



Yukon Legislative Assembly

Number 142

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HANSARD

Tuesday, April 15, 2014 — 1:00 p.m.

Speaker: The Honourable David Laxton

YUKON LEGISLATIVE ASSEMBLY

SPEAKER — Hon. David Laxton, MLA, Porter Creek Centre

DEPUTY SPEAKER — Patti McLeod, MLA, Watson Lake

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NAME	CONSTITUENCY	PORTFOLIO
Hon. Darrell Pasloski	Mountainview	Premier Minister responsible for Finance; Executive Council Office
Hon. Elaine Taylor	Whitehorse West	Deputy Premier Minister responsible for Education; Women's Directorate; French Language Services Directorate
Hon. Brad Cathers	Lake Laberge	Minister responsible for Community Services; Yukon Housing Corporation; Yukon Liquor Corporation; Yukon Lottery Commission Government House Leader
Hon. Doug Graham	Porter Creek North	Minister responsible for Health and Social Services; Yukon Workers' Compensation Health and Safety Board
Hon. Scott Kent	Riverdale North	Minister responsible for Energy, Mines and Resources; Yukon Energy Corporation; Yukon Development Corporation
Hon. Currie Dixon	Copperbelt North	Minister responsible for Economic Development; Environment; Public Service Commission
Hon. Wade Istchenko	Kluane	Minister responsible for Highways and Public Works
Hon. Mike Nixon	Porter Creek South	Minister responsible for Justice; Tourism and Culture

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Stacey Hassard	Pelly-Nisutlin
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Jan Stick	Official Opposition House Leader Riverdale South
Kevin Barr	Mount Lorne-Southern Lakes
Lois Moorcroft	Copperbelt South
Jim Tredger	Mayo-Tatchun
Kate White	Takhini-Kopper King

Liberal Party

Sandy Silver	Leader of the Third Party Klondike
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Yukon Legislative Assembly
Whitehorse, Yukon
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Speaker: I will now call the House to order. We will proceed at this time with prayers.

Prayers

Withdrawal of motions

Speaker: Before proceeding with the Order Paper, the Chair wishes to inform the House of changes that have been made to the Order Paper: Motion No. 640, notice of which was given yesterday by the Member for Mayo-Tatchun, was not placed on today's Notice Paper as it refers to a bill that has now passed the House; Motion No. 486, standing in the name of the Hon. Premier, and Motion No. 594, standing in the name of the Leader of the Third Party, will be removed from the Order Paper as the action requested in those motions has been fulfilled.

DAILY ROUTINE

Speaker: We will proceed with the Order Paper.
 Tributes.

TRIBUTES

In recognition of Graham Nishikawa

Ms. Stick: Mr. Speaker, I rise today with great pride and pleasure to pay tribute to Graham Nishikawa on behalf of the Official Opposition.

Graham has recently returned to the Yukon after spending time in Sochi, Russia, at the Paralympics and was also in Newfoundland at the national ski races there.

At the Paralympics, Graham skied as a guide for Brian McKeever, a top gold medalist in cross-country skiing who happens to have a visual impairment. Brian himself has now won more than 10 Paralympic medals.

Graham actually participated in three of the races with Brian and with the other guide. In those three races, Graham helped to bring Brian across the line for gold in each instance. I've asked Graham to bring his gold medal with him because, as a guide, he does get to receive one. We're very fortunate. We can all look at it. I've tried it on. It's very heavy and it's very beautiful.

It was very exciting to watch these races and I'm not sure everyone got up in the middle of the night as Graham's parents and many friends did, but I'm sure many people saw the replays of it. It was exciting to see the teamwork of these three young men skiing in Sochi. I don't think anyone will forget the race that Graham was in with Brian when Brian fell at the very beginning, and I think everyone's heart stopped but they went on to get a gold. It was wonderful.

It was also the first time that we saw guides share a race with their skier. Usually what happens is there's one guide, one racer, and they do the whole race. This time the Canadian team decided to try something different, so partway through

the race it was often Graham that came in to lead Brian across the finish line.

It has been exciting to watch Graham over the years. He has represented the Yukon and he has represented Canada at everything from Arctic Winter Games, Canada Winter Games, national cup races in Canada, world cup races, and now the Paralympics. To see this young man grow into what he has become has been a real pleasure. He has given 110 percent each time and it has showed in the results.

As I mentioned in another tribute, Graham could not have done it alone. He has the amazing support of his parents, Bob Nishikawa and Joan Stanton, of his family and friends here and across the country.

There are businesses that support Graham — the Whitehorse Ski Club, the Yukon government and of course the coaches, across all these years, from the very early volunteer coaches to the Olympic coaches who he works with now. I would also like to mention Graham's wife, Madeleine, who is herself a former Olympian and skied in the 2010 Vancouver Winter Olympics as a cross-country skier and she is now at McGill University studying law. She has been a great support to Graham also and I can imagine how hard it must be for her to be separated by such a distance from him.

Graham also has taken the time in this last week to give back to the community. He attended Selkirk School, where they are really trying to kick off a cross-country ski program and he spent time with the students there this week. He was at the ski club; he took a group of people out for a guided ski along the trails. He did a presentation of the slide show and pictures and showed off his hardware from the Sochi Paralympics.

He is a wonderful role model to the many young skiers in Yukon and those who are advancing and becoming closer to also being champions in their own right. He is also a wonderful role model, support and fan of his sister, Emily.

I want to take this time to thank Graham for his dedication, his hard work and congratulate him on his amazing accomplishments. It is so great to know the young man as I do and to see what he has accomplished.

I also want to wish Graham, on behalf of the Official Opposition, all the best in all his future endeavours, whatever those might be.

I would just ask everyone to join me in congratulating Graham. If you get a chance, try to check out the medal afterwards.

Applause

Hon. Mr. Cathers: I'm pleased to rise on behalf of the government to recognize and honour Graham Nishikawa and thank him for joining us here today and thank him for doing just a great job of demonstrating on the international stage what Yukon athletes can do.

I will not repeat much of what the Member for Riverdale South noted, but just note again that on behalf of the government, it's a pleasure to honour him for his success at the Paralympics as the guide for Brian McKeever and the fact that winning three gold medals is truly a commendable and

exceptional performance. It's a pleasure to honour him for that and to thank him on behalf of the Yukon sport community and all Yukoners for representing us so well on the international stage.

On top of his work with Brian — you may know, Mr. Speaker — Graham is a national and international competitor himself and has stood on the podium many times before the Paralympic Games. As a younger athlete, he represented Yukon at national and circumpolar events like the Arctic Winter Games, and his vitality, endurance and commitment have helped him become a leader in his sport, his community and his country. His efforts are really a testament to hard work and devotion and are a shining example for Yukoners, both young and old, of what can be done through hard work and commitment.

In closing, I just want to commend and congratulate him again on behalf of the Government of Yukon and thank him for proving that northerners can do more than just train and compete — they can lead the way on the international stage.

Mr. Silver: On behalf of the Liberal caucus, I would also like to add my voice to those Yukoners recognizing the achievements of Graham Nishikawa here today. Graham, we salute your efforts and your dedication.

I just want to thank you personally for coming to the Assembly today so that we may extend our congratulations to you and to express our appreciation for all of your years of commitment and dedication. Thank you for so proudly and ably representing the Yukon, and thanks to all of those who have helped to make it possible — your friends and family, fellow athletes, sponsors, and, of course, the Whitehorse Cross Country Ski Club. Thank you for inspiring both future Olympians and Paralympians.

I think it is worth noting that the medal that is around your neck is, on its own, only worth its weight in gold, but as a symbol of your dedication and as a source of Yukon pride, it is absolutely priceless.

In recognition of Yukon Education Week

Hon. Ms. Taylor: I rise in the House today to pay tribute to Yukon Education Week, which runs from April 14-17. This year's theme is "Learning for Life", in recognition of the importance of a lifelong love of learning and exploring opportunities to learn in the daily lives of individuals of all ages.

We all learn every day in different ways from our experiences in life, at home, in school, at work, in our communities and certainly on the land. This week we celebrate the value of learning for life throughout the territory with our partners and our many stakeholders in education.

Yukon families, school staff, advanced education partners, school councils, First Nation governments, partner organizations and community members all play vital and important roles in the education of Yukon students of all ages.

I would like to thank the families of all Yukon students — from the parents, grandparents and caregivers who volunteer their time in our classrooms and extracurricular

activities — to those who support the school by attending concerts, demonstrations, bake sales, et cetera, to those many family members who support our adult learners at Yukon College. Thank you.

Education Week is a very important time and also a timely time to recognize and appreciate the tremendous efforts of our school teachers and front-line support staff, as well as the team at Yukon College, who work directly with our students each day to help them each reach their potential — a heartfelt thank you to all of them for supporting learning success for Yukon students across the education continuum.

Likewise, a thank you to our partners who provide literacy support outside the school setting to Yukoners throughout our territory, from the Family Literacy Centre to the staff at Yukon Learn, to the volunteers with the Rendezvous Rotary Club, which brings Dolly Parton's Imagination Library into the homes of young families — thank you.

A thank you to our school councils and the Commission scolaire francophone du Yukon, which all play a very important role in the operation and direction of our public school system — thank you.

Likewise, thank you to each of our First Nation governments that are striving to work with us to improve outcomes for rural and First Nation students, from Education directors to elders, to guaranteed First Nation representatives on school councils, to native language teachers, to our CELCs and to the leadership within each and every First Nation and the Council of Yukon First Nations who continue to make lifelong learning their priority. Thank you.

Mr. Speaker, throughout Education Week, a number of activities are being hosted in Yukon schools and by partner organizations throughout the territory. An exhibit, for example, will be on display all week in the foyer of the main administration building here in Whitehorse with information booths about learning opportunities in Yukon schools, advanced education, apprenticeships, student financial aid, jobs, training, and more.

Earlier this morning, I had the opportunity to launch the first-ever Yukon robotics challenge at Porter Creek Secondary School involving some 60-plus students from the schools of Jack Hulland, Takhini Elementary, Elijah Smith and Holy Family Elementary schools.

Hosted by the Association of Professional Engineers of Yukon and the Department of Education, this initiative is but one example of a unique collaboration that is helping to inspire young Yukon minds in the areas of science, technology, engineering and math. Also being held is an open house at l'École Émilie Tremblay, a math fair at Selkirk Elementary, a performance at Elijah Smith, dancers at Grey Mountain Primary, and much more.

On Wednesday, the Canada Games Centre will be hosting over 500 student competitors at the Yukon Schools' Athletic Association wrestling tournament, the biggest and, I would say, the most successful elementary wrestling tournament in Canada.

In Watson Lake, Johnson Elementary has a full day of activities from art gallery and fancy pants day to moose stew and bannock at lunch on culture day.

Kluane Lake School will be learning about colours with cupcakes for Education Week. In Haines Junction, the grades 6 and 7 classes at St. Elias Community School are having a community Ukrainian Easter egg decorating event. Partner organizations in Yukon are also holding Education Week events, from open houses at the Yukon Learn Society, Learning Disabilities Association of Yukon and Hospice library, to tours of the Yukon Beringia Interpretive Centre.

Education Week reminds us how important it is to be involved in the education of our children, our students, and how being involved helps us all continue our learning for life journey. With this, school councils provide perhaps the most rewarding opportunity for Yukon individuals to get involved in the education of their children. Councils are a voice for parents and community members. They work with students, teachers, administrators and the Department of Education to provide high quality education and, along with teachers and administrators, are a key source of information and support for parents and families who have questions about their children's education.

For those interested in serving on a school council, nominations for the elections are currently underway. Nominations can be submitted until April 24 and the elections for school councils will be taking place on Monday, May 5. For more information regarding school council elections and a full calendar of events for Education Week, Yukoners and all individuals can check out the Yukon Education website.

I encourage everyone to come join us in celebrating "Learning for Life" during Education Week 2014.

Mr. Tredger: I am pleased to rise on behalf of the Official Opposition, the New Democratic Party, in this Yukon Education Week, to pay tribute to education.

We have much to celebrate. As the member opposite outlined, many celebrations and activities are taking place this week. I would like to acknowledge the students, parents, teachers, educational assistants and the many other people in our territory who are involved in education. We are most fortunate to have a very skilled, dedicated and dynamic group of educators.

In this special week, we extend our gratitude to the professionals involved in the wide range of education: elementary and high school teachers; educational assistants; remedial tutors; and representatives of their organization — the Yukon Teachers Association. The commitment, dedication and creativity of those serving Yukon students are a sight to behold. Their commitment to lifelong education and training has a lasting effect on the future of our children and our grandchildren.

These professionals do not stand alone. They and our children are supported by office administrators, secretaries, school bus drivers, college instructors, public servants and early childhood educators.

These people are making a difference. They're the first greeters, the bus driver who welcomes a child first thing in the morning onto the bus. They are the pick-me-uppers, the secretary who puts a band-aid on somebody's knee or helps them when they are not feeling well. They are critical to our schools and our children.

I would also like to recognize the non-governmental organizations that support our schools and our children — organizations such as Yukon Learn, Learning Disabilities Association of Yukon, the Yukon Literacy Coalition, the Child Development Centre, Skills Canada and many, many more. All these support the daily activities that make our schools such a vibrant and exciting place.

I would also like to acknowledge the professionals and the businesses in our communities. They play an integral part because, as we know, education is a community endeavour — the professional engineers, the scientists, the tradespeople who share their skills, their knowledge and, perhaps most importantly, their passion.

It was always an exciting day at the school when we had members of the public, when we had businesses and when we had parents in the school talking about what they did and the modelling that they did and the inspiration that happened from that.

We're very fortunate in the Yukon to have businesses that go out of their way to support our schools, support our field trips, experiences, events, and support our children as they participate in events literally around the world. Whether it's in Europe on a tour to the battlefields, whether it's in South America on an exchange, or whether it's to a neighbourhood community school, businesses stand behind and with our children. We're very fortunate to have businesses like Northwestel, Victoria Gold, Air North and many, many others that support our children.

Schools would not be schools without the remarkable contributions of parents and volunteers who sit on the school councils and boards, who assist teachers in public schools with extracurricular activities, who work with children and adults with special needs, who help their children come to school each day, who help them with their math lessons and their science lessons — again, who support them. We extend our heartfelt thanks to all those Yukon citizens who have volunteered extensive hours to make our schools successful.

As I said, in the Yukon we have many success stories, many instances to celebrate.

We also have too many students who are not succeeding in our schools — rural and First Nation students, traumatized students, at-risk students, children with disabilities, children who struggle on their way to school, children who are not sure where they are going to sleep tonight. How do we react and meet these challenges? How do we as a society ensure that every child in every classroom in every school has a chance for success? How we react says a lot about the inclusiveness of our community. How we react says a lot about how much we value our children and our future.

We are fortunate in the Yukon because Yukon people — rural and urban, government and non-government — are

responding. We are working together to create a better school system for our children. Research has shown that community involvement does make a difference.

We have seen success stories, like the people who came together under the direction of Sheila Rose with Food for Learning, like the Tr'ondëk Hwëch'in and Champagne and Aishihik, which develop cultural and language programming for their schools, like the Individual Learning Centre, like Wood Street and the experiential learning that takes place there, like our Reading Recovery program — all programs that are contributing every day to the well-being and education of our children. We know and experience tells us how critical the involvement of families and children is in programming and in extracurricular activities. We know involved parents and families lead to more engaged students.

We must find a way to ensure all parents can find a way to contribute to their child's educational life and to be valued for that contribution. It is not always easy for all parents to be involved. Many have had less than satisfactory experiences within our schools. Residential schools and previous experiences all lead to a reluctance to take a risk. It's incumbent upon us all to find a way to enable parents to find a place in their child's education. Education must embrace the parents and their commitment to schools. Like never before, it takes a whole community to work together. We need the wraparound support from the community and all agencies for our children to facilitate student success.

There are no simple answers. Education and learning are about working together. It's about taking risks and taking chances. It's about building relationships. It is learning for life.

We have an opportunity in the Yukon. School communities, First Nation leadership, parents, teachers and principals have all made it clear — they want to work together for our children's education. Together, we can make a difference.

Let us celebrate the relationships, the partnerships and the dedication of all those who have made education their passion and vocation. But let us work together to make our system work for all our children. I want to reiterate what the minister said about the school councils. I have had the pleasure, as a principal, to work with many school councils; they perform an invaluable service.

Nominations are open now; May 5 is the election date. To all people in the Yukon — if you can't run for council, vote for council.

Mr. Silver: I rise today on behalf of the Liberal caucus to also pay tribute to Education Week — this year's theme, of course, being "Learning for Life". Every day of our life we learn something new. We learn from both our experiences and from our mistakes. Everybody learns in different ways and at different rates. Education Week is an opportunity to highlight the importance of knowledge and what it plays in transforming our lives and how education helps to shape the future of our young people and therefore in turn, shaping the territory.

