



# Yukon Legislative Assembly

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Number 193

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33rd Legislature

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## HANSARD

Thursday, April 9, 2015 — 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**

## CABINET MINISTERS

### NAME CONSTITUENCY PORTFOLIO

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

## GOVERNMENT PRIVATE MEMBERS

### Yukon Party

<b>Darius Elias</b>	Government House Leader Vuntut Gwitchin
<b>Hon. David Laxton</b>	Porter Creek Centre
<b>Patti McLeod</b>	Watson Lake

## OPPOSITION MEMBERS

### New Democratic Party

<b>Elizabeth Hanson</b>	Leader of the Official Opposition Whitehorse Centre
<b>Jan Stick</b>	Official Opposition House Leader Riverdale South
<b>Kevin Barr</b>	Mount Lorne-Southern Lakes
<b>Lois Moorcroft</b>	Copperbelt South
<b>Jim Tredger</b>	Mayo-Tatchun
<b>Kate White</b>	Takhini-Kopper King

### Liberal Party

<b>Sandy Silver</b>	Leader of the Third Party Klondike
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## LEGISLATIVE STAFF

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Deputy Clerk	Linda Kolody
Clerk of Committees	Allison Lloyd
Sergeant-at-Arms	Rudy Couture
Deputy Sergeant-at-Arms	Doris McLean
Hansard Administrator	Deana Lemke

**Yukon Legislative Assembly  
Whitehorse, Yukon  
Thursday, April 9, 2015 — 1:00 p.m.**

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

*Prayers*

## DAILY ROUTINE

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

Tributes.

## TRIBUTES

### In recognition of the Battle of Vimy Ridge

**Hon. Mr. Pasloski:** Mr. Speaker, today, across this great country, flags are at half-mast to recognize and honour the 98<sup>th</sup> anniversary of the Battle of Vimy Ridge.

I rise today to pay tribute to the thousands of Canadian soldiers who fought on that historic day, a day that has come to symbolize our country's coming of age. In the early morning hours of April 9, 1917, four Canadian divisions stormed the heavily fortified Vimy Ridge. These brave men were literally fighting across a graveyard, as the French and the British armies had already tried and failed to take the ridge, suffering more than 100,000 casualties. Those Canadian divisions were made up of men from across this country fighting together for the first time under Canadian command.

Three more days of costly battle left 3,600 Canadian soldiers dead and 7,000 wounded, but their incredible bravery and discipline secured a victory for Canada on that now-legendary hill. Shortly after the war, Brigadier-General A.E. Ross said about Canada's initial attack on the Ridge, "In those few minutes, I witnessed the birth of a nation."

Today is a day to recognize all of Canada's First World War veterans for their significant contribution, their courage and their sacrifices. These include more than 600 Yukoners from a population of only 5,000, who rallied to the cause, left their homes here in the territory — many to never return again. More than 100 Yukoners lie buried in the graveyards of France.

We also recognize all those who have served and given their lives on our behalf in Canada's Armed Forces since then. As Canadians, we are all indebted to our Armed Forces. As we stand before you in this Chamber today, Mr. Speaker, men and women are fighting on our behalf in the name of freedom and democracy. We all owe our precious freedoms to these brave men and women and I ask all Yukoners to join us today in reflecting on their contribution.

**Mr. Tredger:** I rise on behalf of the NDP Official Opposition to pay tribute to the 100,000 brave Canadians who fought the Battle of Vimy Ridge. In 1914, Canada was considered a part of the British Empire. That meant that as soon as Britain declared war, Canada too was automatically at war. Canadians responded with fervour, determination and

patriotism to the First World War with tens of thousands rushing to join the military in the first months of the conflict, so that they would not miss the action. They needn't have worried.

The war would drag on for more than four years, killing more than 10 million people. This war would see fighting that would be revolutionized by high-explosive shells, powerful machine guns, poison gas, submarines and warplanes.

The Battle of Vimy Ridge, while successful, would come at a great cost. Of the 100,000 Canadians who fought in the frontlines, 10,602 were wounded and 3,598 paid the ultimate price for freedom with their lives.

By the end of the First World War, Canada, a country of less than eight million citizens, would have more than 650,000 servicemen and servicewomen. This war took a huge toll on our young country, with more than 66,000 Canadians losing their lives and 170,000 more being wounded.

At Vimy Ridge, regiments from coast to coast saw action together in a distinctly Canadian triumph, helping create a new and stronger sense of Canadian identity. Many say that Canada came of age as a country on those hard April days in 1917. The coming of age wasn't an easy one. Countless thousands back home in Canada were affected by that faraway battle on April 9, 1917.

It has been said already that our experience of World War I, in particular the unit and selfless heroism of Canadians at Vimy Ridge, was a watershed moment in the development of our country. It was the first time in the war that the combined Canadian forces were united in combat and the entire Canadian contingent was commended for their bravery. Our military achievements during the war raised our international stature and helped earn a separate signature on the Treaty of Versailles that ended the war.

On this, the anniversary of Vimy Ridge, we remember the men and women who paid the ultimate price for their freedom, the children who would grow up never knowing their fathers, the mothers mourning the loss of sons and husbands, and the sisters who would never again see their brothers.

My grandfather was a combatant in World War I. He was exposed to mustard gas and died shortly after returning home. My grandmother, a teacher, was left with two young girls to raise without a father. I never met my grandfather, but his loss was felt in my home growing up. I felt it through my grandmother, my mother, her sister and their stories of their childhood.

My family's story is not unique. Canadian and Yukon veterans and their families' lives were changed during the war. Our victory came at a great price, paid by our nation, our veterans, their families and our communities. On this day, we recognize the bravery and the tragedy, the achievement and the loss in such a brief moment. We thank the veterans of the past, the veterans of the present and the veterans of the future for their service and their sacrifices.

Lest we forget.

**Mr. Silver:** I rise on behalf of the Liberal Party to pay tribute to the Battle of Vimy Ridge.

This day in 1917 marked the beginning of the Battle of Vimy Ridge. On that day, four divisions of Canada's corps began their attack on the German-held position on that ridge. This would mark the first time that the four divisions of the Canadian expeditionary force would fight together. Men from all parts of Canada came together to fight as a cohesive unit. Over these three days that the battle would last, they captured the German position, which the French and the British had previously failed to accomplish.

We remember this date each year because it's an incredibly symbolic piece of Canadian history. The battle was fought when Canada was still a very young nation and accomplished something that greater military powers had not. This was an announcement to the old world that the former colony was now a nation. For this, the Battle of Vimy Ridge is viewed as a nation-building movement for Canada.

For what this battle means to Canadian nationalism, we must also remember the 3,598 Canadians who paid the ultimate sacrifice over those three days in France. Symbolically, it represents what had been Canada's traditional foreign policy values — punching well above our weight and participating in conflicts to defend our allies in foreign countries. The Battle of Vimy Ridge was a defining moment for all of us Canadians. Its centennial will coincide with Canada's 150<sup>th</sup> birthday and will remind us all of the most significant moments as we reflect on the many events that built this amazing nation of ours.

### **In recognition of the Rotary Music Festival**

**Hon. Mr. Graham:** Mr. Speaker, it's indeed a pleasure for me today to rise on behalf of all members of the Legislature to pay tribute to the organizers and participants in this year's Rotary Music Festival, now underway at the Yukon Arts Centre here in Whitehorse.

Starting yesterday and continuing until next Saturday, hundreds of Yukon musicians of all ages, and particularly young people, will demonstrate their talents and the results and months of preparation at this annual showcase and competition. You can feel the excitement in the community at this time every year as instrumentalists and vocalists prepare to present their musical offerings before live audiences and to the constructive scrutiny of adjudicators.

The Rotary Club of Whitehorse has been the festival's main organizer since 1975, but the event's roots go back to 1969, when a committee of four members of the Whitehorse Choral Society established the Whitehorse Music Festival. It is indeed a pleasure for me to welcome one of those community members and a long-time mainstay of the music festival and Yukon's music education scene — Henry Klassen in the gallery today, along with his wife and fellow music teacher Joyce Klassen. I would ask all members to welcome them here today.

*Applause*

**Hon. Mr. Graham:** Henry not only taught in the school system, but he and his wife also provided individual training for young budding Yukon musicians. I know that from personal experience because my daughter spent a great deal of time with Henry, learning to play an instrument and it is something that she has remembered all of her life.

The original festival focused primarily on vocal music, but over the years the categories were expanded to include flute and other wind instruments — strings, guitars, band ensembles and, of course, piano. From its more classical beginnings, the festival program has added jazz and pop categories as well. New to the festival this year is a dance component, the result of representation from Yukon's highly active and growing dance community. The inaugural dance events took place this morning, Mr. Speaker. In fact, as I speak, the jazz dance — small and medium groups and trios — are taking to the stage with hip-hop performances slated for later this afternoon.

What an eclectic and vibrant performing arts community we have here in the Yukon, thanks in no small part to the support of groups like the Rotary Club of Whitehorse. The Rotary Music Festival is the club's biggest community service project and it has an annual budget of almost \$40,000. This is a significant contribution to the nurturing of our youth and the fostering of a young and healthy performing arts community.

A music festival like this could not take place without the support of music educators and professionals who are willing to take time out of their busy lives to come to Yukon to observe and assess the performance of festival participants. This year, we welcome seven adjudicators from western Canada, who will offer helpful feedback on the performers' abilities, techniques and styles. Their objectives, which are encouraging and personalized responses to the performances, contribute to the pride of accomplishment and can be instrumental in the performers' future musical endeavours. We greatly appreciate the role of adjudicators in the success of the festival and in the musical development of the performers.

