-ordered consultation with the Kaska, YESAB heard that the Kaska are opposed to the project and cannot support a mine in this location. Kaska elders shared their oral history and traditional knowledge of the land and spoke of how they are connected to the land and the animals of the Kudz Ze Kayah area.

The report is clear that the Kaska were not interested in modified terms or conditions of the mine, only in reinforcing their opposition to it. So, my question for the Premier is this: Does the Premier believe in Indigenous sovereignty, or will he approve the mine over the opposition of the Kaska?

Hon. Mr. Pillai: I think that it is very telling, from the Leader of the Third Party, how they would handle decision documents on any issue that had come to the Yukon government.

What we have done is taken the direction from the courts — went back and did the consultation that we had an obligation to do. My understanding is that officials clearly listened to the concerns that were put in front, and that is what led to the existing terms and conditions being modified. The Government of Yukon is committed to continued consultation with the Kaska. It is important for Yukoners who are listening to understand what it says — that it would proceed to the regulatory phase. An environmental assessment is just stage 1.

In this particular case, there are two very significant processes in front of us — one, of course, being a quartz mining licence application and process to receive a permit, if possible, and that is handled by the Yukon government with extensive work done to look at the challenges that come with a project of this magnitude but also looking at ways to mitigate and ways to ensure that we have an environmentally appropriate project.

The second part of this, of course, is a Water Board process. It has a board that is populated in a tripartite way between First Nations, Canada, and the Yukon. So, actually, it is First Nations, Canada, and the Yukon that are all coming together in many of these ways to make these decisions, not just the Government of Yukon.

Ms. White: Mr. Speaker, it was during last fall's session when the Minister responsible for the Women and Gender Equity Directorate gave a ministerial statement where she spoke about the great meeting that she had with the BC NDP government and how they discussed implementing the *United Nations Declaration on the Rights of Indigenous Peoples*. It was clear last fall that she believes in the declaration. Unfortunately, I don't see that same conviction from the Premier today. It is hard to believe that this government wants to abide by the *United Nations Declaration on the Rights of Indigenous Peoples* when it ignores First Nation opposition to a mining project on their territory.

So, will the Premier commit to abiding by the *United Nations Declaration on the Rights of Indigenous Peoples* when it comes to permitting new projects like the Kudz Ze Kayah mine?

Hon. Mr. Pillai: Mr. Speaker, we spend a lot of time working with other provincial and territorial governments. From time to time, we do have an opportunity to work with the Government of British Columbia. We have watched closely the work that they are doing. We have met with them on how they are proceeding with the modernization of their legislation. I can say that, from our officials going to meet — our implementation of ideas and values of First Nation governments — we have been in the forefront of this work.

I think that — again, the way the questions were characterized — there is a lot there. They are really talking about a declaration that is non-binding. They are talking about a declaration that doesn't have true teeth when it comes to these decisions.

Here we are doing things much differently; we are actually building mining legislation that does have teeth and that is binding hand-in-hand with all First Nations, including the Kaska, at the table. That is the work that we are doing right now — the route that we committed to and the work that we will continue to move forward with.

Question re: Whistle Bend development subsurface water

Ms. Clarke: Mr. Speaker, last week, the government released phase 7 residential lots in Whistle Bend for lottery, and the draw for purchasing these lots will occur in mid-May. Accompanying the tender package for the lots is an information package prepared by Tetra Tech that is meant to provide recommendations for potential builders and developers of these lots. This information bulletin says that, in previous phases, residential builders have experienced issues with subsurface water and that the water is — quote: "... not naturally occurring and may be a result of municipal water leaks."

This is concerning to many builders and developers because it means that they will be forced to take measures to

deal with the subsurface water. Is the government concerned that leaking water and sanitary mains will impact these lots that are currently out for lottery?

Hon. Mr. Streicker: Mr. Speaker, just a reminder that last week I proposed to do a ministerial statement on the release of the Whistle Bend lots; the opposition parties said no. They vetoed that ministerial statement.

The question is about groundwater. There was a Tetra Tech report; it was flagged to my attention. I know that it's actually Community Services' lead on the report, but what the report is talking about is groundwater, not leakage of water. I think that there is some concern about that because, if you have groundwater, then the way that you have to build is very different, so it does matter about lots and how we work with this.

These issues were flagged to our attention by the City of Whitehorse — to me and the Minister of Community Services — and it is important to make sure that it is dealt with well because you both want to make sure that the homeowners are protected so that their homes are not negatively impacted by groundwater and you also want to make sure that it's not onerous for the homeowners because you don't want them having to overbuild their projects.

Ms. Clarke: Mr. Speaker, we have heard from builders who work on houses in phase 6 of Whistle Bend that they were forced to take costly steps to deal with water issues. The phase 6 bulletin noted that investigative work was underway to determine the source of the water, but now that phase 7 bulletin seems to confirm that the water is not naturally occurring and is likely due to leaking municipal water mains. This means that builders need to take significant mitigation measures to deal with this leaking water. These measures have a cost, and ultimately that cost gets passed on to homebuyers.

Is the government concerned that the water issues in phase 7 will result in increased housing costs for the eventual purchasers of these houses?

Hon. Mr. Streicker: Mr. Speaker, whenever there is a new phase that is built, there is a requirement for extensive testing of the water systems. So, they do leak tests all the time.

I have not seen the phase 7 report that the member opposite is referring to, but I can say that the way the system works is that, before we put the lots out, there has to be that testing and a sign-off by the city. There is generally work done to try to make sure that the water system and the waste-water system is not leaking into the ground. I know that this work had happened around phase 6, so I will look forward to the phase 7 report.

Of course, we always want to make sure that costs are as low as possible so that we provide access to lots as well as possible for Yukoners.

Ms. Clarke: Mr. Speaker, the information bulletin for both phase 6 and phase 7 lots comes with a clear warning for developers. This quote appears in both bulletins — quote: "Developers should be prepared to mitigate if required." This means that the burden for these leaky pipes is falling on the lot purchasers and the developers who will actually construct the homes. The measures they need to take to address these water issues are causing the costs of building houses to increase.

Has the government consulted with home builders to understand how much housing prices will be going up because of these water issues in phases 6 and 7?

Hon. Mr. Mostyn: Mr. Speaker, I am happy to talk about all the lot development that we are doing in the City of Whitehorse to deal with the growth in our economy and to make sure that Yukoners have a place to live when they come here.

The member opposite and I have been corresponding on this issue for many months now. I have sent responses back to the member opposite. The Department of Community Services and the Land Development branch are working on this flooding issue on behalf of citizens of Whitehorse. We started in Whistle Bend and we are working to identify the sources of any potential flooding. The information we have right now is that it is natural. We are working with utility companies because there have been some issues with utility conduits. We are working on this issue, as the member opposite knows full well because we have been corresponding for several months about this issue.

I know that they are hearing from builders. That's great. If any builder wants to communicate with me, I am happy to take the call. We will work with them, of course, to make sure that these issues are addressed, but right now, the information we have is that the flooding is natural and we will certainly work to identify if that is not the case.

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

ORDERS OF THE DAY

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. Blake): Committee of the Whole will now come to order.

The matter now before the Committee is general debate on Vote 12, Department of Finance, in Bill No. 213, entitled *First Appropriation Act 2024-25*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 213: *First Appropriation Act 2024-25* — continued

Chair: The matter before the Committee is general debate on Vote 12, Department of Finance, in Bill No. 213, entitled *First Appropriation Act 2024-25*.

Department of Finance — continued

Chair: Is there any further general debate?

Hon. Mr. Silver: Madam Chair, I am pleased to rise again to speak to the appropriation tabled for the Department of Finance for the 2024-25 mains. Before I begin my remarks, I would just like to acknowledge and welcome Assistant Deputy Minister of Management Board Secretariat Maxime Mazoullec and also the manager of financial administration, Rebeka Harrison, to the floor of the Legislative Assembly. Rebeka is no stranger to the Legislative Assembly, but this is Max's first time in the Legislative Assembly — so, no doubt an exciting occasion for him. Both Max and Rebecca are instrumental in helping to assemble the Department of Finance's annual budget as well as overall government budgeting writ large. I am very grateful that both of them are here with me today.

As we say every year when we rise in this House, I would like to state my immense pleasure of being able to represent the department as the Minister of Finance as well as serving Yukoners in this role. Serving Yukoners is at the heart of what we do in this department and working with this group continues to remind me of how this is done with professionalism and expertise in the Department of Finance. Each year, this incredible team assembles the annual budget, the multiple supplementary budgets, as well as the Public Accounts for the entire government.

With just 78.7 full-time-equivalent positions, this department also develops new programs from scratch and implements and delivers tax adjustments and credits that benefit our business sector and also our private citizens. The department also tracks the latest federal, provincial, and international trends to ensure that our tax rates are consistent and appropriate for our current environment. It also makes sure that rural Yukoners have access to banking services so that they don't need to make the long drive to Whitehorse, Dawson City, or Watson Lake for their daily financial needs.

The department counts every receipt, issues most payments, and tracks all financial transactions that enable us to reconcile the entirety of our accounts payable and accounts receivable for Yukon government each and every year. It also undertakes survey work for countless clients and vital data-driven projects throughout the year through the Yukon Bureau of Statistics — all of this with a team that is smaller than some government branches.

They also do this with a responsible budget: \$15.93 million in 2024-25. As always, this funding will ensure that the department continues to support all other departments across government as they deliver services to Yukoners. It also allows us to provide the training and access to the financial and budgetary systems across government while also fulfilling payments for initiatives that continue to support Yukoners each and every day.

Mr. Cathers: Madam Chair, I would also like to welcome officials here today. In discussing the budget here, it is notable in the main estimates that the operation and maintenance budget for the Department of Finance has jumped significantly from the previous year — according to the handout provided by the department, an increase of 36.6 percent.

What is even more concerning is that, of that increase, the majority of it is some \$3.7 million for estimated interest expenses on the government's operating line of credit and that, while housed in Finance, is used to pay for expenses across departments.

It is concerning to us that first we saw this in the supplementary for the last fiscal year — an increase of \$2.4 million over what was previously expected — and now it's a \$3.7 million increase.

Can the minister — I have asked him before, but can he provide any insight today on what the government is going to be using the line of credit for, the total amount that they expect to borrow in that \$200-million line of credit, and explain why they believe its appropriate to spend \$3.7 million in interest charges on a line of credit?