In Dawson, Robert Service School will be celebrating Education Week with a jazz band concert for the students today and also a student talent show on April 17. If you have ever been to Diamond Tooth Gerties for a talent show, you know where we get out talent from.

This week, I have the honour of giving a commencement speech at the Yukon School of Visual Arts' graduating ceremony, so I would like to, in anticipation of that day, congratulate all of the 2014 SOVA grads.

Mr. Speaker, each student is unique and we must ensure that we develop that uniqueness by giving them the essential tools and the skills and 21st century technology to help them meet their full potential, and SOVA in Dawson is absolutely well-recognized in this pursuit.

As a former educator in the small community of Dawson, it was a privilege to be part of the students' growth as they learned over the years — a privilege that those in the bigger jurisdictions do not enjoy on that personal level. I've seen first-hand how high school students who I have taught have become community leaders in Dawson and also community leaders in other communities outside of our boundaries. Educators do not just teach students; they also learn from them. Education Week is an excellent time to focus on the importance of education and the many opportunities available to Yukoners. Education and learning and a thirst for knowledge is not just limited to the youth, but to Yukoners of all ages.

As we pay tribute to Education Week, I want to take the opportunity to thank every single teacher and student who I have worked with in my 15-plus years as an educator in the Yukon and also for all that they have taught me and for helping me to become the person that I am today.

Mr. Speaker, education is a lifelong learning experience in partnerships with not only teachers and students, but also with parents and with industry and community. I would also like to thank the many volunteers, tutors, mentors, educational assistants, NGOs and businesses for their commitment to education and to skills training.

There are many activities and organized events throughout the month as the Minister of Education laid out for us, showcasing the educational resources and opportunities available to each and every Yukon community and I encourage Yukoners to take part.

To those who are considering a position on our school council, I would like to thank them personally for considering our students when deciding where to best volunteer their time. Our students of today will be the leaders of tomorrow and they are our future.

Speaker: Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Istchenko: It is a pleasure to rise today to introduce some visitors we have in the gallery today. Mr. Speaker, as a veteran yourself and me being a veteran, you know this is near and dear to our hearts and many others'. We sure appreciate the dedication and hard work that they do

with our veterans in the RCMP and the military. I know these folks had the opportunity to present to the Legion yesterday and you met with them this morning. I wish I would have had more time to chat with them this morning.

In the gallery today we have: Philip Quesnelle, a peer support coordinator with the Operational Stress Injury Social Support program; we have Julien Methot, a case manager with Veterans Affairs Canada; we have Steeve LePage, a house clinician with the B.C. Operational Stress Injury Clinic; and Sian Hoe Cheong is the manager of the B.C. Operational Stress Injury Clinic. I would please have my fellow colleagues give them a round of applause.

Applause

Speaker: Are there any returns or documents for tabling?

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

Ms. Hanson: I rise to give notice of the following motion:

THAT this House denounces the federal government's cuts to the 2014-15 operating budget of the Canadian Broadcasting Corporation and the reduction in coverage and programming that will accompany these cuts.

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

THAT this House urges the Government of Yukon to publicly post ministerial travel expenses using November 5, 2011 as a start date instead of April 1, 2014, on the Yukon government website at www.gov.yk.ca.

Speaker: Is there a statement by a minister?
This then brings us to Question Period.

QUESTION PERIOD

Question re: Lobbying legislation

Ms. Hanson: Last week, the Official Opposition tabled a bill and submitted a motion to establish a paid lobbyist act for Yukon. The Conflict of Interest Commissioner has repeatedly suggested the need for lobbying legislation in Yukon. Most provinces in Canada have some form of lobbying legislation on the books and have recognized the need to be open about their dealings with lobbyists. It's all about transparency and accountability.

Will the Premier acknowledge that Yukon needs some form of lobbying legislation?

Hon. Mr. Pasloski: Certainly I've risen to speak on this issue on a number of occasions. We do feel that it is important in some jurisdictions — especially large jurisdictions — to have such legislation. Those are jurisdictions where there is very limited access — or it is practically impossible to gain access — to a minister. That

isn't the case in the Yukon. This is a small jurisdiction and the reality is that many people in our community of Yukon wear many hats. They may, wearing one hat, be involved with an NGO, but they also may be involved with a business. They wear many hats. That makes it very difficult to articulate how you would regulate such legislation.

This government is focused on talking to people and we are not going to make it harder for people to talk to us.

As you know, the Minister of Health and Social Services and I regularly referee hockey games. In fact, I think that most of us in this House have constituency barbecues and meetings where there is always ample opportunity for people to meet with us, and we will continue to ensure that we meet with as many Yukoners as we can.

Ms. Hanson: It would have been helpful in the intervening week if the Premier had read the bill. Nobody is concerned about the Premier's meetings with community groups or individuals. They are concerned about who has the Premier's ear on yacht outings.

The Official Opposition tabled a paid lobbyist bill last week. The act is meant to serve as a model to help foster discussion regarding the importance of lobbying legislation in Yukon. This act would not affect the ability of constituents or community non-profit organizations to interact with government leaders in any way.

Guy Giorno, a specialist in lobbying law who also happens to be a prominent Conservative political advisor, has praised the strength of the proposed lobbying legislation.

I am not asking the Premier or the minister opposite whether he supports the idea, but what will he do to enact lobbying legislation in terms of transparency and openness?

Hon. Mr. Pasloski: As I have spoken on this today and other days, we believe it is important to be accessible to as many Yukoners as we can.

As I've said in the past, on any day in these offices there are many people who are coming in and out and meeting with ministers on a regular basis, and ministers are going out and meeting with groups or individuals all the time.

There are many people here who wear many hats and it makes it very difficult to be able to regulate who is a paid lobbyist and who is not. This is an opportunity to continue to ensure that the government has the ability to talk to people. What happens in small jurisdictions is that people are involved in a lot of different organizations. We feel that it's important that we continue to meet with people, not make it harder for people to meet with the government and we'll continue to do so.

Ms. Hanson: Mr. Speaker, Yukoners believe and they deserve to know who is pulling the strings behind the scenes of this Yukon Party government.

Lobbying legislation is recognized as a helpful tool to protect citizens' democratic right to know who is influencing their leaders. Lobbying legislation exists federally and in most other jurisdictions. Lobbying legislation has been supported throughout Canada by political parties of all stripes. The creation of lobbying legislation does not have to be a partisan issue. It is something we can work on together.

Lobbying legislation is really about transparency, accountability and honesty. If the minister opposite is not prepared to support this particular bill, will he support taking the *Paid Lobbying Act* and at least putting it before a select committee to consider this important matter?

Hon. Mr. Pasloski: Mr. Speaker, I will take offence to the accusations that are being thrown across this House by the Leader of the NDP. I would like to know who is influencing her decisions on a daily basis.

We know that the goal of the Opposition parties is to solve all problems with legislation and regulation, Mr. Speaker. That is their solution to all problems. We believe that there is a better way. We believe that this is a small jurisdiction where people work very hard in their professional lives, but also in their volunteer lives, and wear many hats. It would become very difficult to clearly decide who is a paid lobbyist and who is someone who is working — again, I think that we continue to hear these accusations — insinuations — being lobbied by the Leader of the New Democratic Party and really, I think people will judge for themselves.

Question re: Carcross Visitor Reception Centre

Mr. Barr: The geese are here; I heard them overhead this morning. This means the summer tourists can't be far behind. Local business operators in the Southern Lakes area are doing their part to get ready for the first visitors, who will be arriving in a matter of weeks. On May 2, the season's first cruise ships will be arriving in Skagway. Many passengers are planning to enjoy some time in the Carcross area.

We have heard that the Yukon government visitor centre will not be open to them. Will the minister confirm that the Yukon government visitor centre will not be open to serve these early travellers?

Hon. Mr. Nixon: I thank the member opposite for his question. In addressing that question, I think it is important to lay out the groundwork that has happened over the last couple of years to ensure that the town of Carcross has a significant visitor information centre — one that we worked on getting open last year with an agreement with the First Nations and with Northern Vision Development — an exceptional visitor centre that sees tens of thousands of people coming off the cruise ships over the course of the summer. I understand and received a letter from some people in the community about the visitor information centre, but I think the letter pertained to the washroom facility of what used to be the visitor information centre being open sometime in the first week of May.

I can commit to the member opposite to look into that matter. In fact, I'm just waiting for an e-mail back now from the department to find out what the plan is, when the exact opening date is and what challenges we face in moving those dates back.

Mr. Barr: Local operators are doing their part. By not opening the visitor centres in time to serve passengers from the first cruise ships of the season, the government is not doing its part. Even the washrooms won't be open — however, I'm glad there's a possibility they may be.

I hear the members opposite heckling. I'm sure the tourists we're inviting to come here, realizing that every dollar invested is a \$28 return — I'm sure the fiscally responsible Yukon Party should be able to understand that.

The visitor centres are a window to all opportunities Yukon has to offer, a key to encourage visitors to come back — all visitors. The tourism season starts earlier in Carcross than it does in other parts of Yukon. A one-size-fits-all approach does not fit. Will the minister support tourism in the Southern Lakes and open the visitor centre on May 2?

Hon. Mr. Nixon: What I find incredibly — I want to use the word “amusing” — is that the members opposite continually demand that we take steps and spend money on providing more services, yet when we bring funds to the floor of this Legislature they continue to vote it down. We've invested millions and millions of dollars, especially in the areas of Carcross and Dawson City. I commend the Department of Tourism and Culture on the strategic marketing that they —

Some Hon. Member: (inaudible)

Hon. Mr. Nixon: The members opposite clearly don't appreciate the value of tourism and the value that is before this budget. As I mentioned, they continuously ask for more resources, for more funding in both marketing and services, but when those resources hit the floor of this Legislature, they continue to turn it down.

Question re: Klondike Valley fire hall

Mr. Silver: I have a question about the Klondike Valley fire hall. Recent renovations to the fire hall have turned it into more of a water distribution centre than a fire station. A project to drill a well was delayed several times and missed many completion dates. The renovations caused considerable disruptions to the activities of the volunteer fire department. When I asked the minister about a possible solution to this issue last fall, he said that, number one, moving the volunteer fire department across the highway to the airport would not be considered, and, two, he did recognize the problem and said — and I quote: “Certainly if there are pressures on the space requirements at the fire hall ... we will give consideration to that and we will not rule out the possibility of considering renovations or additional storage space.”

Does the one-billion dollar budget contain any funding for this proposal?

Hon. Mr. Cathers: As the member will recall, I also noted when he raised this issue that I had not heard about this directly from either the Fire Marshal's Office or the fire chief at the Klondike Valley fire hall. I had no reason to believe that the chief shared the Member for Klondike's opinion.

Certainly if the chief of that fire hall has any issues that he would like to discuss with senior staff of Community Services or with myself, including any concerns related to the space issues there, we would be more than happy to hear his perspective and to talk to him about possible steps that could be taken to improve those issues.

Mr. Silver: The fire chief does remember the minister's tour and remembers that nothing happened. That's why I'm getting involved, again.

Mr. Speaker, the upgrades to the water delivery facility in the fire hall were necessary, but the lack of consideration for the fire hall's prime directive does not sit well with the volunteers and the fire chief. It has left many of them with questions about the future of the hall. For example, who will look after the new water facilities? This is not something that the volunteers signed up for and it's not something that they're qualified for either. Firefighters have also told me that there is very, very little room left for equipment and for training at the facility because of the changes that were made.

Since I brought these issues to the minister's attention last fall and still haven't got an answer, what has he done to address them?

Hon. Mr. Cathers: The member will excuse me if we don't always take what he brings forward to the House at face value because he is often wrong about his facts and in other cases, appears to take a slant that he ought to know takes the words he is saying away from what the facts actually are.

As I noted last fall to the member, although I did, on the tour with the fire chief of Klondike Valley fire hall, hear concerns about what had happened during the upgrades, I have not heard any additional concerns.

Some Hon. Member: (inaudible)

Hon. Mr. Cathers: Mr. Speaker, again, the member doesn't seem interested in the answer, but the answer is the same as it was last fall. If the chief of the Klondike Valley fire hall has any concerns related to the operation of that fire hall, including a desire to see any steps taken by government to make any changes there, I would encourage him to please pick up the phone and call me, send me an e-mail or talk to senior staff. I'm sure he'll understand why we don't take the Leader of the Liberal Party's assertions at face value.

Mr. Silver: Another issue that I raised about the fire hall last fall was the state of readiness for the increased traffic to come as a result of the Holland America decision to fly passengers through the Dawson City airport. Those flights are only weeks away. Last fall, the minister said, "Don't worry; Wildland Fire Management has a station right at the airport."

The firefighters I spoke with in Dawson had a great laugh about that response. The minister should know that the wildland firefighters are not trained to handle airport fires or airplane fires, for that matter. Actually, neither is the Klondike Valley fire department.

With these flights only weeks away, why has no training taken place to ensure that there's adequate fire protection at the ready?

Hon. Mr. Cathers: First of all, let me remind the member that he is conveniently failing to understand here in the House that the investments in the fire hall and Rock Creek water plant were necessitated by changes to the national drinking water standards and, as a result of the changes to those standards since that was a community well, government invested in ensuring those citizens in the area continued to

have access to water and that the water would meet the new national standard for drinking water.

That is something we've done right across the territory — investments in a great many Yukon communities, in meeting the new national standards for water treatment.

Again, with the member's specific assertions regarding the fire hall, what the member claims is fact and what I hear from staff who are actually qualified in these matters are two completely different things.

I would again point out and offer to the chief of the Klondike Valley fire hall, to the chief of Dawson City fire hall, and to any others involved in service delivery, if they have any concerns that they feel are not being adequately addressed with regard to fire protection in these areas, please raise them either with senior staff of Community Services, such as the fire marshal, or bring them to my attention, because I am sure they will understand that — based on long experience in this House — we don't take anything that comes out of the mouth of the Leader of the Liberal Party at face value.

Question re: Ross River suspension bridge

Ms. Moorcroft: My question is for the Minister of Highways and Public Works about the Ross River ferry service. Last October, the government suspended ferry service at the end of the season due to public safety concerns with the Ross River suspension bridge that crosses the river very near the ferry route.

After spending the winter trying to avoid fixing the historic bridge, the government finally announced it would be issuing a request for proposals for work to stabilize the bridge. Mr. Speaker, the ice usually goes out on the Pelly River near Ross River in May. Can the Minister of Highways and Public Works confirm that the Ross River ferry service will resume on schedule this spring?

Hon. Mr. Istchenko: First let me put everybody's mind at ease that safety is of the utmost importance when it comes to anything that we do in the Department of Highways and Public Works with the Pelly barge. We are working with Occupational Health and Safety right now. I understand that an RFP will be going out for the suspension bridge.

I am not going to commit to anything. I want to see what comes out of this RFP first. We are working with the Department of Community Services on schedules with it. We are working with Occupational Health and Safety to see what schedules can be run. We might not be in a full operational schedule; we might be running at different times. We have to see what Occupational Health and Safety says first while working with them because safety is of the utmost importance.

Ms. Moorcroft: The ferry service is a critical piece of transportation infrastructure. Three weeks ago, the government announced it will issue a request for proposals for work to stabilize the Ross River bridge. We still haven't seen the request for proposals, which will mean it will take more time before the bridge is stabilized. The government has dragged its feet on repairing the historic bridge for many years and now the ferry service may be affected for this year.

Ross River residents deserve a clear answer. The ferry service is critical as a piece of transportation infrastructure. Will the minister confirm that the government will begin operating the Ross River ferry right after spring breakup?

Hon. Mr. Cathers: It is interesting — the very selective memory we see here by the NDP member. As the member should recall, there have in fact been significant investments by government into this bridge. Since 1985 the Yukon government has spent \$583,000 inspecting and repairing this bridge, the vast majority of that under this government — not during the member's time in government as a member of the NDP Cabinet of the day.

As the member should be aware, last year we had issued a contract to do repairs on the bridge. The successful engineering firm and welding company that had received the contract, upon inspecting the bridge, came back with a recommendation to government in a memo dated September 30 saying that, in their view, they felt the bridge was at imminent risk of collapse. Government proceeded on that basis.

However, in recognition of the concerns we heard from the community, the Premier and Chief Ladue of the Ross River Dena Council issued a press release on March 25, where a commitment has been made to stabilize the Ross River suspension bridge.

But one of the reasons that government was taking the approach that had previously been taken was out of concern for the potential impact on operations and the ferry schedule. Staff of Highways and Public Works will work to determine options for running that ferry, but it certainly may be impacted by the bridge being where it is.

Ms. Moorcroft: The community of Ross River and the travelling public shouldn't have to pay for this government's inaction. There have been multiple tenders issued, but proponents of repairs have been obstructed from having the critical repairs completed immediately. This delay in stabilizing the bridge may have an impact on the ferry service. The minister himself just said that, and we still haven't seen a request for proposals for stabilizing the bridge. Community members are now asking whether the bridge stabilization contract will happen before the river ice goes out.