For the participating musicians, performing for a live audience and in front of an adjudicator can be a highly rewarding, but also a nerve-wracking experience. Indeed, one of the purposes of the festival is to give budding musicians the opportunity to gain stage experience, a daunting challenge for many of these young people.

I compliment and thank the many dedicated music teachers who provide the instruction and the support to their students to enable them to rise to that challenge.

The Rotary Music Festival has been the springboard for many Yukon musicians to pursue their music at the post-secondary level and, in some cases, on to the professional realm. For others, the festival is simply an opportunity to say: "I did it. I performed in front of a live audience and in front of an adjudicator." Whether a performer takes home a prize or not, the satisfaction of having performed is a great reward in itself.

Like so many of our wonderful recurring community events, the Rotary Music Festival is able to happen year after year because of a chorus of volunteers, and I would like to

acknowledge their ongoing contribution to the festival's continuing success.

As Minister of Education, I take particular note of the numerous and well-documented benefits of musical study, whether it takes place within or outside of school settings. For example, it's well-recognized that children who study a musical instrument are more likely to excel in all of their studies and work better in teams, and they possess enhanced critical thinking skills, they stay in school and they usually pursue further education. In saying that and recognizing that many of the performances take place during regular school hours, I would also like to thank the classroom teachers throughout Yukon who not only excuse their students from classes to allow them to participate in the festival, but some of them bring their own groups to participate in the festival.

In closing, I encourage all members of the Legislature to take in some of the Rotary Musical Festival over the next several days. The final concert takes place next Saturday, April 18, and as these concerts normally sell out, I encourage everyone to get your tickets early.

### **In recognition of Daffodil Month (Cancer Awareness Month)**

**Hon. Mr. Nixon:** I rise on behalf of Yukon government to honour the men, women and children who work in the field of cancer research, help raise money for cancer research or are dealing with cancer on a more personal basis. April is Daffodil Month. The Canadian Cancer Society has chosen the daffodil because it is a symbol of strength and courage in the fight against cancer.

During Daffodil Month, Canadian Cancer Society volunteers work tirelessly to raise funds to carry on the fight against cancer for yet one more year. These funds go toward national research, support services and a host of other work, including preventive work to help ensure that every year fewer Canadians will have to deal with cancer.

Here at home, volunteers raise money through a variety of fundraising efforts. Two of the more well known are the Run for Mom, an annual Mother's Day run and walk event, as well as the TELUS Ride for Dad, which both raise money for local initiatives related to cancer.

Run for Mom has helped raise money to buy two mammography machines, produce public awareness and education resources and support community projects, programs and services related to breast health.

The TELUS Ride for Dad's mission is to raise funds to save men's lives by supporting prostate cancer research and raising public awareness of the disease. Their goal is for men to continue to be there for their families and their friends for years to come. The parade of vehicles grabs the attention of the masses and the media on ride day. The research helps find hope for the future and the awareness has the potential of saving men's lives today. This will be my second year riding my motorcycle in the Ride for Dad. I encourage others to take part, either by riding or by donating.

Another local initiative is the Karen J. Wiederkehr Memorial Fund, better known as Karen's Fund. It was

established in 2000 in memory of the 37-year old who died of breast cancer after months of treatment in and out of our territory. Her two wishes were for patients to have access to quiet, comfortable places for their chemo treatments and financial assistance to women undergoing treatment for breast cancer. Now patients with breast cancer who live in Yukon, Atlin and Lower Post, B.C., can access a one-time donation of \$1,000. As well, Karen's Room at the Whitehorse General Hospital was built by volunteers to provide a quiet, home-like atmosphere for women receiving chemotherapy.

Often a person dealing with cancer must go Outside for treatment. It's hard to be away from the familiar, the comfortable, especially when we're dealing with a frightening diagnosis. That's why the cancer care navigator program out of the Whitehorse General Hospital is so important.

Just as important is the work of the relatively new Yukon cancer care fund, which supports cancer care and cancer patients in the territory in much the same way as Karen's Fund. The Yukoners cancer care fund was established at the Yukon Hospital Foundation, thanks to the generosity of the community and the commitment of many volunteers who want to see enhanced support for Yukoners facing cancer.

The Yukoners cancer care fund is supported by volunteer-led events and initiatives, as well as donations. Monies received for this fund can only be used to support cancer care and cancer patients in Yukon. The fund has been operating for three years now and, although we have yet to collect enough money to subsidize all needs, we have continued to increase the amount raised each year and have so far been able to assist a dozen families, with hopes of helping many, many more each year.

The Speaker's Reception will be held on April 30 this year. It will be held here in the main administration building, in the main lobby. There will be both a silent and live auction, with many great donations from many wonderful local businesses. All money raised at the reception will be put toward the fund and used for Yukoners. There will be food, drinks and entertainment to support a great cause. I dream of a day when cancer will be a thing of the past.

Everywhere in town, we see volunteers selling the cheery daffodil pins and the flowers themselves. I encourage all Yukoners to stop and donate money to the cause and, while we're at it, let's thank a volunteer. They're working for each and every one of us.

Mr. Speaker, while I'm on my feet, I would like to acknowledge a couple of guests in the gallery. Geraldine Van Bibber and Faye Cable, both from the committee, members of the Yukoners cancer care fund — if I could ask all members to join me in welcoming them.

*Applause*

**Ms. Stick:** I rise on behalf of the Official Opposition and the Third Party to pay tribute to Cancer Awareness Month. April is Cancer Awareness Month, or Daffodil Month.

Our reminder is the yellow daffodil, whether the small pins that we wear or the tables set up around town with

volunteers selling fresh daffodils. It is spring and it is time for new beginnings.

I spent my time reviewing some old tributes and was struck by the hope that we all carry that prevention, treatment and, hopefully, cures for cancer can be improved, can be strengthened and ultimately found. It is a hopeful time for me and for others, but it is also a reminder of those we have lost over the past year. I am sure every person here can name one person who has been diagnosed with cancer, is undergoing cancer treatments or who has died in the last year. But I am going to hold on to hope.

Every day we have an opportunity to make healthy choices for ourselves: to smoke or not; to exercise or not; to take care of ourselves and our families; to see a doctor; to get a mammogram or have a prostate checked. There is hope too for those facing the diagnosis of cancer. More and more often, individuals are able to receive treatment and follow-up right here — closer to family and friends. I truly believe that the support of the family and community around us is a vital part of any treatment plan. I am sure someone somewhere has done research on this and that there is proof.

For those having to leave the territory, there are services, residences, supports — all types of supports — not just for the patient, but more often than not, support for family members too, and I am thankful for those services.

Without going through long lists of hard-working health professionals, community volunteers, community programs, non-governmental organizations and fundraisers who keep this hope out front and burning bright, I just want to say thank you.

Finally, I encourage everyone to buy some daffodils. Let them remind you of the hope and the symbol of spring.

**Speaker:** Introduction of visitors.

## INTRODUCTION OF VISITORS

**Hon. Mr. Kent:** It is my pleasure to introduce Mr. Gerry Whitley. He often attends the gallery, but on the day that we pay tribute to Cancer Awareness Month and Daffodil Month I would like to acknowledge Gerry as a cancer survivor and a long-time volunteer with the Canadian Cancer Society.

*Applause*

**Ms. White:** Someone in the gallery has already been introduced, but I think it is a great honour to be able to acknowledge someone for the changes that they made when you were younger. Mr. Klassen, you were an incredible driving force for me. We met when I was in grade 7. I think I was 12, and you put me on a course and you might be able to take some responsibility for where I stand today. It is not very often we get to say thank you in such a public forum, and I hope you know how I feel because I say that when I see you. But in front of people and for Hansard's purpose, thank you so much for what you have done for — I would say — hundreds, if not thousands, of Yukon students. Thank you so much and thank you Mrs. Klassen as well, although you did not

influence me quite so much. Thank you very much, Mr. Klassen.

*Applause*

**Speaker:** Are there any returns or documents for tabling?

## TABLING RETURNS AND DOCUMENTS

**Hon. Mr. Pasloski:** I have for tabling the *Personal Income Tax Room Sharing Agreement Between the Government of Yukon and Carcross/Tagish First Nation (2012-2019)*, which is similar to many personal income tax room sharing agreements with other self-governing First Nations.

**Speaker:** Just the title — and thank you.

Are there any other 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?

## INTRODUCTION OF BILLS

### **Bill No. 86: Act to Amend the Income Tax Act and the Yukon Child Benefit Regulation — Introduction and First Reading**

**Hon. Mr. Pasloski:** I move that Bill No. 86, entitled *Act to Amend the Income Tax Act and the Yukon Child Benefit Regulation*, be now introduced and read a first time.

**Speaker:** It has been moved by the Hon. Premier that Bill No. 86, entitled *Act to Amend the Income Tax Act and the Yukon Child Benefit Regulation*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 86 agreed to*

### **Bill No. 87: Personal Property Security Registry (Electronic) Amendments Act — Introduction and First Reading**

**Hon. Mr. Dixon:** I move that Bill No. 87, entitled *Personal Property Security Registry (Electronic) Amendments Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Minister of Community Services that Bill No. 87, entitled *Personal Property Security Registry (Electronic) Amendments Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 87 agreed to*

### **Bill No. 84: Act to Amend the Public Lotteries Act and Related Amendments — Introduction and First Reading**

**Hon. Mr. Dixon:** I move that Bill No. 84, entitled *Act to Amend the Public Lotteries Act and Related Amendments*, be now introduced and read a first time.