Hon. Mr. Silver: The total appropriations for operation and maintenance represents a \$4.3-million change from last year. As part of the total, nearly the entirety of the amount is made up of operation and maintenance funding. That's \$15.89 million. This is directed toward personnel costs as well as other O&M. Specifically, \$10 million will go toward salaries while \$5.17 million will go to the other allotment. With respect to personnel funding, this represents just over half a million dollars in increases from the 2023-24 budget — or specifically \$562,000.

This account was necessary for the new collective agreement signed with the Yukon Employees' Union, ratified in 2023. Then, this latter "Other" allotment includes office supplies, VoIP lines, and also contract services, banking services, fees, and other necessary day-to-day operations. It also includes \$3.7 million set aside for interest expenses related to the government's general operating line of credit.

As members are aware from previous budget debates, the Government of Yukon has access to a line of credit with its banking provider, which is used to manage temporary or short-term cash-flow needs throughout the year. Interest expenses related to line of credit usage have historically been nominal and have not been included as part of the annual budget. We are anticipating temporarily making use of this tool in 2024-25 and therefore include it in appropriations to meet those operational requirements.

So, as the member opposite points out, even though this does sit in the Department of Finance, the credit is used to pay for programs across the government in multiple departments. The timing of payments to vendors and the timing of receipts from capital and O&M recoveries influence the amount of interest that is incurred, and the Department of Finance works closely with all of the departments to ensure that there are timely claims to streamline the recovery of these funds. Timely capital and O&M recoveries are essential to — well, first,

around cash flow since recoveries are based on actual expenses paid by government, meaning that the government needs to use cash or credit to pay suppliers while it waits to be reimbursed through these recoveries from the federal government.

Actuals for interest will continue to shift as a result of this timing, and the estimated interest expense is based on trends and known dates for cash expenditures and receipts. Estimates are always being refined on the timing of the payments to the vendors, the timing of the receipt from recoveries, and also in conjunction with any interest rates in effect during the period in which these tools are being used.

Included in this appropriation as part of the main estimates — we do this to ensure that we are well-equipped to manage these expenses as needed. We have talked in the past about the necessity during the pandemic and also during inflationary times to make sure that government is still putting capital contracts out the door. This is extremely important to make sure that the private sector continues to flourish and as we build for the future but also identify some of the gaps that were left to us in the past.

So, this is a necessity of the reporting. We hope to see it used as sparingly as possible, but it's also a necessary tool that is implemented in governments right across Canada.

Mr. Cathers: Since time is growing short, I will resist the temptation to further debate the minister on the appropriateness of borrowing money under the line of credit there. We have discussed this in the past, but I will move on to the question of the carbon tax for this fiscal year.

As the minister knows, the carbon tax rate increased as of April 1. My understanding from the handout provided is that the total revenue that the government expects to receive this year as a result of the carbon tax is \$3.4 million. I would ask the minister if he could confirm if my understanding is correct. Since GST is charged on top of the carbon tax, I would also ask the minister if he could please confirm the amount of GST that the federal government expects to collect from the Yukon on the carbon tax this fiscal year.

Hon. Mr. Silver: The member opposite is going to have to ask that last question of the federal government, but as far as the carbon rebate revolving fund, the member opposite is correct — also remembering that the Government of Canada has introduced the carbon levy 2019 in the *Pan-Canadian Framework on Clean Growth and Climate Change* and that Canada would agree that 100 percent of the revenues from carbon pricing will be retained by the Government of Yukon, by the territory. In order to distribute these revenues, the Government of Yukon passed the *Yukon Carbon Price Rebate Amendments Act* and with it established the carbon rebate revolving fund. The department has spent countless hours over the years refining and working with businesses and individuals to make sure that we are as expeditious as possible in the pursuit of getting these dollars collected from the feds back into Yukoners' pockets.

In 2024-25, we are projecting carbon rebate revenues of \$31.4 million in the territory, and at the same time, we are projecting that the amounts to be distributed will be \$34.9 million. This includes the whole \$31.4 million that we

collect as well as \$3.5 million that went unclaimed from the previous year which has been carried over to this year. This fund is designed to be revenue neutral over the long term, meaning that every penny that we do receive from the federal government gets redistributed to eligible groups in the Yukon; however, some years may result in either a surplus or deficit in that fund.

While we designed this rebate system to be as administratively non-burdensome as possible, it does require Yukon individuals and businesses to file their taxes to claim their rebate, so there is a process here. Over the last several years, the government has continued to work with the local chambers and business community to engage and to encourage them to claim the rebates that they are entitled to.

As always, I would remind members that multiple groups are not eligible for a rebate. This includes the Government of Canada, the Yukon government, and also visitors to the Yukon.

As such, total revenues distributed to Yukoners still exceed the total levies that they pay on average. As rebates to Yukoners continue to increase in step with the federal carbon levy, I encourage Yukoners to direct these payments toward energy-efficient retrofits to their home or green transportation initiatives.

As far as the money and how we move this around, I think I might have answered the member opposite's question.

I will also say that, as far as the effort of the timing for receiving and distributing these payments, while it might appear to have some large surpluses in the Public Accounts primarily related to the business of rebates — we have talked about this in the past — during the accounting practices in Yukon, the fund is not debited until there is final reconciliation, which is approximately 15 months after the calendar year is over. In that 15-month period, the CRA makes payments to businesses, charging the Yukon for these payments based upon previous established estimates. Of course, these estimates are only that: estimates. Businesses are being paid and the Yukon is reimbursing Canada during the year. On paper, this process will lead to a permanent surplus in the business balance of the revolving fund due to the discrepancy in timing.

Mr. Cathers: Madam Chair, the question that I had asked, which the minister missed, was what the amount of the GST was on that carbon tax. We know that is charged at five percent on that \$31.4 million.

Moving on to the next question on my list, last week's federal budget included a move by the federal government to increase capital gains taxes on Canadians. As the minister will know, this has been slammed by many in the tech sector as well as by Trudeau's former Finance minister Bill Morneau as being bad policy. The mining industry is also sounding the alarm on these increases to capital gains taxes and the negative impact that they will have on the industry. It is important to note that, for the record, both in the tech sector and in areas such as mining, a big part of the concern in the business community is that investors will be less inclined to invest in Canada or in building businesses when, at the end of it, if they are successful in growing the business, they will be hit with a high capital

gains tax, which, in fact, is one of the highest out of the developed world.

The Canadian Institute of Mining, Metallurgy and Petroleum's magazine article from April 17 said this about the increase — quote: "... will harm mineral exploration in Canada and undercut the value of the recently extended mineral exploration tax credit (METC)..."

Does the Minister of Finance agree with this assessment, and if so, has he reached out to the federal government to voice those concerns?

Hon. Mr. Silver: It's an interesting question to ask the Department of Finance as we are talking about our allocation for this current year's budget in the 2024-25 appropriation.

As far as any analysis on the mining tax credit, I would ask the member opposite to ask these questions to the Minister of Energy, Mines and Resources. I will maybe expand a bit on some of the capital gains changes that do apply through our agency and what we are responsible for, which is the collection of taxes. If the member opposite is interested in that, I will give him an opportunity to indicate whether or not that is something that he would like to talk about.

Again, we are still poring over a lot of the new budgetary incentives and commitments from the federal government — their effects on the Yukon — but when it comes specifically to the mining industry, I will get the member opposite to ask these questions to the Minister of Energy, Mines and Resources.

Mr. Cathers: Madam Chair, it's a bit odd to hear this response from the minister. I believe that he had raised these comments about the federal budget in a press release that he issued himself. It is also that the Minister of Finance federally seems to be the lead spokesperson on these changes, in addition to the Prime Minister, I should note.

It is notable in his press release that the minister said — quote: "Mining has been an important part of Yukon life for over a century, and with demand for critical minerals to support the green energy transition, mining is also an essential part of Yukon's future. We are pleased to see the Government of Canada is extending the Mineral Exploration Tax Credit by another year, which will help mining companies raise financing required for early exploration efforts." I just thank my colleague the critic for Energy, Mines and Resources for providing me with that helpful information there.

My point on this specific question that I asked is that the Canadian Institute for Mining, Metallurgy and Petroleum's magazine article said that the capital gains tax decision by the federal government was directly undercutting the value of the recently extended mineral exploration tax credit. That, again, is a tax credit that the Minister of Finance himself addressed in a press release.

Again, my question would be: Does he agree with their assessment of this, and if so, has he reached out to the federal government to voice those concerns? If he hasn't reached out, will he agree to do so?

Hon. Mr. Silver: I definitely understood the question the first time. I have not read the article that the member opposite is quoting from directly. I would imagine that a better response to things about mining would be with the minister

responsible and what their opinions are of other press releases or other institutions.

I do stand behind my comments about the tax credit. Again, that is Finance. That's our world. We deal with the taxes.

As far as others' opinions of the federal government's initiatives, I am not really prepared today to defend or to agree with others' press releases on a federal budget.

I will talk, though, about what this means for the Yukon as far as capital gains, if the member opposite wants to hear about that. We do believe that the tax measure in the budget of 2024 will amount to \$6 billion from the 2023-24 to 2028-29 fiscal years of additional revenues for the federal government. Some measures like capital gains inclusion rate changes will be more revenues, and then others like tax credits are expenditures — measured — that will result in decreases in revenues.

We will continue to monitor as the federal government moves forward on these initiatives.

Mr. Cathers: I am guessing that if the minister doesn't want to provide an answer, I am not likely going to get one today, but I would point out again that what we are talking about — what's being talked about by many business leaders nationally as well as by Trudeau's former Finance minister Bill Morneau is a tax change being brought in by the federal government that scares away investment by making Canada a less attractive jurisdiction to want to do business in. It is concerning that the Minister of Finance doesn't seem to see this as a priority to look at.

In the same article that I referred to in the Canadian Institute of Mining, Metallurgy and Petroleum magazine, the VP of economic affairs and climate change for the Mining Association of Canada stated that the increases — and I quote: "... significantly reduces the value of the mineral exploration tax credit to many individuals..."

It goes on to note that the changes could push individual investors captured by the new threshold to look to invest in companies in other jurisdictions.

The minister has indicated that he is not going to provide an answer to this, but I would ask the government to provide an answer to whether or not they share those concerns and, if so, whether they would agree to lobby the Trudeau government to change course on this.