Can the minister tell this House when the request for proposals for bridge repair will be issued so that the community can rest assured that government delays will not hold up the ferry service this spring?

Hon. Mr. Istchenko: First let me let the members opposite know that we are in constant contact and working with the First Nations and the local stakeholders and some of the people who the member opposite is talking about.

Highways and Public Works is committed to providing safe and efficient transportation infrastructure for all members of the public as well as a safe working environment for its employees. Highways and Public Works is currently performing job hazard assessment — working with Operational Health and Safety, as I had said in my first response — to identify the risks that the bridge poses to a

number of ferry operational scenarios and it is developing a strategy to mitigate measures and limit the risks.

This process is currently underway and Highways and Public Works is not going to speculate on what the assessment will determine and how this will impact the ferry operations this season.

Question re: First Nation child welfare

Ms. Stick: Yukon's *Child and Family Services Act* was proclaimed in April 2010 and is about the care and protection of all Yukon children. One principle of the act is that First Nations should be involved in the planning and delivery of programs and services to its members. By October 2010, a few months after the act's proclamation, the Kwanlin Dun First Nation sent a letter to Health and Social Services, stating that social workers were no longer allowed on the First Nation's lands. Two years later, Kwanlin Dun negotiated and signed a memorandum of agreement to work with the department.

Does the minister agree with the standards of child welfare services, as set in the agreement between Kwanlin Dun First Nation and the department?

Hon. Mr. Graham: Health and Social Services presently funds the liaison and family support workers for a number of First Nations, Kwanlin Dun First Nation being one. To date, I have not heard of any difficulties between Kwanlin Dun and Health and Social Services with regard to child welfare.

Ms. Stick: I didn't suggest there were difficulties. I was asking a simple question. If the minister agrees with the standards of child welfare services as set out in the agreement between Kwanlin Dun and the department, then the next question is about seeing those standards applied to all families on First Nation lands in the territory.

Provisions of the *Child and Family Services Act* should be consistently applied throughout the Yukon, but the minister knows full well that they are not. In recent months, children have been removed from long-time homes without the involvement of their First Nations.

Mr. Speaker, will the minister be proactive and ensure that First Nations are consistently involved in the planning and delivery of programs and services to their members, or is he waiting for another First Nation to ban social workers from their lands?

Hon. Mr. Graham: Mr. Speaker, to the very best of my knowledge, every incident where a child services worker deals with a First Nation child, the First Nation and the Department of Health and Social Services participate in family conferencing and other cooperative planning processes in order to involve not only the family, but the First Nation in any process that involves their children.

To date, I have not heard a single complaint from a First Nation with respect to these conferences. The conferences seem to be working. During my time in office, as I understand it, not a single First Nation child has been taken out of the First Nation as a result of a child placement.

Ms. Stick: Mr. Speaker, it's not only about taking children out of First Nations or off their lands or away from their families. It's about ongoing planning with First Nations for their children. The Official Opposition recently sent to the minister a letter with regard to a case where a First Nation was not involved, and we were asking: When will this minister responsible commit to ensuring that there is the cooperative planning, the family planning and the First Nation planning for all First Nation families?

Hon. Mr. Graham: I believe that the member opposite is trying to create a problem where none currently exists.

The department is currently — we have regular meetings with the directors of health and social services from all of the First Nations across the territory. Our relationship with those directors and with the social workers in communities is excellent.

If the member opposite sees a problem, I welcome the opportunity to discuss the difficulties with me, but I wish to reiterate that at the present time the work being done with First Nations — and with directors of health and social services from those First Nations — with the department seems to be excellent. I don't think that I would like to have the member intimate that anything else was in fact happening in those communities. The process is working.

Question re: Affordable housing

Ms. White: Yesterday I pointed out that some mobile home owners have seen pad rental increases of 44 percent since 2007. All the minister could say is that the new *Residential Landlord and Tenant Act* ensures that those unlimited increases happen only once a year. In spite of his selective memory, the minister should know that the new act isn't yet in effect, despite a government promise that it would come into force in 2013. But even when the law comes into force, it will not put an end to unlimited annual increases for mobile home owners. The minister's failure to fix the problem is shameful.

Can the minister explain to Yukon mobile home owners how having their rent increased by \$100 once a year is going to be better than having their rent increased by \$50 twice a year?

Hon. Mr. Cathers: I appreciate where the member is coming at this from but, as I pointed out to her yesterday, the evidence is quite clear in areas that have tried to put in place rent controls. The net effect over a long period of time is that it actually decreases the availability of affordable housing. That's why the approach we've taken is targeting our investments in other areas, including the down payment assistance program to help families purchase their first home, through investments allowing people to upgrade their existing housing stock through programs under Yukon Housing Corporation, as well as through areas including the northern housing trust money that is currently in the process of going out through an approach that will leverage that \$13 million into at least \$26 million in investment in affordable rental housing.

Again, we're taking approaches that have been successful in other jurisdictions. The approach that the member is advocating is one that I am quite certain she is doing with the best of intentions but, in fact, the evidence is clear that those approaches over time reduce the availability of affordable housing.

Ms. White: The minister's answer will be little comfort for mobile home owners. They're still being gouged and it looks like the government isn't going to do anything about it any time soon. Jurisdictions across Canada have put reasonable annual limits on pad rent fee increases. It's a fair and simple way to balance the interests of both the landlords and the mobile home owners.

Nova Scotia, P.E.I., Ontario, Quebec, Manitoba and B.C. all have these limits, and they're for good reason. It's a very fair request, Mr. Speaker. Why is the minister refusing to help Yukon's mobile home owners by ensuring there is a reasonable annual limit on pad rental increases?

Hon. Mr. Cathers: As I answered the member yesterday, the same holds true. The experience from various jurisdictions — not only in Canada, but within the United States as well — shows that in municipalities and in jurisdictions where rent controls have been implemented, the net effect of rent controls over time, though well-intentioned, actually backfires and creates over time a reduction in the availability of affordable housing.

We believe more effective methods are the ones that have been tried and proven successful in other jurisdictions, which is exactly what we're doing: increasing the availability of affordable lots through developments such as the Whistle Bend development, providing for lots in most Yukon communities currently available over the counter. That's a starting point for availability for accessible land. As well, through the housing action plan, we are working with various stakeholders on developing additional actions to build on the significant investments we've made to date in the areas of seniors housing, social housing and in areas such as the down payment assistance program aimed at helping Yukoners purchase their first home.

I appreciate the member's intention, but the policy she's adopting has been proven to be unsuccessful in other jurisdictions.

Ms. White: The minister continues to refer to unnamed jurisdictions, whereas I have just listed six Canadian jurisdictions where they have these limits on increases.

Mobile home owners are in a precarious situation. Like renters, they are vulnerable to decisions made by their landlords, including unlimited annual rent increases, but like homeowners, they have the responsibility to pay their mortgage for their mobile home. If you are the owner of a mobile home, you can't just pack up and leave. There are virtually no vacancies in other trailer parks where mobile home owners can move if they cannot afford the pad rental increases. It turns out that mobile homes in the Yukon are not that mobile. Where can mobile home owners go to find protection from unreasonable and unfair pad rental increases that threaten to make their mobile homes unaffordable?

Hon. Mr. Cathers: As I again pointed out to the member yesterday, the *Residential Landlord and Tenant Act* is a piece of legislation — though the member conveniently failed to acknowledge the fact that the NDP, during three terms in government, failed to take any action to amend this antiquated, 50-year-old piece of legislation.

It was this government that acted, first of all, with an all-party committee that made recommendations on how to proceed. Government built on that through legislation that was taken for public consultation. Regulations have just recently concluded public consultation. We are seeking input from landlords, tenants and indeed, all Yukoners who wish to comment, because changes to this legislation have an effect on all Yukoners who are either landlords or tenants and we are focused on proceeding in a balanced manner.

The member has advocated for a form of rent controls and, as I pointed out to the member, I appreciate where that intention comes from, but the evidence is quite clear that where rent controls have been implemented by municipalities on a larger scale, over time, they lead to a reduction in affordable housing despite their intention.

No, we will not be adopting the approach the member advocates. We have proceeded with other investments that we believe will be more successful in increasing availability for affordable housing.

Speaker: The time for Question Period has now elapsed.

Notice of opposition private members' business

Mr. Silver: Pursuant to Standing Order 14.2(3), I would like to identify the items standing in the name of the Third Party to be called on Wednesday, April 16, 2014: Motion No. 616, standing in the name of the Member for Klondike, and Motion No. 622, standing in the name of the Member for Klondike.

Ms. Stick: Pursuant to Standing Order 14.2(3), I would like to identify the items standing in the name of the Official Opposition to be called on Wednesday, April 16, 2014: Motion No. 638, standing in the name of the Member for Whitehorse Centre, and Motion No. 631, standing in the name of the Member for Mayo-Tatchun.

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

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 67: *Act to Amend the Income Tax Act* — Second Reading

Clerk: Second reading, Bill No. 67, standing in the name of the Hon. Mr. Dixon.

Hon. Mr. Dixon: I move that Bill No. 67, entitled *Act to Amend the Income Tax Act*, be now read a second time.

Speaker: It has been moved by the Minister of Economic Development that Bill No. 67, entitled *Act to Amend the Income Tax Act*, be now read a second time.

Hon. Mr. Dixon: It is a pleasure to rise and speak at second reading to this particular bill, Bill No. 67, the *Act to Amend the Income Tax Act*. Members will be familiar with this particular initiative, as we have discussed it previously in a motion debate that occurred a few weeks ago. The crux of this amendment is quite simple and is to lower the small-business tax rate from four percent to three percent.

This is an important step forward, I think, in terms of our support for the business community in Yukon. In my opinion, any time we are able to cut taxes that affect Yukon businesses, we are promoting the Yukon as a jurisdiction to do business in. As I have said before, a healthy and prosperous business community makes for a healthy and prosperous community at large.

I think it is an important step forward for us in terms of our promotion of small businesses in the territory and it is one of the ways that we support small businesses in the territory. Our goal is for Yukon to be a competitive and attractive jurisdiction to start and operate a small business and this measure will certainly work toward that end.

The Government of Yukon is committed to providing programs and services that support and stimulate the development and growth of Yukon's small- and medium-sized enterprises. The Department of Economic Development for example, provides business development support and information as well as advisory services to Yukon's small- and medium-sized enterprises through partnerships with non-governmental organizations, industry associations and through direct assistance.

The Department of Economic Development supports small- and medium-sized enterprises to further maximize benefits from large resource development projects and other economic activities. The department continues to support Yukon businesses through programming and third party initiatives as well. In conjunction with some of the work, programs and services provided through the Department of Economic Development, this measure will further encourage the creation of an attractive business climate in the territory.

I want to take a moment to thank the Member for Watson Lake for bringing forward a motion last year that was debated a few weeks ago. That Motion No. 494, stated: THAT this House urges the Government of Yukon to ensure that Yukon has a competitive business tax structure and competitive business tax rates.

As members know, the Legislature debated and passed this motion a few weeks ago; therefore, it's a pleasure to be acting on that particular motion that we passed a short while ago.

The reduction of the small-business tax rate from four to three percent is obviously a quarter lower. It's a reduction of 25 percent and places Yukon in a fairly competitive placement on the federal scene. Our rate is now lower than many jurisdictions in Canada and is equal to Alberta's, which is one

of the lowest in the country. I believe Saskatchewan's is 2.5 percent, which is the leader in the country, with Manitoba at zero percent, having no small-business tax. However, I should note that Manitoba does have a lower threshold for what qualifies as a small business, so there is some amount of offsetting that occurs there.

The rate in British Columbia is 2.5 percent; however, that lower rate does not reflect the reintroduced PST on business inputs — plus the carbon tax in that province — which means small businesses' overall tax burden in British Columbia is in fact higher than in Yukon, despite the fact that they have a lower rate.

The new rate will become effective July 1 of this year. The cost to the public Treasury will be approximately \$750,000 a year as a result of this change, but I should note that a reduction in business tax makes the Yukon a more attractive place to start businesses, so it's entirely likely that, over time, more businesses will open in the Yukon and therefore create additional tax revenue for government. It's possible that, over the course of a lengthier period of time, that cost will be neutralized over the course of a certain amount of time.

The reduced burden on small businesses will enable them to retain a greater portion of their earnings in order to invest in their businesses and create jobs.

As we've discussed previously, every dollar that isn't collected from businesses is available for that business to reinvest in their company, in their staff or in the community. We are lucky to have a very generous and active business community here in the territory with a number of excellent examples of companies taking a leadership role in the charity sector, in the non-governmental sector and with educational initiatives that benefit Yukon students as well.

In the tributes today — Education Week — the Member for Mayo-Tatchun pointed out a few excellent examples, and I would like to echo those. Victoria Gold, in their efforts to encourage Yukon students to attend school, is just one example. Some of the work done by companies like Northwestel, Yukon Electrical and others all participate in a meaningful way in Yukon's communities and invest back into the communities in a number of different ways. By reducing the tax burden on companies like these, we obviously create opportunities for them to further their investments in Yukon's communities and Yukon's people.

I should also note that this is one part of a bigger scheme with regard to Yukon's tax structure. Of course we believe that Yukon has a fairly competitive tax structure already, despite these actions that we're taking to increase the competitiveness even more. We have a very low manufacturing tax rate. I believe it is 2.5 percent, which is by far the lowest in the country. We also have the lowest fuel-tax rate in the country as well.

On the whole, we have a competitive business tax burden and this step forward makes it even more competitive. It's an excellent step forward for the business community and an excellent step forward for any business out there that will be affected by it and I'm very excited about it.

I should also note that there is one consequential amendment as well. The bill also contains an amendment related to administrative rules regarding refunds. Yukon has agreed to have the same administrative rules for refunds as Canada to officially administer the income tax program and the small administrative change in this act also aligns the refund of Yukon income tax provisions with the federal provisions. This is a good step forward, I believe, in making Yukon an attractive place to own and operate a business and I'm very excited to table this particular amendment on behalf of the members on this side of the House. I look forward to hearing what my colleagues both on this side of the House and opposite have to say about lowering the small-business tax from four to three percent. I also look forward to hearing from them both in their second reading speeches as well in a more informal manner when we debate the specific provisions in Committee of the Whole later today.

With that, I will commend this bill to the House and thank my colleagues for allowing me to table it and to take the lead in terms of speaking to this particular bill and guide it through the House in this legislative sitting.

Ms. Hanson: On behalf of the Official Opposition, I'm pleased to be able to speak to Bill No. 67, *Act to Amend the Income Tax Act*.

At the outset, I want to state that the Yukon Official Opposition will support and does support Bill No. 67 — the amendments to the *Income Tax Act*.

We do so because we know and we share the belief that small businesses do employ thousands of people in our territory and are vital contributors to other industries, such as mining, tourism and culture. That's why the Yukon NDP has long been a strong advocate for small businesses in Yukon. We speak from experience, since several of our current and past caucus members have had extensive experience running successful small businesses in this territory.

We have advocated for a number of measures to support small-business development here in the Yukon, like programs to identify potential additional sources of venture capital for new business ventures, targeting new training for people already working to increase their skills and productivity, and, as well, the often and probably maligned notion of reducing red tape in a real way for small businesses. Small businesses are at the heart of our economy and the Yukon New Democratic Party wants them to remain successful and competitive.

A thriving small-business sector is a key engine of economic diversification because we know it takes creativity, courage and commitment to get a small business off the ground, and there are many factors that influence whether a small business will be successful. While lowering small-business taxes is one piece of the puzzle, many small businesses struggle in their first few years and will not be paying taxes until they make a profit. This means that many new small businesses will not benefit from this lone measure.

While the government has highlighted this tax cut for small business, they have done little in other areas that have a big impact on existing and new small-business owners.

There is limited to very little new funding in this year's budget for start-ups or microbusinesses that are often incubators of innovation.

It has become clear over the years that this Yukon Party government has much in common with the Harper Conservatives, and this is really true when it comes to small businesses. Under the Conservative government in Ottawa, there has been a singular focus, across the board, on corporate tax cuts over the past several years, but it hasn't been accompanied by a focused strategy to help small businesses, even though across the country they are a key generator of new jobs.

Under the federal Conservatives, the general corporate tax rate has been reduced from about 22 percent to 15 percent between 2006 and 2013. In fact, Mr. Speaker, you'll recall that, in the last quarter of 2013, Canada's corporate cash hoarding — or — as Mark Carney, the former head of the Bank of Canada, called it and the former Minister of Finance, the now-passed Jim Flaherty, put it — “dead money” had amounted from those corporate tax cuts to \$626 billion that businesses were sitting on and not investing to generate new jobs and new opportunities for Canadians in this country. It's a challenge. On one hand there's an attractiveness to reducing taxes, but there's no evidence that lower tax rates helped attract more businesses.