**Speaker:** It has been moved by the Minister of Community Services that Bill No. 84, entitled *Act to Amend the Public Lotteries Act and Related Amendments*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 84 agreed to*

**Speaker:** Are there any further bills to be introduced?  
Are there any notices of motion?

## NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to continue to support community emergency response volunteers through initiatives, including:

- (1) maintaining the supply of uniforms, medical and safety equipment;
- (2) fleet management and station maintenance;
- (3) providing in-station training; and
- (4) implementing an on-line learning management system to allow community responders to develop and maintain clinical competency without leaving their home communities as often.

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

THAT the Yukon Legislative Assembly, pursuant to section 4 of the *Child and Youth Advocate Act*, recommends that the Commissioner in Executive Council appoint Annette King as the Child and Youth Advocate for Yukon for a term of five years, effective May 1, 2015.

I also give notice of the following motion:

THAT Darius Elias, the Member for Vuntut Gwitchin, be appointed Deputy Chair of Committee of the Whole.

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

THAT this House urges the Government of Yukon to table a timeline for the transfer of land to the Vimy Heritage Housing Society in order for it to proceed with a supportive living facility for Yukon seniors.

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

THAT this House urges the Government of Yukon to consult with affected First Nations, as required by personal income tax room sharing agreements signed between the two levels of government, before making changes to their sources of revenue.

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

## QUESTION PERIOD

### Question re: Hydraulic fracturing

**Ms. Hanson:** The Minister of Energy, Mines and Resources has been caught out in this government's agenda to open up the Yukon to fracking. He repeatedly stated that his government had no projects in the queue when it came to implementing fracking in the Yukon. However, as documents

that were recently made public show, the minister gave direction to his department to move forward with a pilot fracking project in Yukon in the Liard Basin. The minister has even admitted to this in the media.

So, while the minister has been telling Yukoners his government has no plans to develop fracking in the Yukon, he has personally directed his staff to do the exact opposite.

Will the Premier direct his minister to apologize for telling one thing to Yukoners while doing the exact opposite behind their backs?

**Hon. Mr. Kent:** With respect to the work of the select committee that spent a number of months examining the risks and benefits of hydraulic fracturing, later today I will be delivering to you, as the Speaker of the Legislative Assembly, the final response of the Government of Yukon to those 21 recommendations. On top of that, we will also be making public our position with respect to hydraulic fracturing in the Yukon so that, starting next week and for the balance of the session, we can have a full and factual debate on the position that we have taken with respect to the response to those recommendations and our position with respect to hydraulic fracturing in Yukon.

**Ms. Hanson:** It's good to know what's coming. I'm talking about what has already transpired. The Premier can duck the questions or attack the opposition. It doesn't change the facts.

The facts are that this minister got caught saying one thing to Yukoners on fracking and doing the exact opposite behind the scenes. He has even admitted it to the media.

This is one of the most important issues in Yukon and the minister's actions clearly contradict what this government has been saying. Yukoners have a right to know.

Did the Premier know that his minister was pushing a fracking pilot project while telling Yukoners that they were simply reviewing the select committee report?

**Hon. Mr. Kent:** I agree with the member opposite that this is a very important issue for Yukoners. It has been since December 2011 when it was first raised in this Legislative Assembly, following through on that to the work of the select committee.

As I have said in my earlier response, later today I will be delivering our final response to the 21 recommendations that were provided by the select committee to you, as Speaker of the Legislative Assembly, and at the same time we will be making public our position with respect to hydraulic fracturing in the Yukon.

**Ms. Hanson:** Mr. Speaker, this government's penchant for secrecy is out of control. There is a clear pattern.

The only information that Yukoners have been allowed on this government's direction on fracking has been obtained through accidental e-mails. It is one thing that he is coming up with it, but he has already given direction. This is not the way to govern this territory.

The facts are really clear. The minister was telling Yukoners that his government had made no decision. The minister was telling Yukoners that there are no fracking

projects in the queue, yet at the same time he was directing his staff to make a pilot project occur in southeast Yukon.

Yukoners deserve honest answers. Since the Premier can't or won't be accountable, I'll ask the minister again: When did the minister direct his officials to set up a pilot project on fracking in the Liard Basin?

**Hon. Mr. Kent:** Again, we will agree with the point that the member opposite raised in one of her earlier questions — that this is a very important issue for Yukoners.

When the report from the select committee was presented to you in January of this year, we took some time to review that. Later today we'll be providing our final response to you, as Speaker, and on top of that, the government will be making public our position with respect to hydraulic fracturing in the Yukon.

I think this will contribute to a fulsome debate with respect to this topic in the weeks to come. I'm pleased that we were able to provide this report early in the sitting, prior to the calling of the Department of Energy, Mines and Resources during budget debate, and with the number of Question Periods left so that members opposite are able to ask questions with respect to the final response on those 21 recommendations as well as our position with respect to hydraulic fracturing in the territory.

#### **Question re: Hydraulic fracturing in Liard Basin**

**Ms. Hanson:** Carrying on a parallel track, saying that you are reviewing when in fact you were making decisions — the minister simply got caught. He has been telling Yukoners that his government hadn't made up its mind on fracking. He has been telling Yukoners that there is no project in the queue, but at the same time he directed his officials to make a fracking pilot project happen, to occur in the Liard Basin. The minister still refuses to answer a basic, straightforward question. It's a simple question. Yukoners deserve an answer.

Will the minister tell Yukoners exactly when he directed his officials to work on a fracking pilot project?

**Hon. Mr. Kent:** Again, Mr. Speaker, not to sound like a broken record, later today we'll be delivering our final response to those 21 recommendations that were provided by the select committee. We will also make public our position with respect to hydraulic fracturing in the Yukon. Yukoners deserve to know where the major political parties are with respect to this important issue and we plan on making that public later on today.

**Ms. Hanson:** The minister is avoiding answering questions because he got caught red-handed. He has been saying one thing to Yukoners —

**Some Hon. Member:** (Inaudible)

#### **Point of order**

**Speaker:** The Government House Leader, on a point of order.

**Mr. Elias:** The use of inflammatory language by the Leader of the Official Opposition is imputing false or unavowed motives to the minister, and I ask you to rule on a point of order please.

**Speaker:** Are you referring to the word “red-handed”?

**Mr. Elias:** Yes — “caught red-handed”.

#### **Speaker's ruling**

**Speaker:** It does imply that there was possibly something going on, but I believe it's a dispute between members over the facts and I'm unfortunately not here to judge the facts.

**Ms. Hanson:** He has been saying one thing to Yukoners and doing the exact opposite behind closed doors. The minister stated yesterday that he is no longer pursuing a fracking pilot project. So when did the minister change his mind? Was it after the accidental leak to the local media? Was it Tuesday afternoon after the minister got caught out in the Legislature? Was it 15 minutes before his media interviews the following day? Yukoners have a right to know. When did the minister change his mind?

**Hon. Mr. Kent:** I'm sure members of the opposition, and indeed, all members of the public, will be anxious to see what the government's response is to the 21 recommendations provided by the select committee to you — the all-party select committee that was examining the risks and benefits of hydraulic fracturing.

On top of that, I think it's important that Yukoners know where the political parties stand with respect to hydraulic fracturing in the Yukon. Both of those positions we will be making public later today and we'll be able to have a fulsome debate going forward through the balance of this Sitting and, I'm sure, into future sittings on the practice of hydraulic fracturing, as well as our response to the select committee.

**Ms. Hanson:** Any credibility that this minister had when it came to his party's position on fracking went out the window when the minister was caught saying one thing to Yukoners and doing the other. For months, this government has been telling Yukoners that they had no plans for fracking in Yukon, while at the same time directing their staff to make plans to bring fracking to the Yukon.

Yukoners expect answers. When did the minister decide to pull the plug on the Liard Basin fracking pilot project?

**Hon. Mr. Kent:** Mr. Speaker, all the wild accusations aside that the member opposite is making again, I've mentioned a number of times today that, later today, I will be personally delivering to your office the government's response to the 21 recommendations that were put forward by three members of the government side and three members of the opposition side on the all-party committee with respect to the risks and benefits of hydraulic fracturing.

On top of that, we will also be making public our position with respect to hydraulic fracturing in the Yukon. So I know the members opposite and, indeed, other interested people in the territory will be anxious to review that and they will be able to do so later on today.

#### **Question re: Mining regulatory uncertainty**

**Mr. Silver:** This year, Yukon continues its slide down the Fraser Institute's ranking for a good place to do mining



business. Yukon has dropped from eighth in 2012-13 to 19<sup>th</sup> in 2013 to 26<sup>th</sup> in 2014 on the institute's policy perception index. This indicates a decline in the relative attractiveness of a place to do business.

The lower scores reflect a decrease in the percentage of respondents that perceive that the following policy factors encourage investment: our legal system, down 12 points; regulatory duplication, down eight points; and administration of regulations, down eight points.

Unlike the Premier, who now blames low mineral prices, the Fraser Institute doesn't even mention this and, instead, points its finger squarely at this government and its regulatory and legal problems. Yukoners know the government holds the Fraser Institute in a very high regard; now that we're on the decline, does the government accept responsibility for the much lower rankings?

**Hon. Mr. Kent:** With respect to the recent Fraser Institute report, I think the most encouraging news that we see there is that we are number one in the world for geological potential. That's something that we can be very excited about and, again, something that we can't control, but we're very proud of.

The things that we can control, such as regulatory licensing and permitting, are things that we are undertaking improvements on, such as the work on the mine licensing improvement initiative, which will address some of the shortcomings in the water licensing process, as well as the quartz mine licensing process.