My next specific question on this is: What is the estimated revenue that the Yukon government expects to receive as a result of this capital gains tax increase? Secondly, has the government done any modelling? If not, will they do economic modelling to show what the negative impacts of these capital gains tax increase changes are likely to be on Yukon businesses and on the investment climate of the Yukon in comparison to other jurisdictions?

Hon. Mr. Silver: To put some context into this debate today, the federal government is proposing for capital gains realized on or after June 25 of this year an increase in the inclusion rate from one-half to two-thirds for corporations and trusts and from one-half to two-thirds on the portion of capital gains above a quarter of a million dollars realized in the year for individuals now. For individuals, this means that capital

gains below \$250,000 will have an inclusion rate of 50 percent and then anything above that threshold will include that two-thirds or 66.7 percent.

The federal budget indicated that increasing the inclusion rate on capital gains is expected to generate new revenues also for provinces and for territories, so these are very preliminary estimates that we are working with, with the federal government. The gains inclusion rate alone may result in additional tax revenues of \$3 million over five years for Yukon, starting in 2024-25. This includes changes in personal income tax and corporate income tax revenues. Tax revenues can be very volatile. Again, these are estimates. The Department of Finance is currently undertaking an in-depth analysis of the tax measures and how they will impact the Yukon.

Ms. White: Thanks to the minister, of course, and the officials. Welcome for the first time to the Chamber, and I'm sure it's a bucket-list item that every public servant has on their list — to be able to go in and support during budget debate — so, welcome.

My questions today are going to be really specific and a bit odd honestly, because I want to talk about the lines in income tax that we use for different things. For example, the dental plan uses line 15000 for purposes of a person's notice of assessment from the Canada Revenue Agency, and the new federal dental program and other Yukon programs, like the pioneer utility grant, use line 23600 to determine a person's income — so, the difference between lines 15000 and 23600. Line 23600 shows a person's income after deductions, including income splitting, which accounts for the total household income. So, we see often in situations with seniors around the pioneer utility grant that you may have one senior, for example, who worked for Yukon government and retired with a full pension and their partner did not. So, they do something called "income splitting" so that they benefit the most going forward and one isn't paying higher taxes. It kind of levels it out.

So, in Yukon, we allow the use of 23600 for the pioneer utility grant, but when we look at the Yukon dental program, we use line 15000. I want to know why we have two different government-run programs — and the reason why I am asking the Minister of Finance is because he is the finance guy and so I am hoping that he can walk me through this.

I want to know why — within Yukon government, we have programs that are designed to help people — it is not done with the same tax line. So, we have one that is line 15000, which is the dental plan, and things like the pioneer utility grant use line 23600.

Hon. Mr. Silver: From the Department of Finance's perspective, there is no FAA policy or procedure that limits from our agency what the departments would decide. So, each of these different lines would be based upon — some of it is historical context, some things happened decades ago, and some things are newer, but these are discretionary lines that each department has in their ability to decide upon.

Ms. White: I thank the minister for that.

The reason why I am asking specifically about this is that the Yukon dental program —

I tell you — for people who can't see, my chair spins around in circles and knocks me behind the knees, and it has not stopped spinning for quite a long time. I have just moved the chair out of the way.

So, for the territorial dental program, which has been really world-changing for folks — because it uses line 15000, what it means is that it is limiting people's ability to access it. The dental program threshold is \$60,000 gross income for the program. So, the difference between line 15000 and line 23600 is the difference between the gross amount and then after deductions, so one is before deductions and the other is post deductions. One thing that we are hearing from seniors is that, because the Yukon is using line 15000 in a person's notice of assessment, it means that it is not allowing seniors, for example, to do the income split.

The reason why that is important when we're talking about the dental program is that the dental program just fills in so many gaps, including when people are on pharmacare. Because the Yukon government has chosen to use line 15000 instead of line 23600, it's limiting people's ability to actually access that program. For example, a couple in a household has a household income that is far less than \$120,000, but because one person's pension puts them at, let's say, \$61,000 and the other person has a \$30,000-something amount, the person who is at \$61,500, through the way the dental program is viewed through line 15000 — although they income split for the pioneer utility grant and they income split for income tax purposes, it's not reflected in that.

I appreciate that the minister said that there wasn't a specific program and that it is discretionary, but I wanted to know if, for example, that conversation has been had at the Finance table. Why would one program, the pioneer utility grant, allow income splitting, but the Yukon dental program does not?

Hon. Mr. Silver: Yes, some of these chairs are quite interesting. It is always good that it is the chair that is spinning as opposed to the person in it. It's a political joke. No? Good thing I didn't miss my calling as a comedian.

It would be hard to do a jurisdictional scan for dental programs for one because there are not a lot of places where we could look as far as what other jurisdictions do as far as those lines.

We could garner some more information from the department specifically, but I don't have an answer for the member opposite right now here. I can tell you that not all programs are going to be created equal. For example, in these two examples — and there will be many other examples that we could use to compare as well. But if we are comparing these two specifically, we need to remember that the pioneer utility grant is for a household, whereas when we are talking about dental, this would be on an individual basis, so it's hard to compare where families are going to be at the end of the day — with comparing these two directly that way.

I can reach out to my department specifically to see what kind of conversations they have had with Health and Social Services as we move toward this initiative.

Ms. White: I appreciate that from the minister. The one issue, though, is that even in the dental program, it does talk about household income. For example, the household income for the Yukon dental program is actually lower than the threshold of the dental program for the federal program. I am just trying to pull it up so I can accurately reflect it.

The reason why I was bringing it up is that I firmly believe that, similar to the pioneer utility grant or the Yukon dental program, our intentions were always the same, which is to support folks — to support them to the best of the ability that a government could. I will leave that as I look for it.

About this time last year, actually, we were talking about the northern residents deduction. The minister and I had an exchange on March 21 about the northern residents deductions. At the time, I had put in a motion about writing to the Minister of Finance for the federal government because, as it stands, the northern residents deduction also isn't actually something that is applied fairly across the board because, the higher your income, the more you are actually able to collect for your northern residents deduction to the maximum amount. But if you earn less than \$44,000, you are unable to access the full amount.

Last year, we had an exchange on March 21 and there was a back-and-forth, but one of the things that the minister said at the very end of the exchange was that he would actually go back and look at his departments and then come back with more information about it.

I just want to know if anything has changed — if the Yukon government has reached out to the federal government and brought up the issue of the northern residents deduction and the issue of fairness.

Hon. Mr. Silver: Madam Chair, dual purpose here — one, in our regular conversations at the Finance ministers' meetings, the concept is brought up on a regular basis. In this last session, it was brought up in camera. Again, hard to get things on that agenda when half the day is the Bank of Canada doing its financial process and then all the other jurisdictions — but we have had that conversation at the Finance ministers' meetings. I have asked my department as well to get me an update on any conversations internally and also, I'm sure, from last year's debate as well — mention that this is a federal program and it does take a lot to influence these federal programs, but I will look for an update for the member opposite as far as anything that the department has done internally.

Ms. White: Thank you, Madam Chair, and I thank the minister for that.

I do appreciate that it is a federal program; I totally get that, but I also know that there is real power in having the advocacy coming from the north for the north, and knowing that it affects northerners is reason enough to bring it forward.

Just now, because I have been able to pull it up — for the Yukon dental program, it says that your gross income must be \$60,000 or less for individuals and \$90,000 or less for individuals with two children, and the threshold increases progressively with family size. So, that is the Yukon.

And then — bear with me. Oh, and I just ground to a halt on the federal website.

The point is that the federal program actually goes further than that \$60,000 threshold than the Yukon program does. Again, the reason I'm just bringing it up is because I believe that the more support we can give for folks — especially when we talk about health care, which I fundamentally believe that dental is — the better off we are. I don't know that the minister necessarily has to respond to that, but I welcome that. I just wanted to put it out here. For folks within the Department of Health and Social Services within policy or folks within Finance who work with those within Health and Social Services, I will just put this on the radar, because I do think that this could be a fairly minor change, but it could have very large effects.

Hon. Mr. Silver: Madam Chair, I'm not really sure if there is a specific question there but — agreed.

Chair: Is there any further general debate on Vote 12, Department of Finance?

Seeing none, we will proceed to line-by-line.

Ms. White: Pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all lines in Vote 12, Department of Finance, cleared or carried, as required.

Unanimous consent re deeming all lines in Vote 12, Department of Finance, cleared or carried

Chair: The Member for Takhini-Kopper King has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all lines in Vote 12, Department of Finance, cleared or carried, as required.

Is there unanimous consent?

All Hon. Members: Agreed.

Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures

Total Operation and Maintenance Expenditures in the amount of \$15,894,000 agreed to

On Capital Expenditures

Total Capital Expenditures in the amount of \$32,000 agreed to

Total Expenditures in the amount of \$15,926,000 agreed to

Department of Finance agreed to

Chair: The matter now before the Committee is continuing general debate on Vote 53, Department of Energy, Mines and Resources, in Bill No. 213, entitled *First Appropriation Act 2024-25*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

Chair: Committee of the Whole will recess for 10 minutes.

Recess

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

The matter now before the Committee is continuing general debate on Vote 53, Department of Energy, Mines and

Resources, in Bill No. 213, entitled *First Appropriation Act 2024-25*.

Department of Energy, Mines and Resources — continued

Chair: Is there any further general debate?

Hon. Mr. Streicker: Madam Chair, first of all, I would like to welcome department officials back to the Chamber today to help us share information on Energy, Mines and Resources. We have with us today Deputy Minister Lauren Haney and our director of the Energy branch, Shane Andre.

As I was looking back through the last time we were up in debate here together, which was April 2, there was a question about whether or not we were going to have a “what we heard” report regarding mining in municipalities. No is what the department has let me know. We are working more directly with municipalities, so we weren't intending to put out a “what we heard” report.

I am looking forward to debate today.

Mr. Kent: I would like to welcome the officials as well who are supporting the minister here today and thank him for that response on the “what we heard” document. That was a question that I had raised back on April 2 when we were in debate.

I do want to ask the minister a number of questions on land and housing. The first one I am going to ask was an issue that was raised in Question Period earlier today with respect to a Tetra Tech report on phase 7 of lot development and foundation design. It's a bulletin that they put out on April 11, 2024. My colleague the Member for Porter Creek Centre asked earlier today in Question Period regarding this information bulletin and I believe the minister has a copy of that now. We did send him over a copy of this bulletin that was included with the lot package that was put out last week.