In fact, the two biggest losses federally — I know we're talking about a small tax loss here of \$750,000. It's a small investment and we hope it will work.

But when you look at the fact that, federally, \$14 billion in GST revenues and corporate tax rates of \$6 billion annually, going forward — that has a huge implication for us and for this territory in terms of the ability to find and utilize federal revenues to supplement and complement the kind of initiatives that a territorial government might want to do to support small businesses.

Mr. Speaker, at the same time as those large cuts were being promoted and supported by the federal government, small-business rates only dropped one percentage point during that period.

As I said, we share the Minister of Economic Development's hopes that tax cuts will in fact help to attract more businesses, but so far — as we have seen at the federal level — that hasn't been necessarily the case. We need to find creative ways and more ways than simple tax cuts to assist and to work with small businesses, because they are the heart of our economy. Those small businesses that are at the heart of our economy are having a struggle right now. One only needs to look around the community — look at the number of small businesses that are not in operation today that were a year, or a year and a half ago.

We think that there are ways we could work together to support those small businesses. Those small businesses are at the heart of our economy. They supply the necessary goods and services for our daily lives. They provide services to

industry and government and they are integral to the tourism, retail, arts and culture sectors. They are part of that fabric — an important fabric of a strong and vital economy.

Most small businesses are just looking for government — they don't have the time and energy, if they're really working hard in getting those businesses up, to try to figure out how government works. They need government to make it interactive and proactive in terms of making their lives easier to work with government.

Some may want a helping hand to get started and sometimes some assistance to respond to economic downturns. Often they are looking for creativity in terms of how government can work with their businesses. We have raised this many times in terms of opportunities that governments have in terms of procurement opportunities and the multiplier effect that exists in terms of using those economic tools that we have to assist small businesses.

Small businesses and microeconomic initiatives can benefit from assistance developing business and marketing plans — assistance that they can't afford in order to go on to the market themselves, but government does have the resources within it to help.

More generally, from innovative professional development initiatives accessible to small-business owners who do not have time to travel or take time from work — we often assume that people can just stop their business for the day and go take a course on running a business better. Many business people whom I've talked to say, “I can't do that. You need to find a way to work with me in situ so we can find out what is going on with my business and help me there.” That's why the New Democratic Party believes strongly that the government really isn't doing enough to support new training opportunities designed to accommodate those already working to increase their skills and productivity.

We talked today about Education Week and lifelong learning. It's the same in any business — you are learning all the time and you are needing to adapt. The assistance that we can provide those small businesses to be proactive and to be able to adapt to changing circumstances — the changing economy — is very, very important.

The Yukon investment tax created by a New Democratic government increased Yukoners' ability to invest in the Yukon and invest in Yukon businesses. This tax credit was very successful with, for example, Air North and other businesses. We have consistently asked this government to explain how and when it will develop the parameters to look at increasing the room there. While the Yukon NDP supports Bill No. 67, *Act to Amend the Income Tax Act*, we strongly believe that there are still great opportunities for the Yukon government to strengthen and diversify Yukon's small-business sector.

Hon. Mr. Kent: It is my pleasure to rise and speak on the second reading to this bill. I think that a competitive tax regime and a competitive royalty regime — as well as what the Yukon Party has been doing — are many of the reasons that attracted me to this political party in the first place. One

of the first promises that we made during the 2011 campaign was to not increase taxes. This bill even goes beyond that by reducing taxes for small business. I think that this is a tremendous step forward to provide support to those individuals and companies that provide many jobs and opportunities for Yukon residents.

When you highlight some of the political differences between the different parties in this House, I think one only needs to look back at the 2011 election and the promise put in by the New Democrats that they would increase royalties on placer mines and hard rock mines, thus really leading to a competitive disadvantage for those companies that provide opportunities and jobs for Yukon residents.

We certainly want to make sure that we attract investment to the territory, whether it's through small business or the larger mining projects or tourism projects that provide many of the jobs and many of the opportunities for the service and supply sector to thrive in the territory.

That promise by the New Democrats during the 2011 election campaign elicited a response from the Chamber of Mines at that time. They certainly were caught off guard by a quartz royalty increase as well as the proposed placer mining royalty increase and again, I think that trying to do that at that time would have caused an awful lot of damage — perhaps irreparable damage — to the Yukon's investment climate. I'm pleased that the Yukon Party promised no tax increases and are here today, just two and a half short years into our five-year mandate to provide tax decreases for Yukoners.

I applaud my colleagues in the caucus and in the Cabinet, and of course the Minister of Economic Development, for bringing forward this important bill and bringing in these tax cuts.

This bill will be important to many of my constituents, as many of them are small-business owners or work for small businesses. So I'm pleased that there will be extra dollars in their pockets to reinvest in their business and to reinvest in training opportunities for their employees. There are a number of programs that I believe are offered through Economic Development and Tourism and Culture to assist businesses, whether it's the tourism cooperative marketing fund or the enterprise trade fund. There are many programs such as those that assist businesses with attracting investment outside of the territory and really finding a way to move forward, grow their businesses and grow the opportunities that exist for everyday Yukoners.

As I mentioned, many of those businesses are service and supply businesses to the mining sector. We see them in the annual Yukon Chamber of Mines exploration directory, from the smaller businesses to those that are a little bit larger and provide those jobs to people to service what is one of the cornerstones of our economy — that being the mining industry. I know there are also service and supply companies that service the other cornerstone; that being the tourism industry. These tax decreases will help all of those and will lead to significant investments.

Mr. Speaker, I would just like to speak briefly to what I consider one of the oldest small-business sectors here in the

territory and that's the placer mining sector. More than a century after the discovery of gold in the Yukon, placer mining continues to be an important sector in our economy. It has played a long and valuable role in the economic well-being and history of the Yukon. Families and individuals have worked for many years — even generations — reinvesting their profits in newer equipment and technologies and continuing to expand their mining operations through exploration. The positive economic benefits of placer mining to the Yukon do not come from the payment of the placer gold royalties. They originate through the income and the business taxes generated from local jobs and the use of local service and supply companies. Many of those jobs and opportunities exist in our communities as well — the community of Dawson, the communities of Mayo, Carmacks, Haines Junction and of course, here in Whitehorse for some of the larger service and supply companies.

It's very challenging to be successful in placer mining. There are other aspects, such as fuel prices, increased operating costs related to more stringent federal regulations; there's labour and lower-grade ground that all affect the profitability of the industry. Yet the industry continues to persevere, year after year, in spite of often retreating gold prices. Placer gold production in 2013 was estimated at 56,563 ounces, which was a 10-percent increase from the 51,679 ounces in 2012 and was the highest level of placer production in the territory since 2007.

The resilience of Yukon placer gold producers in 2013 suggests that production will remain relatively strong with the production of 57,000 ounces forecast for 2014.

I'm going to close on that note, because I'm a very big fan of the placer mining industry and the individuals and families who are involved in that industry. As I mentioned, for over 100 years they have been providing critical jobs and opportunities to individuals in our territory. They have been providing support to communities and charities throughout the territory and are some of the hardest-working and most innovative people I've ever had the privilege of knowing and/or meeting on occasion.

I think that's an important thing that the Official Opposition should remember: placer mining is one of the cornerstone small businesses in the territory and it needs to be supported, just as other small businesses do.

With that, I'll commend the Minister of Economic Development for bringing forward this tax cut and making the Yukon a more competitive regime when we're looking to attract investment dollars and have individuals establish businesses here in our territory.

Mr. Silver: I would echo the Minister of Energy, Mines and Resources' comments on the placer industry, but I'm going to keep it to the act.

I am happy to rise today to speak to the *Act to Amend the Income Tax Act*. I've already indicated my support for this bill when we discussed it on March 25 during a motion presented by the Member for Watson Lake.

I am pleased to see the government responding to a request from the Canadian Federation of Independent Business to reduce the Yukon small-business tax rate from four to three percent. I believe the anticipated impact to the bottom line is going to be roughly \$750,000. This tax reduction will allow small businesses to keep more money in their pockets and in turn it will create jobs. It's a good measure and it does have the support of the Liberal caucus.

I'm also pleased to see that the government did respond to another recommendation from the CFIB — and also from the Liberal caucus — and that was to undertake a red tape review. They tried this before, about a decade ago, and I hope that it will be more successful this time around.

It's good to see that the government is listening to the CFIB and, as such, I will concur with this national organization's observations and I will therefore be supporting this bill.

Hon. Mr. Istchenko: I don't have a bunch to say on this, but there are a few things I would like to speak to on this bill. I just want to quote a few things from a couple of articles that I read about small-business tax.

The *Globe and Mail* on March 20 talked a little about Jim Flaherty's years as the Finance minister and the days since he has resigned. Today, by bringing his name up, I do wish to think about his wife and his children, and I send my thoughts and prayers to them.

However, it said in the article that little has been said about what might be his greatest legacy: a slow and deliberate effort to broaden the corporate tax base and eliminate so-called loopholes and tax preferences. These moves have allowed for a reduction in our corporate tax rates that, together with other changes to the tax system, have made Canada's corporate tax system one of the most competitive in the world. I think that is very important to remember.

The Member for Klondike was just talking about the Canadian Federation of Independent Business. A quote from February 27, 2014 said: "This month is looking a bit rosier for small-business owners, according to the Canadian Federation of Business (CFIB). The Business Barometer index rose by 0.4 points to 64.4 this month, expanding on its 1.7 point gain in January. In fact, the index now runs about half a point better than its 2013 average."

"This is a sign that small businesses see the glass as more than half full for February" — and this was quoted from Ted Mallett, vice-president and chief economist for Canadian Federation of Independent Business. He also said: "And, the reading's in line with last month's trend, where we already saw optimism levels rebounding.' Notably, the rapid downshift in the value of the Canadian dollar in late January has shown up in business pricing plans."

The reduction to our tax rate on small business in the Yukon is imperative, and the Minister of Economic Development in his press release hit the nail on the head when he said that a 25-percent reduction in the corporate tax rate ensures that the Yukon tax regime on small business is competitive with neighbouring provinces. He also said that

businesses will soon be able to retain a greater portion of their earnings.

That's very important because when this budget came forward, one of the things that I spoke to and I'll be highlighting to the constituents — I've talked to the constituents of the great riding of Kluane about this, and they're happy to hear that this is a direction that this Yukon Party is going. When I talk to these people, they ask me about this. They don't ask me about lobbying legislation. They don't ask me about the Peel watershed. They ask me about things that are important to small-business owners and to people in the Yukon Territory.

Our esteemed Minister of Energy, Mines and Resources talked about the small family gold miner. There are many of them. I was one once as a young man with my family. The mom-and-pop restaurants, somebody out there who has a little daycare, maybe a yoga instructor who is running a small business or — can't forget about the tourism industry. There are a lot of them out there that are going to benefit from this, and like I said before about my discussions in Kluane, this is what Yukoners would like to see their government do. They want to move forward, make it easier and make it better and make more money stay in the pockets of Yukoners. That's all I have. Thanks.

Hon. Mr. Nixon: I have spoken in this House before about my past history in business. In fact, I spent the first 18 years of my life on a family dairy farm and then, once I was in Yukon, I got into business for myself, purchasing a family fun centre and then moving on to a property management company, so I applaud the work of the Minister of Economic Development in bringing this important piece of legislative amendments forward that certainly supports small businesses.

We know that being an entrepreneur is a lot of hard work. There is no guarantee of a 40-hour workweek. There is no certainty of holidays, overtime, or stat holidays off, but often your staff enjoy that luxury. There is no certainty of income, or other benefits for that matter. We know that most operations are 24/7. It also means that often you take the role of many different trades. A small-business person can be a plumber, a carpenter, a human resource officer, a bookkeeper and so on.

As I have mentioned before, I read a quote by Richard Branson — and the quote reads: "I didn't have a career in business in mind, we just wanted to make a positive difference in people's lives. I soon learned one of the best ways to do that is to become an entrepreneur." Businesses really are about helping people. They are a means to an end. Entrepreneurship is, as Mr. Branson noted, one of the best ways to help people. That belief underpins my perspective on taxation policy.

I am reminded of the many constituents in my riding who are extremely hard-working entrepreneurs and, as Mr. Branson said, we just want to make a difference. Many of my constituents in Porter Creek are, in fact, making a difference and are helping people out in areas such as tool sales, auto-body, printing, advertising, event planning,

consulting, lawyers, pilot vehicles, contractors, pilots, surveyors and even florists.

In my readings, I found that a good tax policy is one that maximizes economic well-being and is generally competitive and employs broad tax bases, one that has relatively low tax rates and is, for the most part, neutral among different types of economic activities.

Some people may ask what difference it makes, as long as everyone pays the same tax rate. In a recent *Globe and Mail* story on the late-Minister Jim Flaherty, his legacy noted that he made “A slow and deliberate effort to broaden the corporate tax base and eliminate so-called ‘loopholes’ and tax preferences. These moves have allowed for a reduction in corporate tax rates that, together with other changes to the tax system, have made Canada’s corporate tax system one of the most competitive in the world.”

The Canadian Federation of Independent Business writes that a competitive tax system plays a key role in attracting new investment and generating economic growth. They state that small- and medium-sized businesses offer the greatest potential for creating those new jobs. They conclude that creating a flourishing tax climate for small- and medium-sized businesses should be a priority for policy makers.

For small businesses, an ideal tax system should be simple and understandable so it minimizes the administrative burden of compliance. It should be visible and transparent to help ensure accountability. It should be stable and predictable to facilitate accurate tax planning for businesses.

It should be neutral and competitive by assuring the efficient allocation of resources and by aiming to boost business productivity. It should be fair by having taxpayers with a similar ability to pay tax at the same or similar amounts and conversely, taxpayers with a greater ability should pay more.

The federation also indicated that with respect to corporate income tax, Yukon should also reduce the small-business tax rate. As I mentioned earlier, having grown up on a family farm and having also spent 10 years in business myself, Mr. Speaker, this is something that I can certainly stand behind. It’s something that I can relate to and it’s something that I can appreciate.

In fact, reducing the small-business tax rate coincides with what Yukoners have shared with us. I believe that this is a positive step forward that Yukon is reducing Yukon’s small-business tax by 25 percent and again, I thank the Minister of Economic Development for his work on this file.

With respect to how this impacts my portfolio of Tourism and Culture, we know that private companies around the territory will benefit, as the Leader of the Official Opposition had mentioned earlier. Companies we know are providing tours on the *SS Klondike*, Dredge No. 4 and companies like Air North, Yukon’s Airline will benefit from arrangements such as these.

Something interesting to point out: through the 2013-16 product development strategy, the Tourism department continues to provide tourism industry and entrepreneurs with quality education and training programs.

That strategy supports industry development and consultation with non-governmental organizations and industry stakeholders and ensures tourism interests are represented and communicated. During the 2013-14 year, the industry services unit hosted six workshops to promote and support local businesses, as well as offering presentations for tourism businesses in particular and stakeholders. Through that arrangement, there were a total of 117 participants who attended that workshop. So again, I thank the Minister of Economic Development for bringing this important piece of legislative amendments forward and I too will be supporting this.

Ms. Stick: I’m pleased to rise to lend support to this bill, the *Act to Amend the Income Tax Act*, as a member of the NDP and we will be supporting this, but I also support it as a small-business owner. I just realized this in the last week that I’ll have been in business for 15 years this summer and it’s good to see this one-percent reduction.

People keep saying that this money will be more money in the business owners’ pockets, but knowing the people I do in small businesses, I find often that money doesn’t get to our pocket, but in fact it goes to trying to improve the situation for our employees to provide better wages, better benefits and to be able to hire more individuals so that that money actually turns around and goes back into the community. We’re looking at ways of expanding; we’re looking at ways of upgrading our businesses or being able to reach out through the Internet and do those types of sales.

So the tax reduction is good, and I would suggest that that money does go back to the community. It does go back to our employees. But still I hear from employers — and other small-business owners — that the one thing that business owners have been asking for a long time is a reduction in red tape — the amount of paperwork that is faced by small-business owners and lack of support to do that sometimes. Again, with the loss of the CRA office here in the Yukon, business owners really found themselves at a disadvantage.

One other thing I would just mention is that it’s great that we can reduce taxes, but we should find ways to reduce the red tape and to help small businesses. I know that the government does offer funding for programs for individuals with disabilities or with seniors and summer student placements. I know businesses that have applied to hire summer students to give them an opportunity to possibly save money for secondary education or to have their first job, and all of those funds have been expended already. A lot of businesses that were hoping to be able to offer work to summer students are no longer able to because the applications have been closed.

I do support this, and I would encourage this government to look at other creative ways to support small businesses, not so that they can put more money into their pockets, but so that they can turn that money around and get it back into the economy to provide support to employees and to continue to have a successful business. Thank you.

Ms. McLeod: As you know, I was speaking to this motion, which I presented in this Legislature a short time ago, regarding the lowering of the small-business tax rate from four percent to three percent, which is a full 25 percent. This is a good thing for business and for Yukoners as a whole.