We certainly want to emerge from the current downturn in the mining sector in a better position than when we went in, and that is reflected in the work that we're doing on the licensing and permitting, as well as training and infrastructure investment and a whole host of other things across all departments within this government.

**Mr. Silver:** Mr. Speaker, it's not lost on me, the Member for Klondike, on what our potential is with regard to mining in the Yukon. We don't need the Fraser Institute to tell us that.

Here's a quote from a Yukon Party minister in 2010 about the Fraser Institute report — and I quote: "...Yukon's climb to the top of the ranking has absolutely nothing to do with world mineral prices; it has everything to do with us — this government — making the changes necessary to restore investor confidence in Yukon".

Mr. Speaker, the Yukon is continuing to slide in the rankings. When we're up in the rankings, it's all about minerals and us and when we're sliding, it's about the world prices. In response to our poor showing, the government reminds Yukoners that it's working on a new mine licensing improvement initiative.

When will this project be completed and what changes does the minister anticipate will come out of it?

**Hon. Mr. Kent:** Just to clarify for the member opposite — again, when talking about the Fraser Institute rankings, I think we're very pleased and proud that we have such a rich and diverse mineral endowment here in the territory and we're pleased that the executives who respond to the Fraser Institute

survey have recognized that by ranking us number one in the world.

Again, we certainly recognize that, along with the recommendations of the Yukon Minerals Advisory Board, there is an increasingly negative image with respect to our licensing and permitting regimes. That's why we support Bill S-6 and the amendments that is proposing. That's also why we're embarking on the mine licensing improvement initiative. Early work on that is underway right now with officials being led by Executive Council Office. Energy, Mines and Resources is also participating. Early engagement, of course, with our partners, First Nation governments, is underway right now. We would anticipate that this work and some sort of recommendations for mine licensing improvement will be ready within the next 12 months.

**Mr. Silver:** Let's hope that the mine licensing improvement initiative goes smoother than the government's botched attempt at amending YESAA.

Mr. Speaker, here's another gem from the Yukon Party. Let me quote this. "The boom-and-bust swings of the past will be largely mitigated by sound economic planning and investment attraction efforts".

For many years, the Yukon Party government tried to take credit for a strong economy. The reality was that our economy performed well because mineral prices reached record highs. In 2013, we had the second worst GDP growth of anywhere in Canada and Keno mine closed. The numbers are not final for 2014, but they don't look good; it wasn't a great year. 2015 began with the closing of Wolverine mine.

Mr. Speaker, we are certainly in a bust period and it happens to be during the Yukon Party's charge. Will the government accept responsibility for our poor showing in the Fraser Institute report or for our declining economy?

**Hon. Mr. Pasloski:** Mr. Speaker, it is absolutely true that this government cannot control commodity prices. That is something that this government, nor any government, will be able to do.

We are moving forward with things that we can control — that we can make a difference — so that as we come out of this downward portion of a cyclical mining cycle, we're in a much better position.

As we heard from the Minister of Energy, Mines and Resources, we're investing in a mineral development strategy. We're working together with First Nations on a mine licensing improvement initiative. We support the amendments to the environmental assessment act that will ensure that our assessments are consistent with other jurisdictions, but we're also investing in training — the creation of the Centre for Northern Innovation in Mining.

I believe our first graduates were announced today. We are also investing record investments in infrastructure — strategic investments in infrastructure that Yukoners will benefit from for generations to come — roads, bridges, telecommunications and energy. Of course, what we know is that the members opposite like to talk the talk, but what do they do? They oppose everything that is an economic opportunity for this territory. They vote against it. We talked

about it yesterday. They are opposing new nursing homes, they are opposing LNG. What we do know is that there has been a 20-percent increase in population since this government has come in and we will continue to deliver for Yukoners.

**Question re: Ross River School closure**

**Mr. Tredger:** It has been several months since the Ross River School was shut down due to instabilities in the school's structure. Like other schools in Yukon's communities, the building plays a central role in Ross River. It isn't just a school; it is a meeting place. It is also a public library and a Yukon College community campus. We know that the government has relocated Ross River School's classroom students to temporary locations, but what about the library? What about Ross River's Yukon College students?

What has the Yukon Party government done to ensure that Yukon College classes and other important community services hosted in the Ross River School are accessible to the community in the short term?

**Hon. Mr. Graham:** I appreciate the question from the member opposite. I was beginning to think that I had been forgotten over here since I changed portfolios.

We recently made a trip to Ross River to survey the school itself and to work with the staff and students and the community with respect to offering alternatives. I have to tell you that I was completely impressed with not only the staff and school council of the school there, but also by the community as a whole. They have really worked together to make the best of this very sad situation. A number of things have happened. Alternative venues for classes have been found, even though they are not the best of alternatives. They are what is available in that community. We have also moved a portable classroom to the community. Yukon College is working very well with the Department of Education in providing their facility to the school's students as well. So the whole community has pulled together in order to make the best of this very bad situation.

**Mr. Tredger:** My concern was for the Yukon College students and their place. I do recognize the input from the Yukon Department of Education and the community of Ross River for pulling together around this, but we do have a serious situation. The government just tendered a project with a very short timeline to submit a complete design/build proposal to fix the elements of the Ross River School. The tender contains no mention of refrigerating the crawl space. The tender contains no mention of preventing the permafrost heating and thawing that caused most of the issues plaguing the school. It is so open-ended that many contractors are privately wondering who would even want to take it on. When permafrost thaws, and it is thawing, it can cause significant damage.

Why does the Yukon Party government's Ross River School tender ignore the important permafrost regulation needs that caused significant damage to the school in the first place?

**Hon. Mr. Kent:** As the member opposite mentioned, Highways and Public Works is issuing a public request for qualifications. From this, a shortlist of qualified design/build teams will then be asked to provide bids for the work to be completed. The contract will then be awarded to a team with the lowest bid. The work on-site will involve structural foundation repairs, building, re-levelling and repair of interior finishes.

HPW has also contracted EBA Engineering to review the thermosiphon system data to determine if it is functioning as designed. The thermosiphon system is intended to stabilize the permafrost below the building. Again, in working with the Minister of Education and our officials, we would like to see the school opened back up as normal for classes this fall. This is the chosen contractual format to attain that. So we are relying on the expert advice of our officials and, of course, the expert advice of independent third parties to accomplish that.

**Mr. Tredger:** The Ross River School is a critical piece of community infrastructure. We know that the government had to make repairs to the building in 2008 and here we are again. In the months following the school's closure, the Yukon Party government spent a lot of time promoting its ad hoc Whitehorse-centric infrastructure spending. Communities like Ross River, on the other hand, have been left behind by this unbalanced and unplanned approach to development and maintenance.

Let's put it in context. The Ross River School is being put on the back burner, but the government plans to spend over \$200 million on the Whitehorse portion of the Alaska Highway. How is this fair to students who don't have a permanent place to study? When will the government take responsibility for the Yukon as a whole and support community infrastructure like the Ross River School?

**Hon. Mr. Graham:** Mr. Speaker, if I said what I'm thinking right now, you would probably call me to order, so instead I will say that I don't know where the member opposite is coming from.

There are huge amounts of infrastructure outside of the City of Whitehorse being done each and every day, and as for the Ross River School, maybe the member opposite didn't understand what was said here today. The contract says that the school repairs will be finished by August 1. That is relatively quickly. He maybe doesn't understand it. It means it will be ready for the upcoming school year. We are moving as quickly as we possibly can, with great cooperation from the consulting and contracting community to get that school back on line.

Perhaps he doesn't understand it. Maybe he would like to come with the Member for Pelly-Nisutlin and I tomorrow to go up to Ross River to take a look at it personally.

Mr. Speaker, I'm afraid the member opposite is living somewhere else in the past and he just simply refuses to realize or understand the facts.

**Question re: Seniors housing**

**Ms. Stick:** Today is Vimy Ridge Day, and for many years, the Vimy Heritage Housing Society has been working

with a coalition of senior groups, including the local Royal Canadian Legion branch, to plan a financially self-sustaining 75-suite supported living facility for seniors in Whitehorse. They have completed a detailed needs analysis and public consultation of Yukon seniors to determine if there is sufficient demand. The findings are telling. Over 500 seniors are interested in this model and, based on income alone, approximately 100 people want to and can afford to live in a supported living facility within the next three years.

What is this government doing to support the Vimy Heritage Housing Society in their efforts to provide a needed and desired supported living service for seniors?

**Hon. Mr. Kent:** We too, as a government, have been involved with the Vimy Heritage Housing Society since before it was incorporated. I know there has been money transferred to the society through the community development fund to complete some of the important work they are doing. They have identified for us that they would like to build their facility on the Fifth and Rogers parcel of land that's owned by Yukon government in downtown Whitehorse.

As members will know with the budget we recently tabled, part of that budget is to complete a master plan in partnership with the City of Whitehorse. At a recent meeting with the representatives of the Vimy Heritage Housing Society, we also invited them to participate in that.

We have to make sure that the land provided to them will be adequate for the facility and the number of units that they want to incorporate there. Again, this is something that's extremely important to our government. It was a platform commitment that we made in 2011, and we look forward to seeing this important piece of housing infrastructure for seniors developed within the City of Whitehorse.

**Ms. Stick:** The Vimy Heritage Housing Society has been meeting with government officials from Health and Social Services, as well as Energy, Mines and Resources. Even government officials have gone to B.C. and toured similar models of care to get an idea of what is happening. The society is ready to move forward on plans to construct this 75-suite supported living facility, but land is the holdup.