The information bulletin says that, in previous phases, residential builders have experienced issues with subsurface water and that the water is — quote: “... not naturally occurring and may be a result of municipal water leaks.” Of course, this is a concern to many builders and developers, as my colleague said earlier today, because it means that they could be forced to take measures to deal with this subsurface water.

During Question Period, the minister said that he felt that the water was naturally occurring, but that goes against what is in this Tetra Tech bulletin. So, I am just curious if the minister is concerned that leaking water and sanitary mains will impact these lots that are currently out for lottery.

Hon. Mr. Streicker: First of all, I want to give a shout-out to the Yukon Party because they did pass me this report today; I thank them for that. I had not seen it prior to Question Period today.

The first point that I wish to make is that this is a report that is prepared for the Land Development branch, which is Community Services. I will try to answer at high level some of the questions here, but I also want to point out that divide. The city does the work planning the areas and decides how they want the lots laid out, et cetera, roads, and services. Then it is the Land Development branch with Community Services that

does the development work of those lots. Then it is Energy, Mines and Resources Land Management branch that does the sale of the lots.

This more squarely falls under a report that was prepared for the Land Development branch. The first thing, though, that I will add as a high comment is that in the phase 6 report that I had read previously, which was shared with me by the City of Whitehorse, it did feel that it was not naturally occurring water.

I will read the fuller sentence. I am quoting now from the report: "Presently it is anticipated that this water flowing through the deep utility pipe bedding is not naturally occurring and may be a result of municipal water leaks. We understand that investigation into this is on-going." So, it's not certain that it is, but they are anticipating that this is not naturally occurring and they are looking into it further.

They also go on to note that they have been doing some mitigative measures — for example, trench plugs to reduce the potential for water conveyance. I think that, first of all, we do need to try to ascertain whether the issue of groundwater is from naturally occurring water or whether it is water coming from the utility providing those services.

That will direct which way we need to go in terms of solutions. If the problem is naturally occurring, then you do need to find ways for builders to protect against that natural occurrence. If it is a result of the infrastructure, then you need to find a way to correct that problem. Those are the two approaches. Again, I will defer deeper questions or more detailed questions on this to the Department of Community Services.

Mr. Kent: I guess one of the questions that we would have then is: If the investigation into this is ongoing and that is correct — that's what's referenced at 3.3 on page 2 of the phase 7 bulletin — then does the minister believe that the lots are ready to go out for sale without determining whether this groundwater is naturally occurring or if its coming from infrastructure that is in the ground?

I think that is where we have some curiosity. Does the minister feel that these lots are ready to go out for lottery while this investigation is still underway?

Hon. Mr. Streicker: The question is: Should we be putting these lots out for lottery? This is one of the questions that we have often had and there is a little bit of a chicken-and-egg conversation about this. We hear from homeowners that they wish to know if they have a lot so they can start working to get in place financing, start planning their building, and start lining up contractors, so there are steps that they would like to do before it's time to begin building. When we put the lots out for lottery, it is in anticipation of giving them that preparatory time around that.

There is a period of time when the city deems that the lots are at the threshold to allow for development to happen. We saw that last year when it was delayed for a period of time, but typically, the work is happening in the spring, getting ready for this, and then the city, once they sign off on their certificate, would say that yes, they are good to go.

I think this would be one of those questions that is important to them as well. So, those would be the steps that

would happen necessarily. So, no, we believe that it is important to keep lots flowing here in the territory and then to prepare through that lottery so that homeowners know that they have the ability to build and to get ready for them and that the question would be resolved during that time frame.

Mr. Kent: I appreciate that from the minister. As mentioned in these bulletins, it is up to the developers to be prepared to mitigate if required. There could be a substantial cost added on to the construction, which, of course, is transferred to potential homeowners. That is a concern that we have and we will continue to follow this issue as we go forward.

I do have a couple of questions regarding the land lottery itself. In the 2023 confidence and supply agreement, or CASA, there is a commitment to reform the land lottery process through a process that includes public engagements. So, I am just curious if the minister can tell us where the Liberal government is at with respect to fulfilling that CASA commitment to review the lottery process.

Hon. Mr. Streicker: I will answer this in three ways. First of all, we have done some work initially based on ongoing lotteries. For example, last year, you may recall that we had dialogue with the city. The city set up one of their subcommittees dealing with issues around lots. We sat down with them to try to adjust our processes based on conversations with them and we did adjust those processes, so that's an example of work that is happening right now.

Second of all, we are in the process of rewriting our *Lands Act*. That is being done as part of the devolution transfer agreement — that we would do that with First Nations — so it's one of those resource-based pieces of legislation. We're intending to be out this summer engaging with the Yukon on the *Lands Act*, and the lottery is a specific piece within that, so there is a chance for all Yukoners to talk to us about the lottery system at that point.

Finally, the third way we're doing it is that, as a subset within the broad consultation that we're doing, we're doing a targeted consultation with key stakeholders around the lottery system itself. That should also be happening during this coming summer, so there is a set of ways in which we are doing that engagement with Yukoners to reconsider the lottery system and to reimagine how it could work for Yukoners.

Mr. Kent: Can the minister tell us when he expects that work to be completed and when he expects a revised land lottery system to be in place?

Hon. Mr. Streicker: The first thing I will say is that we already are amending the system. We did it last year based on dialogue with the city. We have made a couple of changes here and there based on feedback that we get, but those changes would not be overhauls of the whole system; they are working to improve the system as we go.

In terms of the successor legislation, that legislation depends on the work that we do with First Nations and I am not able to provide a timeline today. What I can say is that First Nations — we had done the *Forestry Act* and even had been doing amendments to the successor *Forestry Act*. Then, as we came in to start doing the work on the quartz and placer mining acts to redo minerals successor legislation — the way in which

we set up the steering committee with First Nations, they looked at the work that had been done to date on the *Lands Act* and asked us to pause it, to go back and reset based on that level of deep engagement, and so we did.

I don't have a timeline in front of me today, but I can say that nations are very keen to be involved in shaping this legislation for the Yukon.

Mr. Kent: So, I have just one final, quick question, then. Does the minister feel like that CASA commitment has been fulfilled — that I referenced in my initial question?

Hon. Mr. Streicker: The specific question is around the confidence and supply agreement. The line says: "... reform the land lottery system through a process that includes public engagement." So, while we have had some public engagement so far on the land lottery system, I think that this is referring more to that deeper reform that I was talking about in my last response. To me, that deeper reform is still coming and I think that it will be based on public engagement. I think that it also will be based on our commitment under the devolution transfer agreement to develop resource-based legislation with First Nations.

Mr. Kent: I appreciate that.

I did want to ask the minister — we have heard that, at the phase 6 in Whistle Bend, there were some lots that were turned back to the department that the successful bidder did not want for some reason. I am just curious if the minister can confirm that there were some lots that were turned back, and then perhaps he can let us know what the policy is with respect to those lots. Do they then go for sale over the counter, or are they put into a future lottery? What is the reasoning behind whichever option is the policy at the moment?

Hon. Mr. Streicker: When lots are turned back by those proponents who won the lottery and they choose to not go forward with them, we provide those lots back to Yukoners over the counter. It's a very dynamic situation because some will come, but they often get taken up again fairly quickly.

The last time I checked — which I think was a couple of weeks ago — we had a few lots — I will have to look it up to be sure, but there were some in Haines Junction; there were some in another community. I am trying to remember if it was Teslin or Dawson; I will have to check. We had one lot in Whistle Bend, but it wasn't a lottery lot because it was one of the multi-family lots. The department is looking into it right now to know today what the status is, but it does change over time. The basic answer is that we make them available over the counter.

Mr. Kent: I thank the minister for that. I will pass that on to the individual who raised this concern with me because, at the time, he felt that there were some lots turned back that didn't go over the counter and that they were put back into a future lottery, but I will track that down with him and I can follow up with the minister on that.

I did want to ask a question about some rural residential lots out at Grizzly Valley. My colleague the MLA for Lake Laberge raised this issue I believe last year. Some of the lots there needed to be reconfigured and rezoned. There were some concerns around the potential use for those lots; I think it was

with respect to dog mushing. Again, they were reconfigured and rezoned. I'm just wondering if the minister can give us an update on when those lots out at Grizzly Valley will be made available for sale.

Hon. Mr. Streicker: First of all, I will just hopefully improve my answer from last time. I'm just trying to get dates.

The last time I got an answer on the lots question was just over two weeks ago. At that point, we had three lots in Haines Junction, two in Watson Lake, three in Mayo, and the one in Whitehorse. I was correct that they go over the counter except if it's happening just as we are about to go back out to a lottery; then they go back into that lottery. So, if it happens at other times during the year, then we put them over the counter; if it happens close to a lottery, then I believe they are put in. I am working to try to get the latest on whatever that looks like.

With respect to Grizzly Valley, they are going out this spring. There are 15 lots that we are looking at putting out this spring.

Mr. Kent: Thanks very much. I appreciate that.

I did want to turn the minister's attention to lots in Watson Lake on Frances Avenue. I think my colleague was in discussion with the Minister of Community Services last week about this, and I believe that he referred us to Energy, Mines and Resources with respect to this, and it's about pricing.

It is our understanding that the pricing will be blended between market and development. So, I'm curious, with respect to the lots in Watson Lake on Frances Avenue, what the development costs are anticipated to be and how the government is going to conduct a market analysis in a community like Watson Lake so that they can determine how to blend the pricing going forward.

Hon. Mr. Streicker: I will give an answer, but I'm also checking back with the department right now to try to get more details.

First of all, the policy under the *Financial Administration Manual*, as I understand it, is that EMR can sell at development cost or market value. It's not that you typically blend those two, although I think that the policy allows for it to be between those two. What is more typical is that it is one or the other. In Whistle Bend, in my experience, it has typically been development cost.

I am asking the department to check in for me with respect to Watson Lake. I am asking the department to give me a sense of how they plan to assess those values for Watson Lake.

Mr. Kent: I appreciate that. If the minister has the responses now, I would appreciate them, but if he has to get back on these next couple of questions, we are also wondering about prices for lots in the Dredge Pond subdivision of Dawson City and Willow Acres in Haines Junction. Is that something that the minister has, or would he have to get back to us? And Lone Tree in the Teslin area — those three subdivisions. Does the minister have pricing information on those, or does he have to get back to us as well?