In speaking with the president of the Watson Lake Chamber of Commerce, he agreed that any tax decrease is a good one. In my rural riding, small business is really where it's at. We rely on these small businesses and they are the lifeblood of our communities. They are involved in a very big way with the entire fabric of the community and their generosity is famous and really crucial to the continued success of many of our non-profit organizations.

I really wanted to draw attention to the fact that businesses donate a fantastic amount of money to rural and city — all — organizations in the Yukon. Without them, many events that we hold dear just wouldn't happen. I am sure it is the same way for most of rural Yukon and businesses in the capital.

I want to thank the Minister of Economic Development for bringing forward this amendment to the *Income Tax Act* and I thank all members for their support. I think this is a very important amendment and I think it will be well-received by Yukoners.

Mr. Barr: I too would like to rise in support of this *Act to Amend the Income Tax Act* — and one percent, as the Member for Watson Lake just said, is a lot.

One of the businesses that I have been involved with over the years has been that of a musician. Although many may not feel, or be of the opinion, that being a musician is a business — it's like, you are out there having fun, playing music. However, it has fed my family, it has bought a home, it has travelled me around the world and it has allowed me to be an ambassador throughout the world in my travels. I remember, even with the Chamber of Commerce here in Whitehorse, going on tour — “Here are a bunch of pins, here are some Yukon flags.” You know, we are out there — we are giving.

When the member opposite was saying the amount that a small business gives back to the community — I couldn't tell you the number of fundraisers I have played at over the years, whether it was for people whose house burned down, or raising money for cancer or World AIDS Day; for — you name it.

Musicians, as a business, are asked many times to give and then, when we are asked to play, “Could you play for nothing?” even if you are doing it as a business. It is like: “What, \$75 for a whole night?” I mean, who works for — a journeyman these days — could you get someone to come in and ask them and think that they would work for nothing?

I would just like to say, as someone who has been involved in that for years and years and years, please remember when you're asking a musician to come and play for nothing — hey it's going to be great exposure for you — remember, we pay our bills that way and we still need to eat, and free is free but, you know, you would never ask a

mechanic to continually come and fix your car for free — yet it's a perception that's out there.

Now I have a bed and breakfast also and I give a lot of that away. I'm happy to share my space out there; however, when we come around to pay the taxes, the government isn't likely to say, “Don't worry about it this time. We'll get you next year.” So, one percent is one percent. When I go out travelling and I add that up over years and years and years, I always look at it as a tank of gas, you know, \$70. And that is going back to the community. It's allowing — what do we say? Spread the wealth. I just look forward to supporting this and I just wanted to add in my few comments.

Speaker: If the member now speaks, he will close debate. Does any other member wish to be heard?

Hon. Mr. Dixon: Thank you to my colleagues on both sides of the floor who have risen today to speak in support of this particular piece of legislation. I think it has been an excellent foray into discussions of various small businesses, and I've learned a little bit. I have a new appreciation for the need to actually pay musicians now, which I didn't previously have. I'll be making sure to tip extra when I see a good musician, because I know that they are putting dinner on their table, the same as any other business.

This particular initiative — the lowering of the small-business tax rate — as indicated by the members speaking from a diversity of backgrounds — is something that is going to impact all businesses. It's not targeted at specific sectors. It's not targeted at urban or rural businesses. It's targeted at all businesses across the spectrum. Whether it's in the tourism industry or the mining industry or the film and sound industry — as the Member for Mount Lorne-Southern Lakes noted — any incorporated business pays these taxes and will see a benefit from the reduction of them.

As has been discussed previously, the Yukon government provides support for a range of small-business initiatives and a range of sizes and types of businesses. If it's in the tourism industry, we have a specific department aimed at supporting that specific industry. We have a number of initiatives through my department — Economic Development — to support less traditional industries, like the film and sound industry, which is often under-recognized.

The Department of Economic Development supports the attraction of investment, which is so critical to see certain projects go forward in the territory. We provide support for the telecommunications sector, in particular through the creation of our new Technology and Telecommunications Development Directorate. Of course, there are specific program funds that are available to a range of different businesses.

I would point to the enterprise trade fund as an example which allows businesses to market their products or their services in new markets reaching out to international or other jurisdictions or other parts of Canada — the opportunity to reach out to markets that they previously weren't able to reach.

Of course, we have the strategic industries fund, which targets industries or opportunities that are strategic for Yukon that will have an impact on more than just one business or one sector and indeed creates a new industry in the territory and a new economic opportunity. It has been quite successful over the years.

I would be remiss if I didn't point out the community development fund as well, which although fairly small, has been tremendously successful over a number of years in creating opportunities throughout the territory. It's a fund that really reaches out to all of Yukon's communities far and wide, big and small.

Mr. Speaker, in concluding, I did want to again say that Yukon is coming from a strong position with regard to our tax regime as it is. We have a fairly competitive regime to begin with — relatively low small-business taxes to begin with, but indeed, they can always be lower and in fact we are lowering them today. The burdens of taxes are not localized simply on one type of tax like the corporate tax. One needs to consider the full range of the tax regime, including fuel taxes, property taxes, payroll taxes and a whole range of other ways that the tax burden affects Yukon businesses.

As I said earlier in my first set of words on this particular act, I think we have a competitive system and a competitive regime, and by taking the actions we're taking today, I think we're making it even more competitive and even more likely for us to attract new businesses and support the businesses we have already.

I was particularly compelled by the words of the Member for Watson Lake in her discussion of the real impact of businesses on communities and how important those businesses are — especially to small communities, where businesses are often the lifeblood of the communities. I go back to my comments earlier that healthy and prosperous businesses make for healthy and prosperous communities.

I would like to commend this bill to the House. I look forward to getting into the details in Committee of the Whole later today and ultimately passing this *Act to Amend the Income Tax Act*, with the goal of lowering the small-business tax rate from four to three percent.

Motion for second reading of Bill No. 67 agreed to

Bill No. 71: Act to Amend the Summary Convictions Act — Second Reading

Clerk: Second reading, Bill No. 71, standing in the name of the Hon. Mr. Nixon.

Hon. Mr. Nixon: I move that Bill No. 71, entitled *Act to Amend the Summary Convictions Act*, be now read a second time.

Speaker: It has been moved by the Minister of Justice that Bill No. 71, entitled *Act to Amend the Summary Convictions Act*, be now read a second time.

Hon. Mr. Nixon: The people of Yukon elected this government to ensure good governance by practising open, accountable and fiscally responsible government.

One way the government achieves this is by regularly reviewing its operations. Achieving efficiency sometimes requires significant overhauls of existing legislation and, at other times with some minor adjustments, operations can even run better. The bill before us today deals with several minor amendments that will approve the efficiency and lead to better use of the enforcement and court services time and resources regarding ticketing.

Amendments to the *Summary Convictions Act* will address inefficiencies in both the issuance of tickets by enforcement officials and the processing of tickets by the court. The *Summary Convictions Act* sets out the conditions under which tickets for prescribed offences can be issued, served and proceed in court and the fine amounts to be paid upon that conviction. Summary conviction tickets are issued for a variety of territorial offences, particularly for contraventions of motor vehicle and highways legislation.

Over the past several years, court staff and other participants in the Yukon justice system have noted that a number of court-related statutes required amendment in order to make court processes more efficient and effective. Reviews of court operations and the justice of the peace programming in recent years have recommended that enabling legislation be amended to streamline processes and reduce costs associated with court administration.

For several years, enforcement officials have sought changes to ticketing and court processes. The 2011 operational review of court processes regarding the serving of tickets, receiving voluntary payments and entering convictions found that current processes consume more time and resources in Yukon than other jurisdictions.

The impetus to make amendments to the act is an outcome of the operational review of court processes, as well as comments from enforcement officials to change ticketing and court processes. There are eight policy issues addressed in the *Act to Amend the Summary Convictions Act*.

The first policy issue is to enable the issuance of electronic tickets. Enforcement officers will be able to electronically deliver tickets to the registry of the court, as opposed to the current system of enforcement officers hand-delivering a paper copy. We are amending the legislation in advance of electronic ticketing because the implementation of electronic ticketing is still several years away.

The new integrated justice information system, which is anticipated to be operational in respect to criminal matters sometime in 2014-15, will require changes to ticketing processes and forums set out in legislation to accommodate the system's requirements. Electronic ticketing will reduce the time enforcement officers spend entering information and improve accuracy in the ticketing process.

The goal for e-ticketing is to allow ticket information to go directly from the enforcement component into the court information system in real time, without the need for secondary data entry. The public would continue to receive paper tickets.

The second policy issue is to allow up to three charges to be made on one ticket. By allowing three charges on one

ticket, this will avoid a separate ticket for each offence that is alleged.

The third policy issue is to allow tickets to be used to compel a person to appear in court. The current practice is for the officer to strike out the portion of the ticket that provides for the option to pay. However, there is no authority in the *Summary Convictions Act* that allows for this practice. The amendment would legitimize the current practice where an enforcement officer issuing a ticket determines that the circumstances require a hearing — regardless of the plea — and amends the ticket by hand to use it as a summons.

The fourth policy allows tickets to be delivered to the registry of the court rather than justices. It is not required that all tickets must be sworn upon delivery. By delivering tickets to the registry of the court instead of justices, the registry will be able to better manage how tickets are processed. The amendment clarifies that only disputed tickets need to be sworn by the enforcement officer. Paid tickets will no longer be sent to a justice for processing, which will reduce the amount of tickets that the justices process and decrease the overall ticket processing times.

The fifth policy issue clarifies the justice's ability to enter convictions for unpaid tickets. Because of the current wording in the act, justices are unclear about their authority and responsibilities regarding the entering of a conviction for unpaid or no-appearance tickets if the set fine is not paid and the defendant has not made the required appearance in court to answer that charge. By clarifying the process, justices and the registry of the court will be able to deal with the processing of unpaid, no-appearance tickets more efficiently.

The sixth policy issue clarifies a defendant's right to appeal when seeking to have a conviction or convictions quashed. A defendant's right to appeal a conviction made in respect to an unpaid, no-appearance ticket will be clarified. The amendments will confirm that a person who has not been given personal notice of a charge can apply for quashing of that conviction and will set out the circumstances in which the application could be made.

The seventh policy issue amends the appeal procedures to match those of the Supreme Court of Yukon. The act currently states that the *Criminal Code* rules from 1978 apply in respect to appeals for summary conviction matters. Amendments will update the appeal process and confirm the summary conviction appeal rules 2009 made by the Supreme Court of Yukon. The rules for an appeal of a conviction under the act will be updated to reflect and mirror the *Criminal Code* in respect to appeals of summary conviction matters.

The eighth policy issue will clarify that all tickets must be personally served, except for parking tickets. Any tickets that are issued under the *Summary Convictions Act*, except for parking tickets, must be personally served. Courts have confirmed that personal service is a requirement in order for an automatic conviction on unpaid, no-appearance tickets to be constitutional. Amendments will ensure that all tickets, except for parking tickets, are to be personally served to ensure that any automatic conviction under this act remains constitutional.

First Nations and stakeholders — such as the RCMP; departments with legislation that create offences that can be enforced through ticketing, such as Community Services, Environment, Energy, Mines and Resources, Health and Social Services, and Highways and Public Works; the Yukon Liquor Corporation, because of the Yukon Liquor Act; and the City of Whitehorse and Dawson City bylaw services — were all consulted on the draft amendments to this act.

First Nations and stakeholders were consulted through e-mail, letters, telephone calls and in-person meetings, as requested, during the five-week consultation period. Public consultation was not required, as the amendments are largely minor and technical in nature and will not affect the legal rights of the affected justice system participants.

There were very good discussions on the proposed amendments and, for the most part, consensus and approval of the proposed amendments from stakeholders and First Nations. There was either no concern expressed or strong support for electronic ticketing, three charges on one ticket, use of tickets to compel a person to court, delivery of tickets directly to the registrar of the court, and amending the appeal procedures to match those of the Supreme Court of Yukon.

On the policy issue to clarify a defendant's right to appeal when seeking to have convictions quashed, there was a request to provide more time than 15 days to make an application to quash convictions for unpaid or no-appearance tickets. As well, we were asked during the consultation period to consider giving justices the ability to provide even more time for defendants to make an application due to extraordinary circumstances. Both clarifications have been made in the proposed bill.

The period of time to make an application has been extended from 15 days — which is in the current act — to 60 days.

As well, a new power has been given to a justice to provide opportunity to hear applications made beyond the deadline of 60 days if the defendant can prove that they were not able to make the application due to extraordinary circumstances.

There were some questions around personal service of tickets. Concerns were raised about providing personal service to persons or businesses that reside or operate outside of the Yukon. Specific examples were raised relating to issuing tickets to commercial carriers, outfitters, tourists, and absentee landlords. Some enforcement officials have been sending tickets via registered mail and wish that service to continue. Personal safety was addressed as an issue when having to serve potentially aggravated individuals. Personal service is required to avoid charter issues. All tickets, except for parking tickets, are to be personally served to ensure that any automatic conviction under the act is constitutional.

We suggested that departments seek legal advice on how to best issue tickets in relation to their relevant legislation. In certain situations, the enforcement officer may wish to lay in information or use the ticket as a summons if there are concerns that a ticket is not sufficient and the person is not from Yukon.

To address safety in cases of some personal service, it was noted that a process server or the RCMP can be used in situations where safety may be of concern.

Mr. Speaker, in conclusion, we can see how this bill supports the government's commitment to ensure good governance by practising open, accountable and fiscally responsible government, as well as the Department of Justice's commitment to ensuring access to high-quality justice services, including efficient, effective and appropriate court services.

Together these amendments show that the government is consistently attending to not only the big picture, but also the details that allow the function of that government to be improved by realizing efficiencies that save time and costs. This provides benefits for all Yukoners.

Ms. Moorcroft: I rise on behalf of the Official Opposition to speak on behalf of Bill No. 71, *Act to Amend the Summary Convictions Act*.

I would like to thank the Justice officials who provided a briefing earlier today on the amendments now before the House. I appreciate how thorough they were in answering my questions. I will note in passing that it would have been a courtesy on the part of the House Leader and the minister to allow the Opposition parties at least a day to consider the information presented at the briefing this morning before calling the bill for debate.

The Justice officials presented this bill as relatively straightforward amendments, primarily to increase efficiencies in the processing of tickets and to require enforcement officers to file a ticket with court registry. The *Summary Convictions Act* amendments will allow for issuing electronic tickets, it will allow for up to three charges to appear on one ticket, and it will require that tickets be served on the defendant in person — except for parking tickets, which will still appear on a windshield even if the driver is at lunch and which still must be paid.

There are also more substantial provisions dealing with an enforcement officer's ability to compel a defendant to appear in court to answer a charge for which there is an option to pay a set fine. Currently, the *Summary Convictions Act* does allow enforcement officers to compel a defendant to appear in court to answer a charge, even when there may be an option to pay a set fine. The new provisions of the act make it clear that enforcement officers have the power to compel a defendant to appear in court in respect of an offence without the option to pay a set fine. This authority is discretionary, and it is subject to the test of a reasonable belief that it is in the public interest to compel a defendant to appear in court.

Justice officials indicated that these sections of the act have been re-written for clarity and to legitimize a practice that already occurs. Past practice indicates that the section will rarely be used and, furthermore, any person so charged may apply for a judicial review of the enforcement officer's exercise of discretion.

Some of the examples of enforcement officers who may issue tickets would include a peace officer, the RCMP — of

course — and also any person who has the authority to enforce a provision of an enactment or a municipal bylaw. So this might include conservation officers, highway inspectors, liquor inspectors, probation officers, bylaw officers, and occupational health and safety officers.

I am interested in knowing what guidelines does the government have in place for enforcement officers to determine when it is in the public interest to compel a defendant to appear in court, rather than pay a set fine? What is used as a threshold to determine when there are reasonable grounds for enforcement officers to use these discretionary powers?

The *Summary Convictions Act* may also apply where First Nations have exercised their legislative authority and drawn down jurisdiction, for example passing a wildlife act. The department indicated that it conducted a targeted consultation with enforcement officers and with First Nations. Other aspects of this bill allow a justice to enter an automatic conviction without a hearing to pay a set fine for a charge when a defendant does not appear in court at the time and place set on the ticket. A defendant then has a 60-day period, which is being increased from 15 days, to appeal an automatic conviction. That appeal period may be additionally extended if a justice is satisfied that there were extraordinary circumstances.

The main provisions in updating the *Summary Convictions Act* are to allow for electronic tickets and to streamline registry of the tickets with Court Services. The legislative drafters also tackled inconsistent and archaic language. The act has been updated, subject headings for each part have been inserted and the language changed to be easier to read and to understand.

I would like to repeat my support for the use of clear, plain language wherever possible in legislation and to say thank you for the work. I am pleased to see that work being done in the *Amendments to the Summary Convictions Act* before us.