Are there firm timelines for this government to follow through on its commitment that the minister has spoken about to transfer land to the Vimy Heritage Housing Society to build a needed supported living service for seniors?

**Hon. Mr. Hassard:** As the minister responsible for Economic Development, I'm happy to say that, through the community development fund, we've worked with the Vimy Heritage Housing Society and, in July 2013, the community development fund provided them with approximately \$74,000 to hire a project manager for the pre-construction development phase and to undertake a preliminary marketing campaign.

In July 2014, we approved an extension for the project until February 28, 2015. Since they needed more time, we actually — yesterday, or the day before — approved an extension for that funding to March 31, 2016. I'm not sure if they even know that yet, but I guess they do now if they're listening.

### Question re: Mental health services

**Ms. Stick:** The Yukon NDP has raised questions about adequate access to rural mental health and addictions services for years. Just last fall, we cited the 2014 clinical services plan finding that mental health and alcohol and drug services are in significant deficit outside Whitehorse and that there's no greater need than to expand resources to these health services, particularly in the communities.

From 2003 to 2013, the percentage of Yukoners who perceive their mental health to be very good or excellent fell from 76 to 66 percent. Our health is not getting better. It's going down, especially mental health.

When will this government develop a coherent plan for coordinated, community-based action on mental health and alcohol and drug services?

**Hon. Mr. Nixon:** The Department of Health and Social Services really provides a range of services and supports to clients with mental health illnesses, mental health challenges, concurrent disorders and addictions in their families, and we see this right across the territory.

I only need to mention a few services provided at three hospitals around the territory, services provided by Alcohol and Drug Services in communities and services provided by Many Rivers in many of the communities. This government is committed to providing those services to individuals facing those needs and we take this issue very seriously.

**Ms. Stick:** But you have to wonder what is going to happen differently so that we won't have these types of reports that say mental health and alcohol and drug services are inadequate in the communities. We know that expanding access to mental health and alcohol and drug services for all Yukoners in all our communities is among the most urgent needs. The reports that this government has tabled tell it, but we still do not have a plan or a strategy. Yukoners are still waiting for that. It was promised in the last sitting to be soon public. Currently we have the services that the minister mentioned, but only two mental health nurses are serving every single rural community.

Will this government increase the number of mental health and addiction workers based in rural communities who can be there every day?

**Hon. Mr. Nixon:** Mental Health Services has two rural offices staffed by mental health nurses in Dawson and Haines Junction. These nurses travel to other communities to provide assessment and treatment services to individuals with serious mental health illnesses and consultation and education services to professionals and to the public. Where there are identified clients in specific communities, Mental Health Services hire support workers who provide very practical assistance to clients and monitor their mental status in-between visits from the nurses. Mental Health Services provides inherent counselling services in Faro, Ross River and Old Crow. I would like to thank the staff throughout Yukon who provide those services on a daily basis.

This government is investing \$4.2 million to replace the St. Elias group home. I would expect the members opposite would vote in favour of that despite their past history on

services for mental health. There is \$1.47 million for the Yukon Women's Transition Home Society to help women and children fleeing unsafe situations — again I would expect the members opposite to vote in favour of these important services. There is \$2.229 million for the Child Development Centre, \$130,000 for mental health youth treatment centres, including \$65,000 for Bridges. There is \$607,000 for Challenge's community —

**Speaker:** Order please. The member's time has elapsed.

**Ms. Stick:** I didn't hear a lot about services for people with mental health difficulties. I'm not sure what a lot of those had to do with that.

The 2014 clinical services plan had no shortage of comments on the significant deficit facing alcohol and drug services outside of Whitehorse including — and this is a quote: "...all aspects of alcohol and drug services care, including the general absence of aftercare and a high rate of recidivism."

Imagine, Mr. Speaker, two mental health nurses — one in Haines Junction and one in Dawson — serving every community in the Yukon. What do they do in an emergency if they are in Old Crow and an emergency is in another community? It is not adequate.

The Sarah Steele replacement may expand the number of clients provided with care, but the minister cannot disagree that that building is here in Whitehorse.

What is the minister doing to address lack of ADS aftercare in the communities?

**Hon. Mr. Pasloski:** Of course this is a very important topic, and we have heard the minister articulate some of the work that has been done. I certainly want to acknowledge the work of the officials. It certainly isn't just mental health workers. Of course, we have officials across many departments — Justice, Health and Social Services, Education — all working together collaboratively throughout this territory.

I also would like to acknowledge the work of the NGOs and the work that we do with them with the goal of providing and enhancing those services — and acknowledge the work of both the Health and Social Services minister we have now and the previous minister who served in that portfolio.

We have made significant investments. What I do hear on this very important topic, though, is what I hear many times. Certainly the position of both parties on many of these issues sounds exactly the same. What we do know is that, for every investment we make, in spite of their call for help, which we are doing, they do vote against it. They oppose all the initiatives and the investments we have made and the continuing and ongoing investments like the Sarah Steele investment that we are going to make this year. That is not only replacing the building but enhancing the alcohol and drug services not only for adults but for youth as well. We are continuing to deliver on priorities that we set forward for Yukoners.

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

## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### Bill No. 16: *Third Appropriation Act, 2014-15* — Second Reading

**Clerk:** Second reading, Bill No. 16, standing in the name of the Hon. Mr. Pasloski.

**Hon. Mr. Pasloski:** I move that Bill No. 16, entitled *Third Appropriation Act, 2014-15*, be now read second time.

**Speaker:** It has been moved by the Hon. Premier that Bill No. 16, entitled *Third Appropriation Act, 2014-15*, be now read second time.

**Hon. Mr. Pasloski:** I am pleased to introduce Bill No. 16, entitled *Third Appropriation Act, 2014-15*, along with the companion budget document, the *2014-15 Supplementary Estimates No. 2*, to this First Session of the 33<sup>rd</sup> Legislature.

Mr. Speaker, as identified in the *Third Appropriation Act, 2014-15*, the *Supplementary Estimates No. 2* provides for sums required of \$14,740,000. These sums required are offset by sums not required of \$48,298,000.

Members of the Legislature will have noted that a special warrant was issued on March 5 in the amount of \$14,740,000. In accordance with the *Financial Administration Act*, the amounts authorized by special warrant are identified in the *Third Appropriation Act, 2014-15* and summarized in schedule C.

The members opposite can certainly appreciate that, through this third appropriation act, the Legislature will be debating and considering those additional expenditure items previously included in the special warrant. The Legislature conducts its business; the special warrant provides government officials with the legal authority to continue to make the expenditures required for uninterrupted government operations for the period of time that Bill No. 16 will be debated in the Legislature.

Ministers who are requesting supplementary budget approval will be pleased to provide members of this Legislature with the complete details of their expenditure requirements in department-by-department, there is line-by-line review in general debate. Today I will limit my comments to a few specific observations that may be of immediate interest to our Legislature, related to the financial health of our government.

As I noted, I'm taking this opportunity to provide a brief overview of what the supplementary estimates mean for Yukon government's overall financial position. The supplementary calls for the sum required of \$14.74 million, and these are offset by sums not required of \$48.298 million, for a net expenditure reduction of approximately \$33.558 million.

On the revenue side, we see a modest increase of \$1.119 million, related to recoverable expenditures offset by a decrease of \$4.083 million in taxes and general revenue. After

making the necessary adjustments to appropriately reflect Yukon government's accounting policies, which are in accordance with the public sector accounting standards as required by the *Yukon Act*, we are reflecting an anticipated annual surplus for 2014-15 of just over \$49 million, and forecast year-end net financial resources — that is, as of March 31, 2015 — of approximately \$194.5 million.

We are fiscally healthy. As I've stated previously, our government is in a position to effectively respond to potential emerging priorities and pressures. Perhaps the item of most interest to the Legislature will be the change in our own-source revenues — our taxes and general revenues. We see significant reduction to personal income tax — PIT — in this supplementary estimates. This is, in part, due to our government's proposed changes to the *Income Tax Act*, which I'll touch upon below and I'm prepared to discuss more fully when this Legislature convenes to debate Bill No. 86, amendments to the *Income Tax Act*, which I had the pleasure of tabling today.

For the 2014-15 reporting year, the Department of Finance estimates the impact of the proposed amendments to the *Income Tax Act* to be \$1.7 million. I am always hesitant to be critical of one of our most significant partners, the Government of Canada. However, the reality of this relationship is that we are frequently dependent upon Canada's modelling and estimation of our own-source revenues, specifically when we're talking about personal income tax and corporate income tax.

We are disclosing a reduction to personal income tax of just under \$8 million. This is a difficult reality facing Yukon. Yukon is often dependent upon estimates from Canada in deriving our personal income tax revenues. The model and methodology is complex, and it's certainly not easy to explain.

In summary, as the Legislature can clearly see, Yukon's personal income tax allocation, in part based on Canada's estimate, was clearly on the high side. Subsequent revisions from Canada indicate that the personal income tax accrued by Yukon will be significantly lower than previously estimated.

Mr. Speaker, our Finance officials have noted that the previous estimate was also on the high side by approximately \$6.2 million.

This adjustment is not just an annual anomaly. Effectively the new estimate has revised downward Yukon's anticipated future personal income tax revenue streams. Effectively, in the current economic environment, Yukon's multi-year forecast for personal income tax revenue is lower than anticipated from when we tabled our 2014-15 budget.