Hon. Mr. Streicker: Yes, I have asked the department to come back for those four. I am repeating them to make sure that I have heard correctly. We were talking about Frances Avenue in Watson Lake, the Dredge Pond subdivision in

Dawson City, Lone Tree in Teslin, and Willow Acres in Haines Junction. I have asked them to come back with what that is looking like. I suspect that I will give just a high-level answer that this is how they come up with it and what the recommendation is, how it is made, rather than actual numbers out there — but how that determination is made.

Mr. Kent: I appreciate that and I will look forward to getting those responses. Obviously, each of those projects is at a different stage of development. So, we will, as I mentioned, look forward to getting the responses from the minister with respect to the potential pricing of lots in those communities.

The final land topic that I wanted to touch on was the Northern Community Land Trust. It is our understanding that the Government of Yukon has provided the Northern Community Land Trust with a lot in Whistle Bend at a discount. Can the minister confirm if that is the case and what the sale price of the lot was? Perhaps he can let us know what the value of the discount was and when the lot will be transferred over to the land trust.

Hon. Mr. Streicker: If I can give a shout-out to this group — late last week, they had an open house where they invited folks to come by and take a look at the drawings of their plans. They had a lot of interest, which was terrific. Again, the way this works is that this group is seeking to try to develop smaller units on a large lot — like a large, multi-family lot — and they will sell those units to lower income Yukoners, and then the units can appreciate in value but only at the level of inflation — not as sometimes happens with land where it appreciates more quickly. It's to try to keep those units on one lot affordable over their lifetime.

I think that the starting price for a modest one-bedroom is in the range of \$150,000, and they have some units that are set up for single parents and some for slightly larger families.

We have made this commitment in writing to the trust. It hasn't been executed yet because there are still a few steps that they are working to get into place. But I believe the question is: What are we intending to provide for them? That is a lot at the price of \$1.

The other question was: What is the value of that lot? The appraisal for market value of that land is in the range of \$1.2 million.

Mr. Kent: It's my understanding that, during the Yukon Housing Corporation debate — my colleague for Porter Creek Centre, in discussions with the Premier — the Premier mentioned that there would be some legislative changes required so that the model that this minister spoke about that preserves the affordability into the future — I think he said that it would only appreciate at the level of inflation — can be enacted. I am just wondering if the minister can comment on that. What legislative changes are required, if any, and where are we at with making those changes?

Hon. Mr. Streicker: The changes are required, I believe, to the condominium act and it will then be the Department of Justice that brings those forward. There have been many ongoing conversations with the Northern Community Land Trust about this. I think it's the ability to enforce covenants that is what is required under the

condominium act, and that work is ongoing right now. We anticipate it back here in the next session or sessions. My sense is that Justice is working to get it here fairly quickly.

What this would prevent is — I have every confidence in the Northern Community Land Trust, but, of course, you are selling these properties to individuals. What if they choose to try to sell them for a profit later on? That's why you need the covenant. I was incorrect in saying that it was the condominium act; it is with the *Land Titles Act*. My apologies. Their goal is to get it here this fall.

The timing works well for the Northern Community Land Trust because they will be in the process of building at that time, so they are informing the potential homeowners of this situation. It will just formalize the commitment that they're making as they move through the process.

Mr. Kent: I do want to jump over to a question regarding the federal budget. Earlier today, my colleague the Member for Lake Laberge and Finance critic was asking questions of the Finance minister and he referred us to the Minister of Energy, Mines and Resources, so we will ask the minister the same question essentially that we asked the Finance minister earlier today.

This is with respect to the 2024 federal budget and the capital gains increases that are complemented and the fact that the *CIM Magazine* article as well as a number of other news organizations and firms, including law firms, have commented on this — and, as mentioned earlier, the Mining Association of Canada as well. Just to quote directly from this article: "... industry associations are raising concerns that the government's move to increase capital gains taxes on corporations, trusts and wealthy individuals will harm mineral exploration in Canada and undercut the value of the recently extended mineral exploration tax credit ... which was extended by another year until March 31, 2025."

I'm just curious what steps, if any, the minister is contemplating to reach out to the Government of Canada. Obviously, this mineral exploration tax credit is important. It was important enough for the Finance minister to include in his analysis last week of the federal budget. We're wondering what the Minister of Energy, Mines and Resources thinks with respect to what industry associations are saying about the capital gains increases undercutting the value of the recently extended METC.

Hon. Mr. Streicker: Let me start with the high-level response — that we do think that the mineral exploration tax credit has been a good tax credit, especially when it comes to critical minerals.

I have said this at the mining ministers' table and I have even talked about it with other territories — about the importance of this for exploration, which is important in how you continue to move projects ahead over time.

The next question is: Does this new approach about capital gains have a negative impact on it? The member opposite has pointed to some analysis — or opinion, I guess — that has been done out there. I have not yet had a chance to talk to the Yukon Chamber of Mines to get their feedback on it. I look forward to having conversations with them, but I think that the high-level

news should be that the mineral exploration tax credit was extended. I think that is the important piece here. Is it undercut? I am not sure; I look forward to having some dialogue and considering some analysis on that, but I think that the more important thing is that we do have that tax credit extended.

Mr. Kent: Again, obviously we are in support of the mineral exploration tax credit being extended, but now some mining companies are receiving advice that if you have the ability to fund your flow-through share exploration budget now, we strongly urge you to contact us to discuss closing the financing by June 24 because the federal budget increased the capital gains inclusion rate to 66 and two-thirds percent effective June 25. Obviously, this is having an impact, so I would hope that the minister would take this with a little bit more urgency and reach out to federal officials to see if there is something that can be done. Hopefully, this is an unintended consequence — that the mineral exploration tax credit would be undercut.

So, I am just curious: When will the minister be reaching out to his federal colleagues to discuss this?

Hon. Mr. Streicker: The question that I have is: What is the perspective of Yukoners and Yukon mining companies around this?

We want to hear their views. I will wait to see. The member has said that they have read some analysis that this is an issue, and they are asking me to champion it federally. I have stated that I would like to take a look at this and talk to Yukoners about it.

Mr. Kent: My question for the minister is: When does he anticipate this process of understanding what is going on and what the impact of the capital gains tax is on the mineral exploration tax credit?

As I have said, some Yukon companies are getting advice to get their flow-through — if they have the resources to do it — done on or before June 24 because the new capital gains impacts will kick in on June 25. I hope he is not waiting until the mining ministers meet. Obviously, that will be too late.

Again, there is a number of different analyses out here — from CIM, which is a very well-respected organization. The Mining Association of Canada has done an analysis. Again, I am just asking the minister: When does he expect his due diligence with Yukoners or whatever he is going to be doing with Yukon mining companies to be finished so that he can reach out to the federal government and talk to them about concerns that he may have with respect to how the capital gains tax increases affect and undercut — in the words from the Mining Association of Canada — pardon me. The Mining Association of Canada said: “That, we feel, significantly reduces the value of the mineral exploration tax credit to many individuals,” referring to these increases. How long will Yukon companies and Yukon individuals have to wait before the minister concludes his due diligence on this?

Hon. Mr. Streicker: First of all, when I first stood on this and I talked about it, we were talking about how the mineral exploration tax credit has been extended for one year. Well, I actually want to extend it for more than one year. That’s the first thing I am working on.

The member is talking about how it’s going to undermine that tax credit. If that tax credit doesn’t continue to exist, the bigger issue is not whether it undermines the tax credit; it’s whether there is a tax credit. I think that’s the first place that I am turning. I would like to say thank you to the federal government for extending it for a year, because that is a strong indication that it has been helpful.

He has asked how long it will take me to do due diligence around this issue. I do my best to stay in touch with mining companies all the time, but I also know that what this is part of is a narrative around trying to say: Hey, we shouldn’t have this. So, I guess I want to ask the members opposite if it is their premise that they would not have capital gains increases. Is that what they are saying? I was informed that the federal Conservative deputy leader wouldn’t say if they would cancel those capital gains increases.

This is a federal program, so the federal government is looking at this. I will do analysis that will include talking to the Yukon Chamber of Mines and investors here in the Yukon to see what they see. The member opposite is pointing out that companies have suggested that people get their investments in by a date ahead of those changes coming through. Of course, there is a suggestion for that, because there’s a difference to those investors because they will get taxed differently on those capital gains after June 25. So, of course, mining companies will ask for people to invest right now. That’s not the real question. The real question is: What is the net impact after that date? Also, is it better to have that in place as a way to offset government programs federally, or is it better to not have that? The weighing part of that question — first of all, it’s a federal question, and second of all, it has to do with much more than the mining exploration tax credit.

I will keep my focus on the Yukon and on what is happening here and I will keep my focus on trying to extend the mineral exploration tax credit.

Mr. Kent: I guess I was mistaken in thinking that the minister of Yukon’s energy, mines and resources would want to ensure that the mineral exploration tax credit as it applies to Yukon projects was not undercut by capital gains taxes. But that’s okay; we’ll work with other organizations and other associations to ensure that the federal government gets the message on that, and the minister can focus on whatever he’s going to focus on.

I do have a couple more questions here. In the minister’s mandate letter on page 3, it says that he will identify regulatory improvements in the *Forest Resources Act* to support the growth of Yukon’s forestry and biomass industry. Looking at the minister’s fall session notes, it says that consultation and public engagement on that review concluded on April 13, 2023. There is a “what we heard” report that is now available and that includes a summary of feedback. I’m just curious when we can expect to see the *Forest Resources Act* changes in the legislation tabled here since the consultation and public engagement closed over a year ago.

Hon. Mr. Streicker: Deputy Chair, before I go on to talk about the amendments to the *Forest Resources Act*, suppose — just talking about the capital gains question — that

I make the effort and we are successful at changing somehow how capital gains are considered and that there is some exception around critical minerals — maybe that's possible; I don't even know yet; say it is — and then let's say at the same time that the mineral exploration tax credit is dropped; it will be a Pyrrhic victory because you no longer have a mineral exploration tax credit.

I am one of those people who believes that critical minerals are necessary for our transition away from fossil fuels. In fact, when I talk to environmental groups, we talk about the importance of critical minerals and how if they really care about climate change, they are going to need to step up and acknowledge that we need those minerals in order to make this transition.