To close, the Official Opposition supports this bill and I look forward to debate in Committee.

Mr. Silver: I'm happy to rise today to speak to the *Act to Amend the Summary Convictions Act*. I am in support of this bill and appreciate the Department of Justice putting forth legislation that will modernize the ticketing system in the Yukon. As this is enabling legislation, it is good to see a department thinking down the road and not being reactionary. Creating a centralized electronic means for ticketing will increase efficiencies and will take out the human error found in paper documents.

This legislation will legitimize the authority of enforcement officers that allows them to summon a repeat offender to court when they seemingly have no concern over paying fines. It also ensures that the ticket is served on-site and takes away any lost fines that may occur when mailing tickets out of the territory. It would have been good if a wider consultation process had taken place rather than targeted, but

at this time, I will absolutely be supporting this bill and I look forward to further discussions in Committee of the Whole.

Speaker: If the member now speaks, he will close debate. Does any other member wish to be heard?

Hon. Mr. Nixon: Mr. Speaker, I have a few more points to raise about Bill No. 71, *Act to Amend the Summary Convictions Act*.

In section 31 of this bill, we are replacing the current process set out in subsection 20(5) of the *Summary Convictions Act*, which provides for an enforcement officer with the discretionary power to compel a defendant to appear in court to answer to a charge instead of being allowed to pay a set fine.

The effect of this amendment will be to ensure that the defendant's rights are protected by requiring an enforcement officer to first assess whether there is good cause to deny the defendant his or her right to pay a fine instead of appearing in court to answer that charge.

Another section I would like to refer to is section 22. This section outlines how a defendant appeals an automatic conviction made in respect to an unpaid or no-appearance ticket. If a defendant has not paid the set fine for the offence and has not appeared at the time and place specified in the ticket, a justice shall enter an automatic conviction for that unpaid ticket. The court registry then sends, by regular mail, a written notice of the conviction to the last known address of that defendant. Section 22 clarifies the defendant's right to appeal an automatic conviction made in respect of an unpaid, no appearance ticket. By clarifying the language in the *Summary Convictions Act*, the defendant will better understand how they can apply to a justice to have the conviction set aside. We have also extended the period of time to make an application from 15 days, which as I mentioned earlier is in the current act, to 60 days. We are providing the defendant with more time to make an application once they've received their written notice of the conviction.

As well, we have provided a new power to a justice to provide an opportunity to hear an application beyond the 60 days if the defendant can prove that they were not able to make the application due to extraordinary circumstances. In both these circumstances, we are increasing protection and opportunities to the defendant to set their automatic conviction aside.

In amending this act, we did consult with Yukon government departments. Included in that were the Yukon Liquor Corporation, First Nations, Whitehorse and Dawson City bylaw officials. We targeted any group that issues or has the ability to issue tickets under the *Summary Convictions Act*. We sent out e-mails and letters to the affected groups and offered to set up in-person meetings with anyone — First Nation or stakeholder — who requested them.

Our purpose was to inform and educate targeted groups about how the proposed amendments could affect their day-to-day operations. We solicited feedback about the policy issues and procedures around the issuance of tickets, the serving of

tickets, ticket payment and the court processes. We also consulted with the judiciary.

The Department of Justice met with a number of representatives from these groups and had a number of very informed meetings. Some participants at the meetings had already been requesting many of these changes and were, in fact, pleased to see that we were moving forward with their suggestions.

For the most part, participants were looking for more explanations about the proposed changes. Once we were able to discuss with them the proposed changes, there was general support for the proposed amendments. The proposed changes will directly affect courtworkers and enforcement officials on a daily basis. These changes will address inefficiencies in both the issuance of tickets by enforcement officials and the processing of tickets by the court. We have also strengthened and increased the protection for defendants in the issuance and processing of tickets. Mr. Speaker, we have made proposed amendments that will increase enforcement and court efficiencies and provide greater protection to the defendants.

I would like to thank the department and the drafters who worked on these legislative amendments and for being responsive to our request to take a look at this piece of legislation.

Motion for second reading of Bill No. 71 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. McLeod): Order. Committee of the Whole will now come to order. The matter before the Committee is Bill No. 67, entitled *Act to Amend the Income Tax Act*. 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. 67: Act to Amend the Income Tax Act

Chair: The matter before the Committee is Bill No. 67, entitled *Act to Amend the Income Tax Act*.

Hon. Mr. Dixon: It's my pleasure to speak to Bill No. 67, entitled *Act to Amend the Income Tax Act*. My remarks in second reading explained the purpose of the bill

and some of the discussion about it, so my remarks here will be very brief.

Subsection 2(1) combined with subsection 2(2) lowers the small-business tax rate from four percent to three percent, effective July 1, 2014. The small-business tax rate applies to active business income of Canadian-controlled private corporations up to the current small-business limit of \$500,000 in income per year. A Canadian-controlled private corporation is a corporation that is not public — listed on an exchange — and is not directly or indirectly controlled by foreign individuals or corporations. Active business income generally is defined in the federal *Income Tax Act* as most income earned in a business, except for that which is derived from property, including interest, dividends, rents, royalties or capital gains. Any income beyond the \$500,000 business limit or income that is not active business income is taxed at the general rate of 15 percent.

The \$500,000 business limit is reduced on a straight-line basis for Canadian-controlled private corporations that have taxable capital employed in Canada of between \$10 million and \$15 million, in order to tax all income.

The second aspect of this bill is a consequential amendment for administrative purposes. The Yukon is required to have the same administrative rules for refunds as Canada to efficiently administer the income tax program. The bill aligns the refund of Yukon income tax provisions with the federal provisions.

Finally, Madam Chair, this government is proud to lower the tax burden on Yukon businesses. High taxation rates are not the way to prosperity and a healthy society. I look forward to questions from the members opposite, although I imagine they should be fairly brief as the changes are quite simple.

Chair: Is there any other member who wishes to speak in general debate?

Ms. Hanson: I would like to ask the minister a question, if he could just clarify again the upper threshold with respect to small businesses. I am looking at my colleagues here and I am not seeing anyone who would be \$10 million to \$15 million — so the upper threshold again, for what is categorized as a small business with respect to this.

Hon. Mr. Dixon: It is income of \$500,000 — so a business is taxed at the rate we are discussing up to \$500,000 in income. Beyond that amount, it would be taxed at the general corporate tax rate, which is 15 percent.

Ms. Hanson: I thought that was correct and I just wanted to clarify it.

Chair: Is there any further general debate? We are going to move into clause-by-clause discussion.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Title

Title agreed to

Hon. Mr. Dixon: I move that Bill No. 67, entitled *Act to Amend the Income Tax Act*, be reported without amendment.

Chair: It has been moved by Mr. Dixon that Bill No. 67, entitled *Act to Amend the Income Tax Act*, be reported without amendment.

Motion agreed to

Chair: The matter before Committee is Bill No. 72, entitled *Act to Amend the Government Organisation Act*.

Committee of the Whole will recess for five minutes while we await officials, if that is sufficient time.

Recess

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

Bill No. 72: Act to Amend the Government Organisation Act

Chair: The matter before the Committee is Bill No. 72, entitled *Act to Amend the Government Organisation Act*.

Hon. Mr. Pasloski: Madam Chair, the amendments to the *Government Organisation Act* ensure that Yukon legislation remains consistent with the requirements outlined in the modernized federal *Yukon Act*. This also conforms to one of the commitments that this government made in the last election in terms of continuing to ensure good governance.

The amendments mean that the act will remain consistent with the current practice and the conventions of responsible government. The amendments clarify the law that governs the executive arm of government without changing current government practice. These amendments support the Yukon government's commitment to good governance and will bring the act and its regulations up to date. The amendments will modernize ministers' oaths of office, formally set the maximum size of Cabinet and set out ministerial authority for signing intergovernmental agreements and ministerial responsibility for the administration of acts.

Under the conventions of responsible government, there must be fewer members of the Legislative Assembly appointed to Cabinet than the number of members who are not appointed to Cabinet. This allows the House to hold Cabinet to account. Using current numbers, this means that the Cabinet cannot have more than nine members.

To address duplication between the *Government Organisation Act* and the *Corporate Governance Act*, the provisions that deal with assigning roles to ministers will be removed from the *Corporate Governance Act*.

The power of ministers to enter into intergovernmental agreements will be incorporated into the *Government Organisation Act*. This will allow for the repeal of the *Intergovernmental Agreements Act*, where this power now sits. This will require a change to a provision of the *Financial Administration Act* that references the *Intergovernmental Agreements Act*, replacing it with a reference to the *Government Organisation Act*.

The change to the *Financial Administration Act* will also clarify the existing authority of ministers to enter into intergovernmental agreements with the Government of Canada that require the Yukon government to indemnify Canada.

With that, I look forward to questions in debate on the amendments to the *Government Organisation Act*.

Ms. Hanson: I would like to thank the officials, in the first instance, for their briefing on this the other day. I believe I asked a significant number of questions about this bill and the consequential amendments to other legislation. I will repeat what I said to the officials that at this rate, with 26 letters in the alphabet, we are at “g”, which is number seven and year 11 of devolution — the modernized *Yukon Act*. It will be quite a while before we get through all Yukon legislation if this is the government’s commitment to good governance. It is slow in coming.

I would hope that in the context of good governance, the next piece of legislation will see this government bringing forward the actual lobbyist legislation. That would be the 12th letter of the 26-letter alphabet.

With respect to the amendments and the restructuring of the way that the pieces of the legislation fit together, I believe that the officials satisfactorily addressed them and I don’t see any need to go into great detail here today.

Mr. Silver: Thank you very much, Madam Chair, and thank you to the officials from the department today for their time.

I do have a few questions. They’re nothing too in-depth really. Just for clarification, when will Bill No. 72 take effect? We’ll start there.

Hon. Mr. Pasloski: The timing on this would be to have it assented during this 33rd Legislative Assembly. Once we have the regulations in place, we would go forward with proclamation, which we would assume would probably be June.

Mr. Silver: Also, in the department briefings it was mentioned that this act will result in changes to the *Yukon Act*. Will there be changes to the *Yukon Act* and, if so, what will they be?

Hon. Mr. Pasloski: There are no changes to the *Yukon Act*. There are some old regulations that, upon completion of this, will be repealed from the *Yukon Act*, but there are no changes to the *Yukon Act*.

Mr. Silver: I guess these two questions kind of come together. Most of these amendments have been in practice for a while already. I’m curious as to why the changes are being made now, and why is the *Intergovernmental Agreements Act* being abolished? Could the minister speak up on the abolishment?

Hon. Mr. Pasloski: As I mentioned, there is no real change in the current government practice that will occur with these changes. The reason for doing this is, as I have said, that it fits well with our priority as a government to move forward with good governance. By making these changes, it allows us to continue on with the modernization of the *Yukon Act*. By moving these responsibilities over from the *Intergovernmental*

Agreements Act to the *Government Organisation Act*, it then becomes redundant and will therefore be repealed as there will be no further use of the *Intergovernmental Agreements Act* to provide that ability for ministers to sign intergovernmental agreements.

Mr. Silver: On that, can the minister confirm that there are no pieces of legislation in the *Intergovernmental Agreements Act* that are not represented in the tabled amendments?

Hon. Mr. Pasloski: I would indulge the member opposite for more clarification in terms of what, in fact, he is asking.

Mr. Silver: The question is, basically, with this change — it’s just a simple yes or no, I guess — will there be anything that isn’t represented when abolishing the *Intergovernmental Agreements Act*? Are we missing anything, or is it a sweeping change?

Hon. Mr. Pasloski: The answer is no.

Mr. Silver: I have one more question. These are pretty much housekeeping questions.

The repeal of section 6(1) of the *Corporate Governance Act* states — and I quote: “6(1) The Minister of Community Services shall be responsible for the Yukon Housing Corporation and the Yukon Liquor Corporation.” With the repeal of section 6(1), who will be responsible for these corporations?

Hon. Mr. Pasloski: It will be set out under the *Government Organisation Act*, and at this point, it would be whoever is currently responsible for those corporations who will continue to assume responsibility for them.

Chair: Does any other member wish to participate in general debate? We will move on to clause-by-clause examination.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

On Clause 10

Clause 10 agreed to

On Clause 11

Clause 11 agreed to

On Clause 12

Clause 12 agreed to

On Clause 13
Clause 13 agreed to
On Clause 14
Clause 14 agreed to
On Title
Title agreed to

Hon. Mr. Pasloski: Madam Chair, I move that Bill No. 72, entitled *Act to Amend the Government Organisation Act*, be reported without amendment.

Chair: It has been moved by Mr. Pasloski that Bill No. 72, entitled *Act to Amend the Government Organisation Act*, be reported without amendment.

Motion agreed to

Chair: The matter before the Committee is Vote 53, Department of Energy, Mines and Resources, in Bill No. 14, entitled *First Appropriation Act, 2014-15*. 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. 14: *First Appropriation Act, 2014-15* — continued

Chair: The matter before the Committee is Vote 53, Department of Energy, Mines and Resources in Bill No. 14, entitled *First Appropriation Act, 2014-15*.

Department of Energy, Mines and Resources

Hon. Mr. Kent: It's my pleasure to introduce the 2014-15 main estimates for the Department of Energy, Mines and Resources.

Before I start, I would also like to welcome back officials who were here for support on the supplementary budget yesterday, the deputy minister, Greg Komaromi, and the Director of Finance, Ross McLachlan, who have joined me here again to provide support.

I would like to thank all of the officials in Energy, Mines and Resources for their tireless work every day in helping to ensure that we can manage and support the sustainable development of Yukon's energy and natural resources as well as facilitate integrated resource and land use.

EMR's accomplishments span across the Yukon, and I look forward this afternoon to talking about how this department contributes to Yukon's economy, quality of life and the protection of the environment. We have worked hard to provide land for Yukoners. Land planning at regional and local area scales continues, and we have pursued activities to support Yukon's economy through resource development as well as continuing research in support of resource exploration planning in future development.

We've been actively implementing both the climate change strategy and energy strategy for Yukon, and EMR has taken its responsibility for the protection of human health and safety and the environment very seriously.

Our department has worked well, both internally and collaboratively, with other governments and partners, and we have been open, accountable and fiscally responsible in doing so. This budget provides details on how EMR allocates funds and collects revenue in carrying out this important work.

The overall budget for the Department of Energy, Mines and Resources for 2014-15 is \$87,915,000. The operation and maintenance budget is \$81.9 million. The capital budget is \$6.1 million. Revenues this year are estimated to be \$47.5 million, including \$43.8 million in transfers from Canada and \$3.7 million in taxes, fees, royalties and others.

Madam Chair, I would like to take a moment to share some highlights of EMR's mains and outline some key initiatives the department is leading, starting with land management and planning.

The Land Management branch makes land available for Yukoners and Yukon development projects through the development and implementation of appropriate land tenure and management legislation, regulations and policies.

They also develop residential, commercial and industrial land to meet the needs of rural Yukon and the communities. The O&M budget for the Land Management branch is \$2.98 million and the capital budget is \$5.58 million. The success of this government's approach to providing planned land development over the period of 2002 to 2014 is demonstrated through the creation of approximately 1,300 lots. In the spring of 2014, the Land Management branch will be releasing 21 country residential lots as part of the sawmill road development in Teslin along with three residential and two industrial lots in Carmacks.

The branch has also completed an inventory of vacant Commissioner's land within municipalities and unincorporated communities. This inventory will be used to identify sites for potential future disposition and subdivision. Phase 1 of this project focused on Whitehorse and identified several undeveloped lots of Commissioner's land for potential sale or use.

In the southern Yukon we are working closely with the Carcross-Tagish First Nation on joint land development initiatives in CTFN traditional territory. This collaboration is the basis of the memorandum of understanding signed last December, which promotes development, investment and growth in the Southern Lakes economy. The MOU outlines several projects that YG and CTFN are exploring. Projects range from tourism opportunities and remote recreational development on First Nation and public lands to improvements to the Carcross dock and marina. This endeavour shows our government's commitment to work collaboratively with Yukon First Nations to develop positive intergovernmental relationships that are mutually beneficial.

On the rural land development front, the Department of Energy, Mines and Resources is now the single contact for rural land management, planning and development services

outside of Whitehorse. This integration of services enhances the efficiency of land development services to rural Yukon.

All communities — incorporated and unincorporated — outside of Whitehorse, will be working solely with EMR for their land needs. Previously, rural land development was done by the Department of Community Services. The capital budget amount of \$5.58 million is for the transfer of this function to Energy, Mines and Resources.

The Land Planning branch develops and implements local area planning and zoning regulations and administers the *Subdivision Act* to support orderly development and land use in rural Yukon. The branch also plans for development of residential, commercial and industrial land to meet the needs of rural Yukon and the communities. The operations budget this year for Land Planning is \$1 million.