A deserved acknowledgement to our officials is in order, as our long-term financial forecast has been adjusted to reflect what I can only simply call a re-basing of our personal income tax revenues, and our multi-year financial outlook remains extremely positive. Notwithstanding the revisions required, based on the current personal income tax estimate, our government has considered this impact on our future revenues and, as significant as it may be, our government has determined that Yukon taxpayers are entitled to some relief.

As members will be aware, we have introduced a number of measures that also reduce the revenues accruing to the government. The Legislature will be aware that our government has proposed changes to the *Income Tax Act* that will, among other measures, amend the personal income tax structure and eliminate the high-income surcharge. The annual effect is approximately \$5.5 million. On a pro-rated basis, we expect to see a reduction in personal income tax of approximately \$1.7 million for the 2014-15 fiscal year.

I will speak about these measures later, when Bill No. 86 is introduced, and we will speak about Bill No. 18, the bill accompanying the 2015-16 main estimates, our budget for the upcoming fiscal year.

You know, Mr. Speaker, I have spoken at great length previously in this Assembly about budgeting based on the best available information at the time. This significant revision in our PIT base is a reflection of just that. I have previously, on numerous occasions, referred to planning as a fundamental principle of budgeting. You have heard me refer to this as "budgeting 101".

We practise rigorous and disciplined planning. Perhaps we may be considered to take a conservative approach to estimating revenue growth, but we will continue to deliver strong expenditure budgets in support of Yukoners. We continue to deliver a healthy, forward-looking fiscal framework. This is a vitally important endeavour. Fiscal planning is not an easy exercise. There are no certainties per se. I simply refer back to Canada and Yukon's best efforts to estimate personal income tax, and the Legislature can easily appreciate how difficult fiscal planning can be with such potential volatility in revenue estimates.

We continue to provide a strong fiscal position, not so much on the basis of future revenues, but on the basis of a measured, disciplined and rigorous approach to expenditure management. While this *Supplementary Estimates No. 2* is not about the 2015-16 budget, it does set the tone for how our government is able to be responsive, to be nimble, to support our efforts to deliver a significant budget on behalf of Yukoners when it is needed the most.

Mr. Speaker, Yukoners are a well-informed citizenry. Yukoners will be aware of what is going on in New Brunswick as it makes some difficult choices to balance its budget. No doubt Yukoners are fully aware of the challenges facing Alberta, with the decline in oil revenues. Yukoners appreciate the efforts of British Columbia to control costs related to health care.

Yukon is not immune to similar pressures. I am proud to say, however, that what distinguishes Yukon from other jurisdictions is our long history of discipline and rigorous expenditure management. Yukon has avoided net debt, and during the economic lull, Yukon is able to not only increase its expenditure investments on behalf of Yukoners, we are also able to reduce the tax burden, thereby increasing disposable income for every tax-paying Yukoner. More money in the hands of Yukoners is more money in the economy. If I may use a very simple common reference, we can all agree that this is a good thing.

I look across the floor and recognize that members opposite may be somewhat perplexed at the focus of my comments today. As I noted in my introductory comments, I am not here today speaking of the details of individual ministries regarding their specific expenditure requirements. No, that is not what I wanted to speak about today, Mr. Speaker. I have every confidence in our government's ministers to defend the expenditures requirements supported by this appropriation bill. It was my desire to focus our financial record and how that translates to direct investment in programs, services and infrastructure on behalf of all Yukoners as we move forward.

As I have previously noted, this appropriation bill and accompanying supplementary estimates call for an annual surplus of \$49.001 million and a net financial asset position as of March 31, 2015, of \$194.565 million. This continues Yukon on the path of sound discipline and rigorous expenditure management in light of revenue challenges.

I cannot be more proud of our efforts and the efforts of our Yukon government officials in recognizing that the ongoing health, stability and sustainability of Yukon's economy are supported by the government's disciplined and strategic expenditure management. I am proud to say that our collective efforts as reflected in our anticipated 2014-15 year-end results allow our government to invest significantly in our 2015-16 budget, as well as into our investment plans for 2016-17 and 2017-18.

Throughout my comments, I have observed that Yukon government is on solid financial ground. This is indeed the case.

**Some Hon. Member:** (Inaudible)

#### Point of order

**Speaker:** Leader of the Third Party, on a point of order.

**Mr. Silver:** Mr. Speaker, please accept my apologies if I'm wrong. There was a little bit of confusion today at the House Leaders' meeting. I am assuming that we're supposed to be talking right now about the *Third Appropriation Act, 2014-15*, which is basically the supplementary, as opposed to a complete overarching speech about the government and the budget. I would urge the minister to please keep his comments to the bill at hand. Of course, this would be 19(b)(i) — "speaks to matters other than ..."

**Speaker:** Hon. Premier, on the point of order.

**Hon. Mr. Pasloski:** Mr. Speaker, I believe there is no point of order. I am speaking to exactly what he has described.

#### Speaker's ruling

**Speaker:** It's always impossible for the Chair to know what the member is going to say until they've said it, but the bill entitled *Third Appropriation Act, 2014-15* is very broad. I would remind the minister to do his best to keep his comments directed to the bill itself.

**Hon. Mr. Pasloski:** Thank you, Mr. Speaker. I believe all my comments have been in reference to the *Third Appropriation Act, 2014-15*.

Throughout my comments, I have observed that the Yukon government is on solid financial ground. This is indeed the case. Our government projects an annual surplus for 2014-15 of just over \$49 million, and our net financial resource position is forecast to be approximately \$194.5 million at year-end, March 31, 2015. This is our savings account.

Net financial resources are the most important indicator of a government's fiscal health, and our net financial resource position — our savings account, Mr. Speaker — is very enviable. While most provincial and territorial governments have net debt — meaning they owe more than they are currently capable of paying — this is not the case in Yukon. We have the cash and other financial assets to pay off all of our obligations. This is significant, as it allows our government to be flexible in timing our investment decisions.

Our very healthy net financial resource position has provided us, and will continue to provide our government, the opportunity to make significant capital and program investments to the benefit of all Yukoners. I am sure we will speak at great length about our government's investments when we convene to debate the 2015-16 budget. Our strong net financial resource position speaks to the future as we move through our mandate. I look forward to leading Yukon through the various challenges that we face. I am proud of our achievements. We, as Yukoners, continue to be well-positioned for the future.

As I have indicated previously, ministers who are requesting supplementary budget approval will be pleased to provide members of the Legislature with complete details of their expenditure requirements in a department-by-department, line-by-line review in general debate.

Thank you, Mr. Speaker. As Minister of Finance, I commend the supplementary estimates for consideration by the Legislative Assembly.

**Ms. Hanson:** I'm pleased to rise on behalf of the Official Opposition to speak to the *Third Appropriation Act, 2014-15*, the supplementary budget for that fiscal year. It was an interesting tour by the Minister of Finance. I was anticipating speaking directly to the supplementary budget, but I think it's interesting that, in fact, the Minister of Finance has really opened up a very interesting and very — he has reinforced, I think, some of the assertions that the Official Opposition has been making over the last three and a half years. So I'm pleased to hear him actually acknowledge that, in fact, although he has attempted to blame the Government of Canada for a decrease in personal income tax, the reality is, despite the fact — I mean, you don't make up numbers, and the number of people paying income tax has an implication in terms of how much income tax. The Department of Finance and Treasury Board in Ottawa don't make up those numbers.

We've heard much from this Minister of Finance extolling the virtues of the Yukon Party — about how they somehow magically both created increases in commodity prices and increases in population. So suddenly, when he sees a decrease in the amount of money being paid in income tax, it's not attributable to less people working in the territory —

not attributable, perhaps, to people actually leaving the territory, because there is no employment for them.

So perhaps it's time, as we said the other day, for a bit of recognition that the emperor does have no clothes. There is a necessity to face up to reality. It's not just blaming others; it's facing up to the facts. If the Finance minister would talk to ordinary people — not the people in the backrooms, but to ordinary people — he would realize that the economy in the Yukon is not as robust as he says. It may sound great when you're talking to people in Denver or Toronto or New York or Hong Kong, when you're trying to sell the territory to an elite group, but the ordinary people working in the Yukon, the people who lost their jobs at Yukon Zinc, the people who lost their jobs at Alexco, the people who are geared up now to face losing their jobs at Capstone because of the actions of this government pushing through Bill S-6 — these are the realities that cause those numbers to go down.

So yes, you had better bet we hope that this government is responsive and nimble, because they've created a situation that's going to require them to be jumping like Jack over the candlestick.

To speak directly to the supplementary budget that's before us, the Premier is correct that the net sums required total \$14.7 million. It's when we do the analysis of what's behind the net that we start seeing some of the realities that are challenging — not just to the credibility of the Minister of Finance, but challenging to the day-to-day lives of those who are attempting to work in this territory.

We have seen this territory table a massive capital budget for this next fiscal year. Last year, they touted that year to date as the largest capital budget, but yet again the government has been unable to manage it. Of that capital budget, a minimum of \$35 million is not being spent. Sure, that's nimble; it's pushing it off. What about those people who are counting on those contracts? The Premier has said repeatedly that capital budgets in the Yukon fuel the economy. Well, if you don't deliver on it, how is that fuelling anything except disappointment — except unemployment?

There are some real concerns when we looked at the revised numbers: serious concerns about the \$20 million not spent by Yukon Housing Corporation; \$7 million not spent on capital for Community Services; \$8 million not spent on Health and Social Services on capital; and \$5 million not spent on Highways and Public Works. We will be interested and we are interested in more than just deflecting the criticism or deflecting the blame with respect to the considerable drop in personal income tax. Most Yukoners find little credibility in the notion that more people will be paying more taxes in this territory, because I would like to know — and most Yukoners would like to know — where that magical thinking has come from. What's the basis of it? Where is the job growth? As I said, this — particularly in the light of the Wolverine job losses and the continued shutdown at Alexco — with no sense, despite what the Minister Energy, Mines and Resources and despite what the Premier has said in various media interviews across the country. It's not planning any announcement in the near future to resume.