I think it is most important that I continue to work on extending the mineral tax credit, which again, I note is a federal program that I don't have complete control over, but I will put my focus there and I will talk to Yukoners to find out their perspectives on this for us and whether it makes a difference here in the Yukon.

The question was around forestry resources amendments. Our goal is to have them in front of this House in the Fall Sitting.

Mr. Kent: Thank you very much; I appreciate that. We look forward to seeing those amendments come forward this fall. Hopefully, they are able to provide the clarifying of terms, streamlining licensing and permitting processes as well as better aligning the legislation with the *Umbrella Final Agreement*, as is discussed in the minister's briefing note.

My final question is with respect to the development of legislation to regulate geothermal energy in the Yukon. Again, this is part of the minister's mandate letter on page 3. I am just wondering if the minister can give us a sense of when we can expect to see that legislation on the floor of the House.

Hon. Mr. Streicker: I did get this question on April 2 from the NDP, so I will give an answer right now but also direct the member opposite to my comments on page 5001 of Hansard. We have been doing the scoping stages of this, so that includes policy research and a jurisdictional scan on geothermal. We have had initial meetings with First Nations and I made a very open comment to them about considering it as a piece of natural resource legislation — so, to treat it as other resource legislation that we have in front of us. Until that scoping phase is done, I don't have a timeline in front of me because it will matter whether we are looking at sort of a simple piece of legislation which is enabling which provides for that opportunity to regulate over time or whether it is seen as more detailed. That is the step that we are in right now.

Deputy Chair (MLA Tredger): Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair (Ms. Blake): Order. Committee of the Whole will now come to order.

The matter before the Committee is continuing general debate on Vote 53, Department of Energy, Mines and Resources, in Bill No. 213, entitled *First Appropriation Act 2024-25*.

Is there any further general debate?

Ms. White: I want to thank the minister, of course, and the officials here today. Our conversation is around the Department of Energy, Mines and Resources.

The first question I want to get into is specifically around the Kookatsoon sawmill industrial zoning area and the change that has happened there. We had conversations I believe last year around this one specific site near Kookatsoon Lake. There is a difference of opinion there, for sure, about whether or not it's appropriate for a sawmill location. Can the minister update me to what's happening with the Kookatsoon sawmill area?

Hon. Mr. Streicker: Thank you for the questions, Madam Chair.

First of all, what has happened is that Kookatsoon is being rezoned for wood processing. What I have said to the community all along is that there would come another step around a permit, which would have to be issued. We have looked for wood processing sites south of town, north of town — we were at a meeting in Ibex late last week, I think — and in town where we are doing work.

I just got the note. With respect to Kookatsoon, it is now rezoned. It allows for wood processing and now there is the potential for there to be permit applications.

When we talked with the community, we talked about sound levels and noise. There were issues with more than one thing, but noise was the comment that we heard the most. With respect to that noise, wood storage really wouldn't be an issue, but that is one of the things that now can be permitted under that new zone.

The second thing that we had talked about was wood processing for greenwood to become firewood in a way that allowed it to dry. I took one of the Mount Lorne councillors to listen to a piece of equipment. We were maybe 80 metres away and it was hard to hear at all. What I believe is that it was much quieter than, say, a chainsaw. Then we took a recording of that and took it to the Mount Lorne Local Advisory Council so that they could hear it as well.

While there is some interest in a sawmill from proponents, in discussing it with the community, we said that this wasn't what we were talking about — permitting. The zoning allows for a range of activities, but we would need to go through a permit, and what I have committed to the community is that any permit would also have a public engagement element to it and that we could discuss sound levels. That would be the way that we would deal with sound issues.

Ms. White: Has the minister received any feedback from the community around that zoning change and allowing that zoning change to go forward?

Hon. Mr. Streicker: The zoning change has come in since the last Mount Lorne Local Advisory Council meeting, so I don't know how widely it is known yet. Of course, they knew

it was coming. We have had many conversations about that. It is still information that is being assimilated. I have had a couple of conversations since that time; they were positive ones, but I am not sure yet how far that went. We certainly had a very full conversation about it at the last Mount Lorne LAC meeting when I was there.

Ms. White: I am just hopeful that conversations happen with the community before allowing, for example, an actual sawmill in the space. We discussed it before, but the sound, for example, in different temperatures — when it is cold, you can hear saws from very far away as opposed to when it is a bit warmer because sound travels differently in the cold. I just hope there are plans for additional meetings.

At a briefing on the BC grid connection, there was talk about eight gates as part of the process, and I think that by saying that, it's eight kind of targets or planning stages, as the minister just said. It states that the first three are the responsibility of the Government of Yukon, so can the minister clarify where we are at in that process and just tell us what those three planning processes are?

Hon. Mr. Streicker: As I rise to my feet, let me just again make the commitment that I do want to talk to residents. I have put in place a process that, if there were to be permits, we would have a public process. So, I have made that commitment to the Mount Lorne LAC, to the Mount Lorne residents whom I have spoken with, and I'll make it here again on the floor of the Assembly.

Second of all, I will note that when I took the LAC councillor to go to hear the sound, that was in early February. It wasn't the coldest day of the year, but it was cold enough. I agree that sound is different on a calm day versus a windy day; sound is different on a cold day versus a warm day. But this was — you know what? I'll share it with the member opposite at some point when we're on another break or something just so that they get to hear what we heard.

With respect to the grid-connect project, we submitted an application to the federal government — to Canada — under the critical minerals infrastructure fund, and we're still in that first planning stage — the conceptual plan of this. We are hopeful that we will be received positively through our application. But I do know, for example, that a lot of groups have applied to the critical minerals infrastructure fund, so I know that the federal government has some hard choices to make. I can also share with folks here that the BC government wrote us a lovely letter of support, which I think was pretty important. We have had many ongoing conversations with the federal government about this notion of connecting our grid to the BC grid, so I am hopeful around that application and looking forward to us digging in on that work.

Ms. White: Is that the first of the three steps that would be the responsibility of the Yukon government — the conceptual stage? Can the minister let me know what those next two steps would be? I believe that there was talk about the proponent taking over after those three steps or targets are hit. Does the government know who could or would be the proponent and then the owner of that connection?

Hon. Mr. Streicker: I am just working to dig back to get how those phases or stages were identified, and I will make sure to rise on it as soon as I get it.

The Member for Takhini-Kopper King asked about who the proponent is. Well, we don't have the proponent yet, but our hope is that this is a consortium of First Nations. We are interested in First Nation ownership of transmission. Now, I have often said that the first place we would start is where that line goes across traditional territory, but I that's not where I think we stop. I think that we are looking to have ownership that is broader, with all Yukon First Nations having an opportunity to be partial owners of the project.

We are going to have to figure out a little bit what works on one side of the Yukon/BC border and what works on the other side, but we have started to see models of these First Nation or Indigenous shared ownership models. We brought some folks up from Ontario who had one of these examples to talk with utilities and nations to start this dialogue. That's the vision and we will see where that goes in terms of whether it's realized or not, but I don't think that you have a project of this scale without some direct involvement and opportunity for First Nations.

The first stage was foundational work with creating a governance structure. The second stage is the conceptual design and planning. The third phase is the pre-feasibility work around environmental and socio-economic baselines and getting them in place. Then we hope that the proponent comes in and is the one who puts forward the applications under things like YESAA and, on the BC side, whatever that looks like. So those are the stages that we are talking about.

Ms. White: We've been told that the grid standards at BC Hydro are much higher than the Yukon's and that there is significant work to do to upgrade our local grid in order to connect to BC Hydro. Can the minister speak to this, what that could mean, and what it would look like? And more than that is: Who would be expected to pay for those upgrades if we needed them on the Yukon side?

Hon. Mr. Streicker: There is a whole technical side to this. I just spoke a moment ago about working directly with First Nations as an economic opportunity around a transmission line and shared ownership. That's one of the big puzzle pieces that we will be working on. A second one is all the technical aspects of this.

There are a lot of flavours of large transmission lines. For example, I think what is being contemplated here is a high-voltage direct current line, not an alternating current line. There are all sorts of choices there. Where your jump-off point is, where your landing point is, what your route is — those are all elements of the technical side, including how one grid connects, talks, and works back and forth with the other grid. That's the technical piece and that's why we would have groups like BC Hydro, Yukon Energy, and ATCO all in that dialogue — and the proponent, of course. Let's use the word "proponents".

The question was: Who will pay for that? And the answer is: That's part of the cost of the project. It's not just that you run a line back and forth. You have to step up the electricity and step it down at the far end. You have to have that ability to

interact with those grids. That's all part of the overall project. It will be scoped in under the feasibility, so that's the technical side of the question, and it has an impact on cost, of course.

The flipside to the cost question is the funding question. This is the third piece we will be working on early — on who will be the partners that bring funding to the project. Certainly, we hope that Canada is a partner, because this is a nation-building piece of infrastructure. It is about connecting the territories to the provinces. It is not just the Yukon to BC; it goes much beyond that.

There are all sorts of reasons that you may need it. Critical minerals is one, but it is not the only one. It's the growth and development of us as a territory. It's Arctic sovereignty. It's cleaning up Faro — all of these things. You want to have more renewable electricity to be able to scale up and down.

I also think that the mining industry may be one of those partners. That partnership may run a whole bunch of different ways. For example, just a commitment to be able to purchase power that then gives you the business case around the investment — that can be what it looks like. So, there are different ways that can be. Those are the three big pieces that we will be working on: first of all, partnering with First Nations in ownership models and also direct conversations about the transmission line; the technical side of it, which is part of the whole cost, including how the grids talk to each other; then thirdly, it's the funding side of it, partnering with the federal government for certain but possibly others as well.

Ms. White: I appreciate that. The minister just talked about nation-building needs and connection to the territories. Yukon is only one of the territories, so can the minister tell me, when he says “territories”, what he means and what he envisions? Are we talking about going up the Dempster Highway? What does “territories” mean?

Hon. Mr. Streicker: I will share some thoughts, but I'm not the other two territories; I don't speak for them, but I do know that they have had similar conversations with Canada about grid connections to their territories. If you think of the Northwest Territories, it's very different from the Yukon; if you think of Nunavut, it's very different from the other two territories. So, those are vastly different questions each time.

I will make a couple of other comments about that connection. For example, today I was in a conversation and I was being asked some of these same questions, and I talked about the Alaska Highway. That connection made a big difference for the Yukon, for Alaska, for — I don't know — the Second World War. But it also had problems with it, so I think that we have got to see that project and understand those challenges and then find better solutions in a project like a grid connect or an intertie. The main place where I think about that is that we want to be doing the work with First Nations and their ability to invest in and direct the project.