There have been a number of accomplishments in land planning, such as a public consultation for the local area plan for Carcross, completed in collaboration with the Carcross-Tagish First Nation. The plan, which was approved and signed off last week by CTFN and EMR promotes orderly development in Carcross by promoting compatible land use and making land available for residential, commercial and industrial developments, while protecting sensitive natural habitats. The plan is consistent with a memorandum of understanding that I mentioned earlier, signed last December between both of our governments in support of economic activities in their traditional territory.

EMR is also working collaboratively with Ta'an Kwäch'än Council and the Kwanlin Dun First Nation, as well as local residents, to develop a local area plan for Fox Lake. We have recently amended the *Mount Lorne Development Area Regulation* and Hamlet of Mount Lorne and Carcross Road area plan to facilitate the subdivision of rural residential and agricultural properties.

There have only been 15 lots created in Mount Lorne since 1995, and no new lots since July 2005. The recent decision to enable subdivision of private land is in parallel with several other areas that have new subdivision models, such as Ibx Valley, Mayo Road and so on.

The Agriculture branch provides policy and program support to enhance productivity, profitability and sustainability of the agriculture industry. The agriculture budget for this year is \$1.96 million.

One of the key initiatives of the Agriculture branch is to implement the Growing Forward policy framework agreement. Growing Forward 2 places emphasis on proactive, strategic investments in innovation, market-based profitability, adaptability and long-term sustainable growth. The agreement provides \$1.48 million annually for five years beginning in April of last year — April 1, 2013 — and provides a suite of agriculture and agri-food processing projects and activities. Yukon government is committed to working with farmers and industry associations to increase the production of locally grown foods in a sustainable and profitable manner.

The Forest Management branch develops, manages and regulates the forest resource sector, which includes strategic

and operational planning, forest engineering, forest health and research, industry development assistance, geographic information systems, forest inventories and program development. The operating budget for this year for Forest Management branch is \$3.63 million.

Forest resource management plans have been successfully completed for Haines Junction, Dawson and Teslin regions with First Nation collaboration and planning input. Having in place approved forest resource management plans provides certainty for the land base, identifies sustainable forest management practices and fosters economic opportunities for all Yukoners.

Proper use of our forests contributes to the economic stability of the territory, with over 3,400 personal and commercial harvesting authorizations having been issued since 2011 to ensure a continued wood supply for Yukoners.

The Mineral Resources branch facilitates the development of a sustainable mineral industry by providing information, project coordination and effective government policies and support. They also ensure certainty of mineral tenure and manage a responsive, efficient and competitive regulatory regime. The budget for this year is \$4.12 million.

This government continues our commitment to support the mining sector through establishing regulatory certainty and a streamlined regulatory regime, providing direct benefits to claim holders, mine developers, First Nations and Yukoners. Additionally, we have implemented a culture of client service and support by establishing a project facilitation process to help mining companies with larger and more advanced projects to secure permits and resolve issues in the development stage.

We have actively supported relationship building and agreements between industry and First Nations through partnerships such as the Yukon Minerals Advisory Board and by providing funding for First Nations to attend conferences, negotiate agreements and for the delivery of educational workshops.

Our government also supported the Prospectors and Developers Association of Canada, or PDAC, recommendation for the Government of Canada to renew the mineral exploration tax credit so that there are continued tax breaks for investment in flow-through shares that support mineral exploration activities. We also signed on to PDAC's request for additional support for northern and remote mines with an additional tax credit, just given some of the additional cost drivers that affect those projects.

The staff at the Assessment and Abandoned Mines branch direct and oversee orderly planning, closure, and care and maintenance of type 2 mine sites, as per the devolution transfer agreement, and enter into suitable funding arrangements with the federal government for agreed-upon work. This year's budget for the branch is \$43.8 million.

The Yukon government remains committed to protecting human health and safety and the environment at the abandoned Faro mine complex. As mentioned yesterday, the project team is preparing to execute a four-year \$180-million plan that includes the development of a long-term remediation

solution, a series of interim capital works designed to address emerging risks to human health and safety as well as the environment, and ongoing care and maintenance activities.

Major works executed at the Faro mine complex offer opportunities to promote aboriginal and community participation through training, employment and business opportunities. We are also working to develop and implement a cost-effective approach to managing the Clinton Creek site, which will serve to protect human health and safety and the environment.

The Yukon government, the Government of Canada and the Little Salmon Carmacks First Nation reached agreement on an option for remediation of the Mount Nansen mine site. We procured an engineering team to prepare a remediation design for submission to YESAB in December of this year. The final remediation solution for Mount Nansen is expected to cost \$88 million and take four to five years to execute.

The Oil and Gas Resources branch manages and regulates the oil and gas sector in Yukon for the benefit of all Yukon residents. It has a budget of \$3.74 million for this year. The core purpose of the branch is to develop and modernize oil and gas regulations to achieve clarity, certainty and transparency. The staff engage and collaborate with First Nations, other governments, regulators, industry and the public on oil and gas legislation and proposed oil and gas activities within Yukon and in the Beaufort Sea.

Along with our geological survey, they conduct geological assessment of our oil and gas basins to better understand their resource potential and they are collaborating with the Department of Environment to establish baseline water conditions to support water management decisions.

In addition to these activities, the branch is taking on an extra project this year. An inspection of well B-62, which is located about 90 kilometres west of Eagle Plains, revealed that there was a risk of a potential leak at the site so officials ordered immediate action to address the situation. Our government places a high priority on protecting the environment. When our officials were alerted to the potential risk, they acted and prevented a potential release of diesel fuel into the environment. The well is now stable and the risk of leakage is significantly reduced. There are plans to conduct further work on the well this summer at a cost of \$1.11 million to ensure ongoing protection of the environment and compliance with Yukon's stringent regulations. Yukon government officials, along with the Vuntut Gwitchin government, are finalizing plans for having the well permanently closed this summer. This work will include repair of the surface casing, removal of any remaining diesel, installation of additional permanent cement plugs in the wellbore, capping the well below ground and removal of all surface debris.

Madam Chair, the Yukon Geological Survey generates, compiles and distributes technical information about the geology, mineral and energy resources of Yukon to many clients and stakeholders. They also conduct important research into natural hazards, permafrost and other geological conditions that are important to communities and

infrastructure. Their operating budget for this year is \$5.49 million.

Projects for the coming year include continued bedrock mapping in southern and central Yukon, a multidisciplinary study of the copper-gold potential in southern Yukon, targeted research to identify new areas for placer exploration, and ongoing updates to Yukon's mineral occurrence database.

Over the last year, the Yukon Geological Survey has published a new geophysical survey and two new regional geochemistry maps over parts of the Selwyn Basin. They have released a 3D geologic model for Carmacks, the Carmacks-Aishihik Lake area, and generated new gravity data for the Klondike area.

The survey also provides direct funding for exploration projects in the territory. Funding for the 2014-15 Yukon mineral exploration program, or YMEP, which for members' benefit, is something that has been rebranded — it's the Yukon mining incentive program that has been rebranded — has been increased by \$630,000 this year, for a total of \$1.4 million. YMEP funding for 2013-14 leveraged over \$3 million in exploration and investment by the private sector and funding was provided to support 55 exploration programs. As a result, 300 new mineral claims were staked and the discovery of 12 new mineral occurrences was made.

The Compliance Monitoring and Inspections branch, which is the former Client Services and Inspections branch, conducts inspections and monitors activities on public land to ensure compliance with legislation, regulations and permits pertaining to lands, land use, timber, water, mineral exploration and mining. The branch also supports the fish habitat management system for Yukon placer mining by coordinating the adaptive management program. Their operating budget this year is \$6.67 million.

EMR works diligently to ensure that all requirements under legislation and regulations are enforced in a timely and professional manner. Careful scrutiny by qualified inspectors is applied to activity authorized under mining, water, timber and lands legislation and regulations. EMR's inspection and enforcement activity is governed by policy and principles and is consistent with the practices of all modern regulatory law enforcement agencies.

CMI is responsible for inspections of all activities conducted under the *Quartz Mining Act* and the *Quartz Mining Land Use Regulation*. Sites are inspected on a regular basis to ensure compliance with the act and regulations and any approvals or licences issued under the act. CMI assumed responsibility for all water use inspections related to quartz mining undertakings on April 1, 2013. CMI is also responsible for inspections of timber harvesting activities conducted under the *Forest Resources Act* and regulations.

Perhaps at this time I will sit down and welcome comments and questions from across the floor and ask for their indulgence for me to conclude the last five or ten minutes of my opening remarks once they have asked a question.

Mr. Tredger: I welcome the officials back. I too would like to congratulate the civil servants in Energy, Mines

and Resources for the work they have been doing over the year. I know a number of my constituents have had interactions with them. I have met them — both in Whitehorse and on a national stage — and I continue to hear accolades.

I mentioned in our briefings the impression that the Yukon Geological Survey made at Roundup this year and the things I heard about the work that they were doing. Of particular interest were their passion and their willingness to share, not only in educational settings, but at various events throughout the Yukon. I congratulate them for that.

I also wanted to comment a little bit on the people in the Agriculture branch. They have been holding a number of workshops and events over the last year or two looking at building a sustainable and growing agricultural community and I applaud them for their efforts. I have been fortunate enough to take part in one or two exercises or meetings, and some of the stuff they are doing bodes well for the future of agriculture in the Yukon. Thank you to the officials who are here and all the officials they represent.

I will insert my remarks as we go along through the questions so as to be able to get a number of questions that I do have. Yesterday during the supplementary budget, we were talking about costs of type 2 mines. The minister asked that I re-ask this in general debate.

Could the minister give me a list of the type 2 mine sites in the Yukon, the costs that we have spent on Canada's behalf and our behalf since implementation — whether or not — well actually, the minister answered that — there have been zero of the type 2 mine sites that have been cleaned up — whether closure plans have been developed, whether these are available to the public for perusal and scrutiny, and what the estimated costs to closure and the timelines are?

Hon. Mr. Kent: I'll just take about five or 10 minutes or so to conclude my opening statement before addressing the questions the member asked.

With respect to the Energy Solutions Centre — that branch of Energy, Mines and Resources develops and delivers energy policy, projects and programs that increase the sustainability of energy use in the Yukon. Their mandate is also to develop and promote the development of energy systems and the generation, production, transmission and distribution of energy. The good energy and fridge retirement programs are among the most popular campaigns our department runs with the public.

The overall budget for the Energy Solutions Centre is \$1.23 million. Also part of the branch's mandate is the development of diverse energy options for Yukon. On this note, last October, the governments of Yukon and Alaska signed an MOU pursuant to the Alaska-Yukon Intergovernmental Relations Accord to assess the feasibility of developing electrical and telecommunication connections between Yukon and southeast Alaska. As part of the MOU, both governments are providing \$150,000 in funding for a pre-feasibility study. This past February, the Yukon government issued an open tender, seeking qualified firms to submit proposals to conduct this pre-feasibility work. This

tender was awarded, with the final study scheduled to be complete February 2015

The Yukon government shares the concerns of Yukoners with regard to the rising cost of energy. That is why we are extending the interim electrical rebate until March 31, 2015. The budget for this year's rebate is \$3.43 million.

Our government is working closely with both utilities, Yukon Energy Corporation and Yukon Electrical Company Ltd., to ensure that that costs will not continue to rise in the future. A part of this work is the demand-side management plan, submitted jointly by the utilities in the YECL general rate application. It is a core priority of this government to look toward the long term for our energy needs.

Clean and affordable power is integral to Yukon's overarching goal of fostering responsible and sustainable economic development in the territory. We are committed to developing renewable and sustainable sources of electricity to meet the growing energy demands of the Yukon. We want to explore hydroelectric projects as a reliable means of generating and increasing green energy available to our citizens.

The Yukon government has directed the Yukon Development Corporation to conduct research and development planning of a hydroelectric project or projects in the territory for government's consideration. We have funded YEC \$2 million in this fiscal year to carry out this important work.

I cannot describe all of EMRs important initiatives, but I do hope that what I have described illustrates EMR's role in responsibly building a strong and diversified economy that benefits all Yukoners.

I would like to take a moment to recognize the professionalism and expertise of the staff at Energy, Mines and Resources. It certainly is no easy task to achieve responsible development that balances economic opportunities with environmental protection and human health and safety. I know this delicate balance is something that EMR staff take to heart each and every day, and I would like to thank them again for all their hard work.

With respect to the question the member opposite asked as far as the type 2 sites, unfortunately the short turnaround time didn't allow officials sufficient time to put together the list and the costs. The list is available in the devolution transfer agreement and the costs associated with it — I will commit to provide that to the member opposite by a letter within the next week or so. Hopefully that will satisfy his request.

With respect to closure, we do have closure and timeline plans for Faro and Mount Nansen. As I mentioned in my opening remarks, the project team is preparing to execute a four-year \$180-million plan for the Faro mine complex that includes the development of a long-term remediation solution — a series of interim capital works designed to address the emerging risks and ongoing care and maintenance activities.

Again with respect to Mount Nansen, there is a four- to five-year plan that has been agreed upon by the Yukon government, the Government of Canada and the Little Salmon

Carmacks First Nation to remediate the Mount Nansen mine site. As I mentioned during my opening remarks and yesterday, we have procured an engineering team to prepare a remediation design for submission to YESAB in December of this year. It's expected that final remediation solution for Mount Nansen will cost about \$88 million and take four to five years to execute.

Mr. Tredger: I thank the minister for his answers on that.

My concern about the type 2 mine sites is in light of the Parliamentary Budget Officer saying that costs are rising; in fact, they're escalating. Care and maintenance costs have escalated. It's a big concern. We are talking now about \$180 million over the next 12 months for Faro; \$88 million for Mount Nansen. My constituents have raised a number of issues around those sites.

I guess first and foremost — I've asked before about this — any monitoring and any information that the minister gets around any contaminated site is important to share with the public. Do the closure plans ensure regular monitoring and regular sharing of that information in a public access or a public format so that people can take a look at any studies that are done, assess how the thresholds for contaminated chemicals are arrived at and whether or not there is any change in the sampling? I think of Faro currently. I know that the water treatment plant has not been in operation for a couple of years and is one of the top-five toxic sites in Canada. We have spent — well, the minister doesn't know how much we've spent — a lot of money over the last 10 years in care and maintenance.

We are hoping to have a closure plan, although the minister said yesterday that much of the permitting has not been done. There are concerns about the level of zinc. There are concerns about the contamination in Rose Creek. Local citizens — people who live downstream on the Pelly River, First Nation people in the community of Pelly Crossing, residents along the river — have had no notification or indication. We all believe that the government is doing some monitoring. Those results have not been easy to obtain and are difficult to interpret.

Will the minister commit to ensuring that, at all our contaminated sites, there is relevant information and data that is available in an easy format to the public so they can ascertain whether or not there have been changes in the levels, whether or not the levels that are considered safe are indeed safe?

Hon. Mr. Kent: Just to reiterate to the member opposite, I did commit to getting those numbers to him. As far as the historical costs, I wasn't anticipating a quick turnaround. I instructed officials yesterday — those who were listening to the proceedings and the deputy minister — to provide that information, so I can assure him that that information is coming.

I think it is also important to note that many of these mines were permitted, as far as 50 to 60 years ago, in a much different permitting time and permitting regime without the strict adherence to environmental safety and the promotion of

health and human safety. I think, again, those mines were permitted under federal watch, pre-devolution, of course — all of the type 2 sites — so the funding for those mines is the responsibility of the federal government.

As Canadian taxpayers, those are our dollars as well, but I think that it is important so that Yukoners know that it is not the Yukon government that is responsible for funding the remediation of these projects.

Perhaps one of the things that I will read into the record — and it was brought up by the member yesterday — was the closure objectives for Mount Nansen and Faro.

There are five closure objectives for each: for Mount Nansen, the first one is to protect human health and safety; the second is to protect and restore the environment, including land, air, water, as well as fish and wildlife and their habitats; the third is to return the mine site to an acceptable state that reflects original, traditional and pre-mining land use; the fourth is to maximize local, Yukon and First Nation benefits; and the fifth is to manage risk in a cost-effective manner.

With respect to the Faro mine site, there are five closure objectives. The first one is the same as Mount Nansen, to protect human health and safety; the second is to protect and, to the extent practicable, restore the environment, including land, air, water, fish and wildlife; the third is to return the mine site to an acceptable state of use that reflects pre-mining land use where practicable; to maximize local and Yukon socio-economic benefits is the fourth one; and the fifth is to manage long-term site risk in a cost-effective manner.

When it comes to what's taking place at the Faro mine site, there is care and maintenance, interim water treatment system, pump upgrades and compliance monitoring. For care and maintenance, there is \$10.7 million, which is being done by the contractor on site, TEES, or Tlicho Engineering and Environmental Services Ltd., through a publicly tendered contract. There is interim water treatment for \$7.9 million, which is a combination of Veolia Treatment Systems Ltd., plant fabrication and installation. There is a \$1-million public tender for earthworks. Members may have noticed that's on the Yukon government's public tender website right now. That tender is scheduled to close on May 1 and be awarded afterward.