We've heard concerns expressed by two strong companies — Kaminak — active participants in the mine training program, good corporate citizens that want to mine in this territory, that have the support of both the community of Dawson, the First Nation government in Dawson, and this government is setting up roadblocks to their successfully getting the kind of financing they need to go ahead. How does that contribute? How does that contribute to jobs and the growth of our income tax, our own-source revenue?

It's one thing to suggest, you know, that as the Premier said, we've avoided debt and, you know, we don't have to deal with the challenges of provincial governments like New Brunswick, British Columbia and Alberta. But the reality is that those provinces have seen a decline in their own-source revenue and that's what causes their huge challenges. So in those provinces that got stuck into the rut of resource extraction dependence — they're suffering big time. No diversification.

Our dependency is on the federal government. Our long history of effective debt management — as the Premier talks about it — has been largely avoided due to the fact of the formula financing arrangement. It is not because the Minister of Finance has magically maintained the rigour of year-over-year probity with respect to managing the territorial budget, not managing within an envelope that doesn't change. Now the challenge he is facing is because he can't adapt to a two-percent increase as opposed to the nine percent that he has enjoyed for the last umpteen years.

Ask any First Nation government. Ask any municipal government or any provincial government across this country. Nobody has that kind of largesse. So welcome to the real world, Mr. Speaker. We need to see a government that can actually manage within the envelope. We don't have a government that can do that, and we have seen that every year — every year since this Premier, this Minister of Finance, has come into office. The annual surplus has in fact declined year over year.

There are a number of areas that we will want to focus on as we focus and talk with each of the lines by department, including the departments that the Minister of Finance wears another hat for. We will be talking and asking the ministers responsible, as we talk about an economy that has as its main pillar resource extraction, not an economy that talks about largely diversifying our investments and our expectations in terms of support for other sectors of the territory.

It will be interesting to know what return on investment we did get for the extraction of our non-renewable resources. We will be looking forward to hearing the Minister of Finance or the Minister of Energy, Mines and Resources report to the Yukon what we did in fact receive for royalties last fiscal year. It would be nice to know that our royalties exceeded campground fees. Unfortunately, for the 12<sup>th</sup> or 13<sup>th</sup> year in a row, campground fees continue to be much higher than any royalties that this government has received. If we look at sound investments and return on investments, we have some discussing to do.

I saw earlier a very dismissive response when questions were asked about investments in communities outside of Whitehorse. We see in this supplementary budget the fact that a number of projects in Community Services that were budgeted for in 2014-15 did not get built or major work was not completed in communities as diverse as Beaver Creek, Carmacks — you name it.

We see in this budget the fact that the ad hoc approach of this government is that they don't even follow the protocols established under the *Financial Administration Act* with respect to if you have a plan — this is why I say it's ad hoc, because if there was a plan, we would not be seeing zeroes and then see \$2 million here and \$2 million there like, of a sudden, we decided we needed another \$2 million for this project and another \$2 million for that project. Where was the plan?

There are some disturbing trends here as well. We're aware, sadly aware, of some very serious issues with respect to client services in Health and Social Services. We know from the Auditor General's report on Family and Children's Services that there are serious issues with compliance. We're very concerned when we see decreases in services being provided and resources not available in Health and Social Services for staffing. We're aware of certain sections of that department where professionals are being stretched beyond their professional capacity, which has huge implications in terms of service delivery. We will be asking the minister about that.

We will be asking questions about what has become known as the fiasco of the Alaska Highway corridor and the badly paved project last year. Anybody who has ever had to live in Hillcrest — and I would think that the Premier, the Minister of Finance, would be sensitive to this issue, as it does affect many of his constituents who I have heard from, who have had vehicle windshields damaged and other things as a result of that shoddy work.

We wanted to know how we make these decisions about resurfacing and surfacing and resurfacing of the same areas. I remember the first budget that we heard in this Legislative Assembly, and I remember me naively thinking — because I was thinking about food sustainability and food security at the time as a priority, because it has been something that I've believed passionately about and, of course, the NDP has been supporting. We're pleased to see all the work that has been going there, but I just — I find it kind of dismaying that, year over year, that area that was announced in the 2012 budget where there was going to be this significant investment in cold storage — as I said, I thought it was for food storage, and I thought that was great. Then I found that it was actually for a vault for the archives, and I thought that's really good, because it's really good to see that kind of work being done to preserve our archival material. But you know, Mr. Speaker, three years in a row it gets deferred. I guess it says something to me about the consistency of management at the management level of the leader, which is the minister. Where is that minister in terms of paying attention to these important issues?

It does beg lots of questions, and we will be asking about what happens to those precious archival materials. Where are they kept and how are they preserved?

We will have questions about the money that is identified in the supplementary budgets for the Keno to Stewart line — lots of questions. We have heard many — it is difficult to fathom how we would be spending another million dollars for this, when we have heard nothing but dismissal on the other side for the teeny population of Keno. So now we're suggesting that 10 people in Keno need a million dollars more spent to build electricity access? If we're talking about it in that this is industrial power needs, well one would suggest that they are pretty low and this government is doing nothing to encourage investment to allow that to change. You know, that is a pretty curious way to spend money — millions of dollars — when there are a number of more important renewable energy projects that this money could be spent on.

Lots of people have been asking questions about why the project RFPs are being issued by the Development Corporation as opposed to the Yukon Energy Corporation. There are a few questions that one could ask. It seems pretty peculiar on many levels. If the Energy Corporation — our energy corporation; your energy corporation, Mr. Speaker; the Energy Corporation for each of us as citizens of this territory — thought it was a good project, they would have to apply to the rate base and take it to the Utilities Board where it would receive scrutiny. The Utilities Board could say yes or no, but is this an attempt by this government to go around that because the Development Corporation isn't held to that standard? Is it another spending of millions of taxpayers' dollars without scrutiny? Those are questions that we are going to need to hear answers to.

The net amount over the billion-plus budget for 2014-15 hides — as they say — a multitude of sins. We will ask lots of questions because we believe that each and every minister is accountable for each and everything that occurs in his or her portfolio, because that is how it works in a parliamentary democracy. Our job is to hold those ministers to account for expenditures of taxpayers' dollars. We intend to do so and we do so with pride.

**Mr. Silver:** I am happy to rise to speak on Bill No. 16, the supplementary estimates from last year. I will say, Mr. Speaker, we do need to keep the ministers and the government accountable. I do have to say that we spend an awful lot of time talking and yet we still have to guillotine an awful lot of the main budget.

I am going to keep my speech here today extremely brief, because most of this stuff — most of these items — the government has already spent. This money is money that has already been spent.

I'm going to be very brief here and I'm going to outline some of the concerns that I will have for some of the ministers as they stand up for this third appropriation. When we get into Committee, I will have some questions on the money for the Ketzia River mine repairs. There was an issue that I raised in the fall and I believe that the money in this supplementary is



the work that had been done on the bridge and on the road so I would like an update on that.

There are also a couple of large sums in Health and Social Services, and I hope the minister could be able to speak on that. One is for a Whitehorse continuing care facility in the range of \$6.4 million and the other one is for the McDonald Lodge replacement at \$2.8 million. If the minister could do an update in the House on these projects and why that money wasn't used in the previous year, that would be great.

Much of the unused money in this budget is carried over into the 2015-16, so I will save my questions for general debate on the mains. I know that there will be opportunities of a number of the ministers to speak on the supplementary so I await their comments.

**Hon. Mr. Nixon:** I rise today in support of Bill No. 16. It is one more step in moving Yukon forward. I would like to thank my family for their continued support, and I would also like to thank my constituents in Porter Creek South for the privilege to represent them here in the Assembly. I committed to work hard on behalf of everyone in my riding. I'm sincerely appreciative of their continued support.

Today we reflected on Canada's great sacrifice and accomplishment at Vimy Ridge. As I prepared for today, I felt myself reflecting on the great sacrifice made by veterans so that each and every one of us here in this Assembly could be heard. I would also like to thank the veterans who gave so very much for our freedom.

This budget is a part of a larger package of budgets. I would like to talk about the context for this budget. Like the budgets before, it reflects the commitment of moving forward together so that we can make Yukon the best place to live, work, play and raise a family.

I speak with my constituents often about issues that are important to them, issues such as a healthy economy including resource extraction, tourism, private sector businesses, the knowledge sector and trades. The constituents of Porter Creek South speak to me about health care and how they recognize that Yukon's health care is arguably one of the best in Canada, perhaps in the world. In fact, as I pay more attention to health care around the globe, I consider myself very fortunate to live in a place where the level of care is truly second to none. As I stated earlier, we are lucky. We are not entitled.

I recognize, just for one example, how fortunate seniors are in Yukon. Over the last 10 years, your Yukon Party government has increased the budget for home care across the territory because we, on this side of the Legislature, believe it is important to keep seniors in their homes and their communities as long as possible.

It used to be that Yukon seniors and elders would move out of the territory after retirement. For many reasons we wanted to find a way to help make Yukon the best place for them.

I know some people are going to ask how raising a family applies for seniors. I firmly believe that grandparents can play an important role in helping children and teens as they grow

up. Some of my constituents found that grandparents could be that bridge in those sometimes difficult teenage years.