We are not contemplating having a transmission line running up the Dempster. I think that if the Northwest Territories were here, they would talk about other ways that they believe that they should be grid-connected. I also will point out that, in the Yukon, we have a handful of communities that are off grid: Watson Lake, Beaver Creek, Burwash,

Destruction Bay, and Old Crow. I know that there are others, but these are just in broad terms. In the NWT, roughly half of the territory is isolated grids or are isolated communities. In Nunavut, it's all communities that are off, so there is such a big difference between each of us.

I think that we need to connect, but I think that the way in which the other territories will connect will be quite different. I know that the NWT concept of it is connecting with Alberta through the Taltson project, and the one that Nunavut has talked about is the Kivalliq project connecting down through Manitoba.

In this project for the Yukon, first of all, most of the territory is one islanded grid, so we would be connecting most of the Yukon and we would, I hope, provide an opportunity to get to support Watson Lake on the way. Now, I just want to be very careful with this. The way that the technical folks talk to me about it is not that you run a transmission line and stop in Watson Lake; then you do it again because that cost of stepping up and stepping down is so high. So, you go from one end to the other so that the grid connect is, let's say, down the Stewart-Cassiar to where the BC Hydro line gets you to, and then it terminates in the Yukon, but that transmission line is likely to go past Watson Lake, which gives you an opportunity to run a secondary line either from, say, the Yukon's grid back to Watson Lake or from BC to Watson Lake and then pick it up.

Creating that transmission line effectively creates a utility corridor that allows you to get that other community — in this case, Watson Lake, which is a pretty big community, the third largest in the Yukon — so there is a real opportunity there, but I want to be careful that people understand sort of what this looks like from a technical perspective.

Ms. White: I thank the minister for that clarification. Just so he knows, he is the one who said the word “territories” and talked about it being nation-building in territories. When we're talking about the grid connect from British Columbia to Yukon and the minister says “territories”, it makes me wonder if there is the expectation that it's going to the Northwest Territories from here. So, I do appreciate that addition.

There was a Midgard report that included preliminary cost estimates of approximately \$2 billion, and its cost estimate pre-dates existing supply chain and labour market challenges and does not fully account for ancillary costs and has a margin of error major of more than plus or minus 100 percent. Does the minister have a more recent cost estimate than that Midgard report for \$2 billion plus or minus 100 percent?

Hon. Mr. Streicker: Yes, I did say “territories”. I guess what I was trying to suggest is that each of the territories is looking to try to do this work, and I am thinking of it as part of the evolution of each of us. There are ways in which we try to work with the other territories. For example, the Dempster fibre project is an example of where telecommunications will improve now or the resiliency of that telecommunications will improve for the NWT and the Yukon. In this case, I wasn't trying to suggest that we were going to be the route for the grid connect — and my apologies if I gave that impression.

We haven't done another study since the Midgard report, so we don't have new numbers. The member opposite is correct

that dollar values have changed and, of course, not always for the better. I would note that we have an example of a recent transmission line that was built, and it was I think from roughly Edmonton to Fort McMurray. In terms of the length of the transmission line, it is similar — just slightly under — to the length of the transmission line that we are anticipating for here. So, that is an actual cost that came in, in the last couple of years at \$1.6 billion.

There are always added costs for us in the north, so I don't want to suggest that we could do it for \$1.6 billion — I don't think that is real — but I do think that it is a good touchpoint for costs that gives us an order of magnitude. Any preliminary work that we do — the cost estimates, of course, are pretty open-ended at that point. So, to hear plus or minus 100 percent — was it 100 percent? — that was the number — it is what engineers do in their early cost estimates, but I think that the transmission line, which was also a high-voltage direct current transmission line — which I think is what the technical folks are telling me that they anticipate will be the type of solution that we will get to here — gives us a strong indication of the order of magnitude.

Ms. White: I appreciate that. I am going to use an example with the microgeneration program because I think that this captures something. This person says: "I've recently been informed by YG that my planned solar panel installation on my Carpiquet home has been denied. Not only is it denied for the grant, but apparently ATCO has refused to allow any further installations in our area. I've talked to YG Energy folks in an effort to understand the issue. Apparently, in spite of applying through YG for pre-approvals, ATCO has the final say in installs. ATCO, through YG, indicates that their system is full in our area. When I asked about what YG might be doing to support ATCO to enhance the system, YG had very little to say. They couldn't tell me if anything would be done in the future to allow for additional solar panel systems to be installed and basically deferred to ATCO (and Yk Energy) as having the keys to Yukon's electric energy future.

"I've been working with Solvest in the past year on this system and design and I've provided them with a ... deposit. We were ready to go as soon as the weather allowed. They approached ATCO on my behalf but have not been able to move my project forward. Clearly Solvest has an interest in my project and it is disappointing - both the finances are in place and the expertise is ready. Solvest will refund my deposit but it would be far more satisfying to have solar panels that would be making even a small, positive impact on climate change.

"YG refers to the study that's currently underway and expected by the end of May but staff have already indicated that it's likely to take longer. Having lived [out of town] before moving to Takhini, I watched the clearing for the battery storage on the South Access. I can understand that during COVID there were supply issues that delayed this project but by now I would expect that this may have been resolved or other solutions considered.

"I'm not sure that there is much to be done but I think it's important for you to know how this issue is being dealt with. I applied ... months ago to YG only to realize that YG doesn't

actually have any decision making but rather ATCO holds the keys. I don't have any contact with ATCO and YG defers to the Alberta-owned company for decisions. ATCO says 'We're full' and end of story. What incentive does ATCO have to increase its capacity? How important of an issue is Yukon solar power to the Alberta corp? What is YG doing to support residents that are willing to invest in solar power but are stymied by the corporation?"

The point is that this person, even without the rebate, was willing to invest in the solar, but in my area, we are topped out and we can't add any more solar where I live in Takhini. Again, the microgeneration program is closed for Whitehorse and the Southern Lakes. Can the minister just address those concerns?

Hon. Mr. Streicker: First of all, I mentioned earlier — I think during Question Period but maybe during Committee of the Whole — that the Yukon is the second highest jurisdiction in Canada for solar, which is kind of amazing to me — when I found that out. We have had very strong uptake on solar.

Solar gives us mostly summer, spring, and fall energy. What we need mostly in the Yukon is winter energy. The thing that would turn summer energy and make solar so much even better for us as a territory would be if we had a way to store energy seasonally. So, if we could take that summer energy, store it, and then utilize it in the winter, that would be the real game-changer for us.

We had a goal of getting seven megawatts of solar on by 2030. We are now at nine. We hit it seven years in advance, and we made a commitment that, for everyone that had gone through the system and had their preapproval, we would honour those preapprovals and then we would go off and try to make sure that the system is reliable.

The change is in the Whitehorse area, as the member opposite just noted. It's not across the Yukon, but it is sort of from south of town to north of town. There are concerns about the level of solar on the system. In the letter that the Member for Takhini-Kopper King read aloud — and I have had several of these letters. I don't know if I've had this specific one, but I have caseworked quite a few of them. People ask: Well, does ATCO have this authority? Yes, and it always did — and Yukon Energy. We tried to provide for Yukoners that they would come to one place — in this case, we used Energy, Mines and Resources as the window into this program — and then we went and did the work in the background so that you didn't have to say to the proponent or the homeowner: Now you have to go here; now you have to go here; now you have to go over here. So, we were doing that work in the background, but we did need to get the support of the utilities. We can't automatically do this without their approvals as well. It's just that it wasn't maybe as obvious to people in the early phases.

I think it's also worth mentioning that somewhere — and I can hunt up the letter — but last fall — maybe it was in September or October somewhere. But I got a letter directly from ATCO in which they said that they are not going to approve any more of these. That's what led to us here in the Assembly letting people know that we were going to need to curtail it for at least a period of time.

Another part of the question read out by the Member for Takhini-Kopper King from the Yukoner was around: What motivation does ATCO have for trying to solve this problem? Well, I can let people know that — and I referenced this when Yukon Development Corporation was in here in Committee of the Whole debate — there is a working group. It is a technical working group around energy that includes Energy, Mines and Resources, Yukon Development Corporation, Yukon Energy Corporation, and ATCO. They have issued a contract for this research, so it is happening as we speak. They are hoping to get the results back — they are anticipating toward the end of May — but it does matter what that report says. So, if there is the ability to add more solar, we can open it back up. If that technical report finds out that it is negatively affecting the grid, then no, you have to know what solutions can help improve that.

This is where — for example, we have had conversations with companies like Solvest where they have given suggestions about ways that they could help to make the system more robust so that it isn't as vulnerable to variable loads.

Really, what is happening is that you need to make sure, on an islanded grid, that you keep your frequency and your voltage right within a range. So, you have all this solar that's on, and then a cloud rolls across and suddenly all that solar drops, and you have to be able to adjust the system so that you maintain those levels because, if not, you end up with a blackout where your system goes out of threshold. The failsafe is to shut it down. You need to be careful around all that. They are important sorts of choices.

Work is happening right now to make those determinations. We will continue to try to support as much solar as we can.

By the way, when we think about the long-term future for the Yukon, we think solar is a very important part of that mix over time because we believe there will be solutions around storage — in particular if we get that seasonal storage.

Right now, the one that we know of is pumped storage, but the battery technology is changing very quickly. My colleague and I were discussing in the break how 10 years from now, we will probably look back and comment on how much everything has changed because of that technology. It is being driven right now in this transformation of the energy system. We still think solar is very important. We need to make sure to get it right, and we will do our best to support as many Yukoners as possible to get into solar.

Ms. White: I thank the minister for that.

The next thing I want to move on to is actually a very specific thing. I have the unique privilege or responsibility — three people in this Chamber at different times have had the privilege of signing on to a confidence and supply agreement, but I happen to be one of them who signed it twice.

Although I appreciate that questions come forward — because I do appreciate that — as the person who is behind them, I have a fairly vested interest in the outcomes and very specifically have included things that I think are important. One very specific one that I believe affects the minister is under the

title “Housing” — and that would be: “f. reform the land lottery system through a process that includes public engagement.”