There's a \$500,000 public tender for piping and electrical that closes May 28; \$300,000 public tender for piping provision closes May 9; \$125,000 public tender for provision of new transformers closing April 24; and potential for a temporary building subcontract through a Yukon supplier. There are pumping upgrades and installation, \$2.1 million, which is a combination of YG public purchase and TEES subcontracts, depending on the type of equipment required; installation of pumping systems by TEES and subcontracted local service providers.

Madam Chair, there is \$2.4 million allotted to monitoring, which is operations, geotechnical water quality, aquatics and terrestrial. There's 4.8 million for the governance and management, including project management infrastructure as well as management by the approved engineering firm.

As you can see, we're putting quite a lot of money into the site operations. \$20.7 million in total is what will be spent this year. Protecting human health and safety and the environment are the two top closure objectives for both Mount Nansen and Faro. I believe we also share our water monitoring data with First Nations, as well as the Town of Faro, with respect to the Faro mine site. Anything I can do to ensure that Yukoners know about the water quality in the area, especially if there are concerns or issues around the quality of water that's being released from these mine sites, I will certainly endeavour to make it public. Often that information is quite technical in nature, but we will, as I mentioned, endeavour to make that information public where possible and, I guess, as readable as possible for lay people who are interested in accessing that information.

Mr. Tredger: I thank the minister for his answer.

Yes, the public would like to know the results of the monitoring. I would encourage the minister to ensure that those monitoring results are put in layman's terms with thresholds so that people can understand them and that this information is available so that they can have some input.

We've talked about spending quite a bit of money on Faro, and no doubt we have been spending money and spending money over a length of time. My concern is with the transparency of that. It has been for quite some time that Faro has been there. We like to refer to it as historic. It has happened within the last 50 years. So, 50 years ago Faro was relatively undeveloped. Everything that has happened has been within the last 50 years. We've had a mine developed and closed, and now we are left with the result.

I certainly hope, as the minister said, and I have no doubt that the rules have changed around mining. However, there are risks, and I am concerned about the amount of money that we are spending on type 2 mines. The Budget Officer of Canada is concerned. The costs are escalating. These, as the minister has said, are very complex issues.

Will the minister commit to improving reporting, documentation and cataloguing of monitoring facilities in and around all of our contaminated sites, ensuring that the public has access to them in a timely manner and in lay terms so that they can be aware and take steps as necessary?

Hon. Mr. Kent: For the Faro and Mount Nansen sites, we do monitor and compare the results to the previous water licences issued for those sites. Again, with respect to the Faro mine, that is shared with First Nations as well as the Town of Faro. I'll have to answer during my next response — as far as sharing the Mount Nansen results with the Little Salmon Carmacks First Nation, my official instructs me that that sharing is done with Mount Nansen and the Little Salmon Carmacks First Nation.

I think it would be difficult to commit to ensuring that these are in laypersons' terms, given the technical nature of them.

We want to ensure that people can look at the numbers and compare them to the previous water licences that were for those sites to ensure that the water continues to be at acceptable levels. I guess, given the diversity of people's

technical knowledge, it might be difficult to commit to something that everyone can understand, but we will certainly do our best and look for a way for it to be made publicly available through our website. That is something that we will commit to having department officials look at to see if we can do something like that.

Mr. Tredger: It is my understanding that for the Faro site there was an oversight committee. It consisted of related First Nations. At our briefing, the officials mentioned that that oversight committee had not met for a while. Could the minister explain what the state is of the oversight committee? Have they reached an agreement with the affected First Nations that the oversight committee won't be meeting? What I'm looking for is an update on the committee.

Hon. Mr. Kent: The member opposite did bring this up at the budget briefing. The terms of reference or what it was established to accomplish was to recommend a closure option and that has been completed, I understand, so the oversight committee has not been functioning for over a year. The focus has been on bilateral conversations — government-to-government conversations with the federal government and First Nations. Of course, the Town of Faro is also involved in those discussions. The focus now is on implementation of the closure option.

Mr. Tredger: Does the minister see a role for the oversight committee in the implementation option?

Hon. Mr. Kent: As I mentioned, the oversight committee was established to recommend the closure option. As mentioned, it hasn't been functioning for over a year. The focus has now switched to bilateral conversations. Our latest discussions show recognition that Faro is about a contaminated site. The RRDC has appointed a point person to work with us. Liard First Nation is still in transition following its election with no point person in place as of yet and, as mentioned, the Town of Faro is involved in the discussions as well.

So again, this oversight committee fulfilled its role. We thank them for their work. They were established to recommend a closure option, which they have done. Just to reiterate, the focus now has been on bilateral conversations.

Mr. Tredger: Does the minister then — he said "thanked" — so have the affected First Nations been formally notified that the oversight committee is no longer in operation?

Hon. Mr. Kent: As I mentioned, the oversight committee has not been functioning for over a year. The bilateral discussions have taken place with the Ross River Dena Council, Liard First Nation and the Town of Faro. What the governance structure will look like on a going-forward basis is still a matter of ongoing conversation with our partners in this cleanup. As recently as a few days ago, senior officials from Energy, Mines and Resources have had contact with affected First Nations. We continue to work on what the governance structure will look like on an ongoing basis. But the oversight committee — as it was established — did fulfill their mandate of recommending a closure option.

Mr. Tredger: I would hope, given the number of lawsuits out there right now, that the minister has indeed informed the affected First Nations that the oversight committee is no longer functioning.

I would like to move on, but just before I do, I do understand the complexity of a situation like Faro but it is one of the top five contaminated sites in Canada. The First Nations and the people who are living in the area have been very patient as this has progressed. But their patience is running thin and when we have statements from the Parliamentary Budget Officer of Canada saying costs are escalating, how long will the Canadian government continue to pay escalating costs to remediate type 2 mines without apparent results. Is there a sunset clause in the type 2 mining situations? Will it be reviewed at a particular time?

Hon. Mr. Kent: The federal government has responsibility for the type 2 sites. There is no sunset clause. They'll be on the hook, I guess, essentially for remediating and coming up and funding the closure of those projects until such time as they're finished. In some cases, there may be some ongoing care and maintenance that has to occur.

It is important — I can't emphasize enough how important it is — that these projects were permitted under the federal watch, so they are the responsibility of the federal government. There is a new permitting regime in place and there is environmental and socio-economic oversight through YESAB. There is, of course, modern permitting and a mining regime here, so that future Yukon taxpayers aren't saddled with the effects of paying for other projects going forward. It wouldn't happen and it can't happen, quite frankly. Yukon taxpayers could not afford to shoulder the load that the federal government has to shoulder with these sites that they are responsible for in the territory.

Mr. Tredger: I thank the minister for his comments — it can't happen here. I hope it can't happen here. When I look at the security that we get on our ongoing mine sites, I am a little concerned. Again, the costs of care and maintenance, of remediation, are escalating — almost doubling — every few years, it seems, according to the parliamentary officer.

When I hear \$88 million is being spent to — hopefully — remediate Mount Nansen and \$160 million to remediate Faro — we don't know the ongoing costs yet, but the minister has said he will provide them. Then I look at the security currently being held. Security is a monetary commitment on the part of a mining company to remediate after they leave.

The amount that is asked for is chosen to ensure that the mining company can clean up the site, even if they go bankrupt or there is a drop in prices or their company is sold. It is important that that security be chosen to be a high enough amount so that it is in the mining company's best interest to remediate to an acceptable standard. If it is not, fiscally they can walk away and make money. If it is high enough, then it behooves them to do the cleanup properly and get their security back.

When I look at the amount of security for all of the current mines in the Yukon — Alexco, Carmacks Mining

Corporation, Golden Predator, Brewery Creek — which I assume is the same as Victoria Gold — Kaminak Gold Corporation, Ketz River Holdings, Kudz Ze Kayah, Minto, Sa Dena Hes, Selwyn Chihong, StrataGold, Yukon Zinc — the total security held pursuant to the *Waters Act* and pursuant to the *Quartz Mining Act* is \$63,814,246.

I did have a question about Victoria Gold — as I noted, it wasn't on there. Perhaps the minister would care to add that in; \$63 million seems like a lot of money. We just talked about spending over \$200 million to remediate just two type 2 sites. Faro is much bigger than Minto, but Mount Nansen is much smaller.

In light of the Parliamentary Budgetary Officer's concern that care, maintenance and reclamation costs are escalating, can the minister assure us that this \$88 million will do what it's intended to do? Is he considering re-evaluating the security costs, in light of the Parliamentary Budget Officer's statements?

Hon. Mr. Kent: I'll refer the Member for Mayo-Tatchun to the Eagle Gold project operated by StrataGold Corporation, which is the Victoria Gold Corporation's project up in his riding, actually. I'm a little dismayed that he didn't recognize that project and the proponent, but oh well. That's sad.

For advanced exploration projects, the financial security is calculated based on a site-specific risk assessment. The Yukon mine site reclamation and closure policy for mine sites reflects YG's commitment to ensure environmental protection, responsible economic development and fiscal responsibility are part of managing non-renewable resources in Yukon.

Every mining project needs a reclamation and closure plan that has been approved by the Yukon government before proceeding with development. An updated reclamation and closure plan is required for submission at least every two years. As part of all reclamation and closure plan updates, we require estimates of financial liability associated with the site throughout the life of the project.

For the member opposite, the current security held as of March 17, 2014 pursuant to the *Waters Act*, and as well pursuant to the *Quartz Mining Act*, is \$57,126,246. We have additional security due March 18 for one of the projects, so that obviously would have already been in since this briefing note was developed — an additional \$22.6 million for Sa Dena Hes, an additional \$7.5 million for the Yukon Zinc Corporation and an additional \$18,042,190 for Minto mines.

Let me just start from the top again, Madam Chair. The current security at Sa Dena Hes is \$15,912,000 and the total security will be \$22.6 million. Current security for Yukon Zinc is \$7.491 million approximately. An addition on April 15 will bring it to \$7.591 million and at Minto, current security of \$23.928 million, or in that neighbourhood, will bring extra security due on May 13 to \$41.97 million.

We continue to monitor these projects at least every two years, update their reclamation and closure plans and ensure that, as part of our mandate through Energy, Mines and Resources, we maintain and protect the environment as well

as human health and safety associated with operating mines as they move toward closure.

Mr. Tredger: I thank the minister for that answer and I thank him for letting me know about Victoria Gold Corp. Indeed they are in my area and I've had many conversations with them. Thank you.

A couple of questions about Keno — I know the minister is anxious to correct the record on this and to bring me up to speed on what's going on. I guess my first question is: Has he been to Keno and viewed the site?

Hon. Mr. Kent: I have visited a number of sites in the Yukon — mine sites — not only during my relatively short time as Minister of Energy, Mines and Resources. Since that time I've visited the Wellgreen site as well as the Casino mine site. In my previous time as Minister of Energy, Mines and Resources, quite a number of years ago, I did visit the Keno mine site but I haven't had the opportunity to visit Alexco's current operations at Keno City. I look forward to knocking that off of my list this year and visiting Victoria Gold Eagle project, as well as the potential to visit the Alexco mining operations in Keno City and again, the opportunity hopefully this summer to visit a number of other advanced exploration sites and smaller exploration sites as well as placer mines in the Dawson City area.

In a previous profession life with the Klondike Placer Miners Association and the Yukon Chamber of Mines, I also visited a number of placer mines in the Klondike area, as well as the Minto mine that's being run by Capstone, close to Pelly Crossing.

I look forward this summer to adding more and more projects to my list as I endeavour to meet and catch up with many of the operators who are involved in the Yukon.

Mr. Tredger: I thank the minister for his answer. I would invite him to Keno to see the operations.

In his letter to me dated April 8, he made a number of statements and points. One of the statements he made is that the current mining activity is carried out by Alexco Keno Hill Mining Corp. — Alexco, a related but separate company. I had referred in my questions to them as being under the same — that ERDC was a subsidiary of Alexco and indeed Alexco is the parent company. A condition that was arrived at under the property sale agreement was to set up Elsa Reclamation and Development Company — ERDC — to undertake remediation and development. Another sale condition was for ERDC to take on the care and maintenance under an ERDC water licence. So they are very closely related.

The minister mentioned that water discharging from the 400 adit has been elevated in cadmium and zinc for many decades. The quality and quantity of flow has been monitored and has not shown substantial change in many decades. The water discharged directly to the ground, and the groundwater flows, are away from the community of Keno. The reason I asked if he has been there is that adit is directly above the town. It flows out of the adit and into the ground. Yes indeed, it does go into the groundwater. In fact, Keno has no creeks or streams flowing out of Keno. All of the discharge goes to ground.

So, the discharges from Onek are entirely from historic sources and not from any current mining. The minister was correct in that. However, they continue to discharge to the groundwater.

I have a number of questions around that — one, cadmium. As the minister said, we have had elevated levels of cadmium for decades — many decades, according to the minister. Cadmium is an extremely toxic metal, commonly found in many workplaces. Due to its low permissible exposure limit, overexposure may occur even in situations where trace quantities of cadmium are found. Acute exposure to cadmium fumes may cause flu-like symptoms, including chills, fever and muscle aches. Inhaling cadmium-laden dust quickly leads to respiratory tract and kidney problems, which can be fatal. Kidneys lose their function to remove acids from the blood.

We have had elevated levels. No doubt, as the minister said, this is a complex situation, but to dismiss the fact that it goes into the groundwater as not being worthy of treating, I believe, is a little bit premature. Have there been hydrological studies that prove that, once the water comes down, it has already contaminated two or three wells in the town? It has not yet reached the drinking well. There is a new well there; the results of that have not yet been shared with the community. The community is concerned. Cadmium-laden dust is highly toxic. We're aware the dry stacked tailings have dust coming off them.

How often have the tests been done on the dry stacked tailings? How often has that been shared with the public? Is this a regular occurrence? Is it once a year? We're talking serious, serious chemicals. The people in Keno are concerned, and I would say rightly so.

The groundwater is being contaminated and has been for many decades. What effect is that having on the wildlife in the surrounding area? Have any warnings been issued about drinking water, dust contamination, eating of particular wildlife? Have there been hydrological studies showing that, after decades of elevated exposure and leaking into the system, it hasn't affected the groundwater further from Keno?

I realize that the drinking well is being monitored on a regular basis and I assume the minister is posting the results in the community so people have that. I know also that several wells in the community have been closed due to contamination. Will the minister give us now, for the community, an update on the levels of exposure that they have been subjected to? What monitoring is being done, how is it being shared and what steps are being taken to remediate the water?

Hon. Mr. Kent: I just want to speak to a couple of aspects. I know we're running short on time, so I'll be able to get into the balance of my comments later.

The Yukon government has formed an interdepartmental working group to monitor the activity in Keno and address emerging concerns related to health and the environment. Community Services continues to monitor the drinking water well in Keno and has found that Keno's water quality remains safe and meets Canadian drinking water quality guidelines. In

2012, the chief medical officer of health conducted the human health impact assessment in Keno, which assessed the health effects of both historic and current mining operations on Keno residents.

I think it's important also to note that, under the care and maintenance licence, the ERDC or the Elsa Reclamation and Development Company, ANSI, the federal department that is responsible and has the agreement with them during the water licence public commenting phase, stated that the water treatment system was not needed to protect human health and the environment at this time and thus should not be a requirement of the care and maintenance licence and, further, the Yukon Water Board has acknowledged that there is no connection between the new mining proposed for Onek by Alexco and the historic Onek underground workings that are addressed in the care and maintenance licence issued to the ERDC.

Again, I think we have to be very careful. The licensee has been authorized to discharge untreated waste water from the Onek 400 adit so long as all discharges are to ground or to drainages that report to ground. The water flows away from the community. Experts in ANSI and the Yukon Water Board have told us that there is no need at this time to treat that water, and Alexco or ERDC would be looking to treat that water but ANSI has said that it's not needed at this time. This isn't the Department of Energy, Mines and Resources making these decisions. It's a federal department and the Yukon Water Board.

Madam Chair, seeing the time, I move that you report progress.

Chair: It has been moved by Mr. Kent that the Chair report progress.

Motion agreed to

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

Chair: It has been moved by Mr. Cathers 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 the Committee of the Whole?

Chair's report

Ms. McLeod: Mr. Speaker, Committee of the Whole has considered Bill No. 67, entitled *Act to Amend the Income Tax Act*, and directed me to report the bill without amendment.

Committee of the Whole has also considered Bill No. 72, entitled *Act to Amend the Government Organisation Act*, and directed me to report the bill without amendment.

Finally, Mr. Speaker, Committee of the Whole has considered Bill No. 14, entitled *First Appropriation Act, 2014-15*, and directed me to report progress.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

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

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

Motion agreed to

Speaker: This House now stands adjourned until 1:00 p.m. tomorrow.

The House adjourned at 5:28 p.m.