The land lottery system in Yukon is a wild, wild thing. It is wild beyond belief, to be honest. There are packages, rules, and things posted, but let's just be super clear that the land lottery system right now is inherently unfair. It is not fair. The most recent land lottery package for the 87 single-family lots in Whistle Bend phase 7 — it is dated “Whitehorse, April/May 2024.” The reason why I wanted to talk about this document specifically is that on page 8 of the document, where it talks about eligibility requirements, the sixth point down says: “... purchase the lot for the construction of a dwelling for the sole purpose of providing accommodation for yourself/yourselves...” This is really important.

The land lottery system is supposed to be for an individual. I want to build a house. I apply for the land lottery. Hopefully, fingers crossed, I get a lot. I build a house and live in the house and happily we go on. But the current land lottery, although it only allows for one application per person and it says that the lots are only to be purchased for the purpose of providing accommodation for the applicant, which means no flipping — it's supposed to be for the individual — everybody knows that this doesn't work. There is no follow-up to ensure that the rules are followed or that developers aren't skirting the rules to buy and develop multiple properties. We know that anecdotally, but a Yukon report from the Yukon government Property Assessment Taxation back in 2022 showed that multiple properties were being bought and sold immediately after completion by developers. They weren't going to live in the houses. They were never going to live in the houses — and certainly not in any meaningful way. If sleeping overnight one night in a house is — we are going to have to make sure that rule changes if that's what it is, because it is being skirted if that is the case.

The reason why I highlight this is because when housing is in such hot demand, we hear stories all the time about people going into the land lottery process as an individual — as a family. Let's say that there is a couple and both partners put in their names separately. They put in two applications, but if I am a developer and have 25 employees and those 25 employees have partners and I have five kids, all of a sudden we have put in 55 applications in the land lottery process because I am looking for four lots to build houses for the next building season. It really removes the ability for an individual to get in there. So, it is an issue of fairness.

When the land lottery process was included in the confidence and supply agreement, it was because it's an issue of fairness. I don't disagree that construction companies that employ multiple people — they are looking for three houses for a year — keep in mind, of course, that I am not a construction person, so I don't know how many houses a team would build in a year. But I understand that you want to keep your crews busy. I also clearly understand that it is profitable. Building a house and selling a house is profitable, but it is not what the land lottery was intended for.

So, I am hoping that the minister can let me know — the CASA commits the government to doing a public engagement

on the land lottery process. I would expect that it would be a broader public engagement. I think that it would be targeted to, for example, the Contractors Association and others. But when is the minister planning on doing this engagement with Yukoners on this really important issue?

Hon. Mr. Streicker: I am going to beg indulgence for a moment and I am just going to go back to provide some information for colleagues regarding questions that were asked earlier today about how lots are being priced across communities. I promise to get to the questions that the member just asked.

First of all, with respect to Grizzly Valley, we are expecting them to come in as market value. Their range would be \$113,000 to \$141,000. For Lone Tree, we are expecting them to come in as development cost. It is likely to range from \$200,000 to \$300,000, including some larger dog-mushing lots. For the Frances Avenue and the Dredge Pond subdivision, it is too early in terms of the pricing side of it, so we are not there yet. I am working to get an answer on Willow Acres for Haines Junction.

I did actually answer this question earlier, but there are some extra parts to it that I will try to touch on. First of all, when are we going to go out and talk with Yukoners? The answer is: Over this summer.

I will note for the member opposite that we are intending to have broad public consultation on the *Lands Act* and what kind of changes people want, which includes conversation about the lottery system, and we will have targeted engagement around the lottery system and what can happen with it.

I think that one of the ways that the lottery system was first envisioned was as sort of a first crack for homeowners who might also wish to be builders. What we had always sort of hoped for was that we would have enough lots in place that there would be over-the-counter lots and that over-the-counter lots would be what contractors would be able to get to, but we have not gotten there and it has been a lot of years with it — this despite the fact that, when we first took office — well, for the 2017 year — we upped our investment year over year to sort of the \$20- to \$25-million range for lot development. I'll have to check to see what the numbers are now, but this was a massive increase.

Under the Yukon Party, it was averaging at about \$5 million a year, so we were four to five times that amount to try to deal with the pressure and the growth. Now, I have talked to contractors, and one of the things that I think I ought to say is that we're all aware how the lottery system is not working in the way that it was intended, but I also want to point out that most of those contractors' houses are going to Yukoners who wish to buy those houses. Yes, sure, I want everyone who works to make a living, including contractors — I'm not sure that they are jacking up the prices or anything like that. I don't want to get into that debate, but I do think that the community is a community of working folks — tradespeople — who are just seeking to make a living like everyone else.

We have sought to make some changes, but as I noted in my earlier response today, that would not be the reform that is required. The way we are doing that is through the lands act

because that is where this lives, and we are going to do both general and targeted engagement on it.

Ms. White: There are a couple of things there. I just want confirmation: Did the minister say that the lots in Teslin at Lone Tree were going to go from \$200,000 to \$300,000?

Hon. Mr. Streicker: My sincere apologies; I just reversed the two sets. Can I just change what I said earlier? My apologies to everyone in the House. The Grizzly subdivision lots are the ones with the dog-mushing lots. They will be going from \$200,000 to \$300,000, and that's a development cost that is going into those. Lone Tree will be going at market value, and their range is \$110,000 to \$140,000 per lot. My apologies.

Ms. White: I appreciate the clarification and I think I probably just saved the minister a couple of letters with unintended —

I appreciate the minister's perspective on the land lottery. I am not disagreeing that people should be allowed to make a living, but the cost that an individual would pay a contractor to build a house and what a contractor will sell a house for without being employed by the homeowner are different. There is a profitability difference. There is a difference. Straight up, there is a difference.

I think about my sister right now who is building a house predominantly on their own. The contractor has done work, but if they were to buy that house completed by a contractor without being the person who had employed them, it would probably be double if not like two and a half times what the cost of the house is because they were the ones who secured it; they were the ones who planned it, and it's different.

I see an inherent unfairness in the land lottery system — probably because we have lots of individuals who come to us, and they say they have applied every time lots have been available and they have never gotten through.

Does the minister recognize that for some there is a perception of an unfairness right now in the land lottery system?

Hon. Mr. Streicker: I am just going to back up again. First of all, I am glad that I corrected the record on the prices, although my DM had already caught my misstep and was getting me to correct it anyway. Also, I will add for the record that the lots in Haines Junction, Willow Acres — it's too early for me to tell which way they're going in terms of pricing, so I can't give an indication yet.

When I talk with contractors in the department, one of the things that they say to me is that what tends to drive prices up higher is when you don't have economies of scale, so if things are a one-off — so a more bespoke house — that's usually when prices go higher. If you have contractors who have secured several lots, they tend to build similar houses and they get that economy of scale which allows them to get those prices lower. I don't want to say "low". Nothing is cheap.

Then the member asked me if it is my opinion that there is a perception that the system is not working appropriately. I think it's more than a perception. I think it is not working the way it was designed to work, so I do think we need to rethink it and get it working right, but I also want to be sure to bring in the contractors' perspective as we look at it. Of course, I want

to look at homeowners. By the way, it's not happening every day, but just a reminder — and I mentioned it earlier today — that there are times when lots come back to us and then we sell them over the counter, so I encourage Yukoners to keep their eyes open for that. If there are people who have not been successful at the lottery system, that is an opportunity.

My basic answer about the lottery system is that it does need to be fixed. I want it to work the way it is intended, so I want it to be an intentional piece of policy. I am looking forward to talking to Yukoners about that. I get that it's complicated and that there is a lot of pressure on the system. That is one of the reasons that we need to address it.

Ms. White: I appreciate that from the minister and I was trying not to make him have to agree that it was inherently unfair. I was trying to give him some wiggle room there, so I appreciate that he has said that it is not working the way it's supposed to, because, again, that is the sense on the ground.

I thought I could be done in an hour and it's not going to happen.

So, firewood prices have been fluctuating — they have been staying quite high. Can the minister let me know or confirm that there are no more supports for buyers or cutters this year? Then with that, does the minister believe that firewood prices are coming down?

Hon. Mr. Streicker: My sense is that firewood prices are not going up as fast as they had been. I want to be careful — I'm sure there are some places where prices are higher. One of the reasons is that the industry — and a shout-out to the Forest Management branch as well — has worked really hard to get more firewood supply online. In the last two years, it has close to doubled — not quite but close — so that's pretty impressive.

There was the other issue around Quill Creek where there was an April 1 cut-off because of fire risk, so we now have a fuel break in place, so there are no longer any gate restrictions. Those are just ways that there have been attempts to get more firewood on the market. I think that the business incentive has been one of the things that has helped with that.

Ms. White: In the efforts of moving us through departments, I'll just send my additional questions in a letter to the minister and thank him for the time today.

Chair: Is there any further general debate on Vote 53, Department of Energy, Mines and Resources?

Seeing none, we will proceed to line-by-line.

Ms. White: Madam Chair, pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all lines in Vote 53, Department of Energy, Mines and Resources, cleared or carried, as required.

Unanimous consent re deeming all lines in Vote 53, Department of Energy, Mines and Resources, cleared or carried

Chair: The Member for Takhini-Kopper King has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all lines in Vote 53, Department of Energy, Mines and Resources, cleared or carried, as required.

Is there unanimous consent?

All Hon. Members: Agreed.

Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures

Total Operation and Maintenance Expenditures in the amount of \$103,547,000 agreed to

On Capital Expenditures

Total Capital Expenditures in the amount of \$529,000 agreed to

Total Expenditures in the amount of \$104,176,000 agreed to

Department of Energy, Mines and Resources agreed to

Hon. Mr. Streicker: Madam Chair, I move that you report progress.

Chair: It has been moved by the Member for Mount Lorne-Southern Lakes that the Chair report progress.

Motion agreed to

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

Chair: It has been moved by the Member for Mount Lorne-Southern Lakes 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

Ms. Blake: Mr. Speaker, Committee of the Whole has considered Bill No. 213, entitled *First Appropriation Act 2024-25*, and directed me to report progress.

Speaker: You have heard the report from the Chair of Committee of the Whole.

Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

Hon. Mr. Streicker: 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. tomorrow.

The House adjourned at 5:25 p.m.

The following document was filed April 22, 2024:

35-1-246

Apparent Conflict of Interest for the Attorney General of the Yukon, letter re (dated April 22, 2024) from Elise McCormick to Hon. Ranj Pillai, Premier (Dixon)