One of the changes that I have seen is the increasing number of seniors who in fact choose to remain in our territory. I believe that they add so much to our communities.

I want to spend a few minutes talking about the continuum of care in Yukon and in Canada. I think that part of the challenge is that the definitions and terminology for living supports are not consistent across our country. I will begin with the most basic kind of support and then I will move through the list of the most complex kinds of supports.

Home living is for people who live independently in their own home, apartment or condominium. They are responsible for arranging for any home care or other support services that indeed they may require.

Supported living combines accommodation services with meals, light housekeeping and sometimes social activities. Supported living is able to meet a wide range of needs, but cannot support those with serious or complex health care needs.

Home care provides professional and personal care as required and arranged by the individual.

Assisted living provides housing, hospitality services — so food, laundry, housekeeping and personal care services — for adults who can live independently but require a supportive environment and light care due to physical and functional health challenges. These are usually very large complexes — sometimes called "retirement communities" — and have aging in place.

Residential continuing care provides the 24-hour professional, clinical care and supervision for individuals with complex care needs who are unable to manage at home with the support of family, friends, home care and so on. These clients have extremely heavy care requirements — for example, advanced dementia or total care — and require specialized care services that are delivered in a home-like setting. These are not individuals who can be maintained at home or in assisted living or supported living complexes.

Since 2012, your Yukon Party government has increased the home care budget immensely. I would add that the members opposite voted against those increases to home care, just as they voted against the new hospital in Dawson City, just as they voted against the new hospital in Watson Lake, and just as they have indicated that they don't support providing continuing care to seniors with a higher level of need in a new 150-bed facility in Whistle Bend. I will speak to that more in few minutes.

I am not sure how much clearer I can make my statements around the new continuing care facility slated for Whistle Bend. The facility is needed by the citizens of this territory, by all citizens of this territory. One of the members opposite asked if we knew what the root causes of aging were. A member opposite, in a response earlier this week, quoted from the 2008 *Yukon Health Care Review* — "the right care at the right place at the right time" — but that statement is very much behind the philosophy of our continuing care system right now. Yukon has the best low-cost home care program in

Canada, bar none. Through this program and its amazing staff here in Whitehorse and in rural communities when needed, we are able to maintain our seniors and elders in their homes and their home communities for longer periods of time than we were able to in the past.

Our staff work with families — when there are families — and other health care providers to ensure collaborative care in the truest sense of the word, but the reality is that there sometimes comes a time in an individual's life when, despite all of the services we can provide, they cannot stay in their homes.

According to John Hirdes, an internationally acknowledged geriatric researcher who completed the first and only national analysis on the CIHI continuing care report system, Yukon has a unique profile when compared to the rest of Canada. Far more Yukon residents receiving home care live alone — 63.9 percent compared to the national average of 17.1 percent. Yukon has a higher-than-average number of clients with absolutely no social or family support, and many of our clients rely on neighbours for aid rather than a child or a spouse. Fourteen percent of home care clients have no caregiver at all to assist them — again, higher than the national average of three percent without caregivers.

We have the highest ratio of individuals over the age of 85 living alone. As I said yesterday, this government has increased the home care funding over the last decade by some 350 percent and will continue to support home care as we can, but we also recognize that 40 percent of our home care clients are at high risk for institutionalization for some of the very reasons that I just mentioned.

Of our 520 clients throughout the territory, more than 200 are considered high risk — a much higher number than our national averages. A reality is that there comes a point when people can't remain in their homes and they can't remain in their own home community if it happens to be outside of Whitehorse. I am aware that attracting medical professionals to small communities is an ongoing challenge. MLAs who represent ridings outside of Whitehorse have shared with me some of the obstacles their communities face in getting people with specialized skills to come to rural and remote Yukon.

The reality is that in a territory of 37,000 people, not every community is going to have all of the options available to them in the continuum of care. Our reality is that we must have centralized services to care for our seniors who have reached this stage in their lives.

According to Hirdes, Yukon has higher levels of diagnosed dementia — 25.2 percent compared to 17 percent nationally. We have higher levels of physical disability and 51 percent of our clients require monitoring of acute conditions, compared to the national average of 30.7 percent.

Because this Yukon Party government has been able to do such a great job of keeping folks at home longer, by the time they enter into one of the facilities, they have higher complexity and acuity. In the last year alone, we have had almost 400 new referrals in Whitehorse and 168 in the communities. By way of response, I'll say that aging is not something for the faint of heart. Many seniors are able to

remain in their homes, supported by family until the end. Others are not so lucky and so require the care and support that we can provide in our facilities. We're proud of the care that Continuing Care staff give to all of our citizens and we are proud that as a government we can do this.

The budget tabled before us speaks to a healthy economy. The budget speaks to investments in the resource sector, it speaks to investments in our tourism economy, and it speaks to investments in the knowledge sector and trades. Simply put, this supplementary budget, like the 2015-16 mains also before this Assembly, speaks to investments in Yukoners. That is something I support; that is something that the good people of Porter Creek South support.

Your Yukon Party government has very proudly made Yukoners its priority. Yukoners need to remember those days and reflect upon how fortunate we really are to live, work and raise a family in the best part of Canada, and perhaps the best part of the world. We truly have it all. We have resources beneath the ground that can support us for generations to come; we have a solid tourism product that the world wants to see; we have infrastructure that supports trades, IT and other knowledge-based sectors; we have a private sector that is motivated and eager for more growth; and we have a Yukon Party government that can commit and deliver to Yukoners.

In Yukon's history I would argue, as would many others, that we have never, ever seen this from the Liberal or NDP governments.

My constituents and I are pleased to see the investments —

**Some Hon. Member:** (Inaudible)

#### Point of order

**Speaker:** Order please. Opposition House Leader, on a point of order.

**Ms. Stick:** We're referred to this once already, but I point to Standing Order 19(b)(i), which would suggest that the speaker is not referring at all to the bill presently before the House. So I just have not heard the speaker across the way referring to the bill that's presently before us, which is the budget for last year, the *Third Appropriation Act, 2014-15*.

#### Speaker's ruling

**Speaker:** The problem with this point of order — and this is the second time we've had it — is that it is quite impossible to totally separate a single appropriation bill from the government's finances as a whole. This is where the problem lies. The second reading of any appropriation bill can always be cast very broadly. That changes once you get into Committee of the Whole, where you're going to be required to speak specifically to each item.

Within second reading, we're going to be very broad and allow a lot. This goes for both sides of the House — not just on the government side, but also on the opposition side — so I have to allow a lot of latitude.

Minister of Health and Social Services, please.

**Hon. Mr. Nixon:** Thank you, Mr. Speaker. I was just speaking about some investments that we have in tourism, investments that we've made in infrastructure that supports trade and IT and other knowledge-based sectors, my constituents and I are pleased to see investments and the vision in education.

The Premier spoke at great length about education in our incredible territory. This Yukon Party government is committing to Yukoners. We are committing to the youth of today and tomorrow, because we believe in them and we believe in their future.

I thank the Premier and the Minister of Education for their vision and for their leadership on this file and I thank the good men and women who work so hard each and every day.

As the Minister for Health and Social Services, I see first-hand how much money we spend on health care. I often find myself thinking that there must be a better way when it comes to health care. I am convinced that many Yukoners would feel better, would be healthier and would delay or avoid altogether some of their medical situation if we all made better lifestyle choices. Now when it comes to lifestyle choices, whether it be smoking, excessive drinking or a sedentary lifestyle, I firmly believe that we need to do more than say to people that that's a bad choice. I think we have a role to play in providing healthy — in providing positive alternatives. It is because I believe that we need more healthy, more positive options for people that I support our government's efforts to build a new sports complex. We announced this project a year ago and I thank the Minister for Community Services for continuing to work on this.

On opening day, I read a tribute to autism and as a father of a child with autism, I'm very aware of the many benefits that we as Canadians and truly Yukoners enjoy. I am certainly grateful for the assistance that this Yukon Party government has provided to my family and many other families over the last number of years.

When I was first elected, a number of families did connect with me. Some were single parents trying to raise a child with special needs, some were couples, some had more than one child with special needs, and I'm pleased that this Yukon Party government has been able to step up to the plate and provide supports to those families.

I've often thought to myself, how would a family cope if they didn't live in a country like Canada and live in a territory like Yukon? How would they manage if they had to raise all that money for themselves to care for their children with disabilities? So for me, a budget that focuses on putting Yukoners to work is a budget that enables the government to help families who have children with special needs.

So in conclusion, this supplementary budget, like the mains budget, really is all about putting Yukoners to work. It is about the confidence that Yukoners have in this Yukon Party government and it is truly about making Yukon the best to work, live, to play and to raise a family.

**Hon. Mr. Graham:** It's truly a pleasure for me to rise in the House today to highlight a few of the items from the

Department of Education's supplementary budget for 2014-15. This supplementary budget reflects how we continue to develop and deliver programs and services to meet the strategic goals of the department. Those goals are: success for each learner; an inclusive, adaptable and productive workforce that meets the needs of Yukon employers; and organizational excellence through alignment and accountability.

The department requests a total of \$722,000 for operation and maintenance expenditures in the Public Schools, Advanced Education and Education Support Services branches for their programs and services.

The Public schools branch requests a total amount of \$645,000. In order for Yukon schools to provide the quality and accessible education opportunities to Yukon students that we currently do and also to keep pace with current educational practices, this money is absolutely essential.

We are engaging students in their education through educational technology, experiential learning, mentoring and tutoring programs and other opportunities. For instance, \$250,000 is being requested for additional costs for home education and distributed learning, as well as travel and contract costs associated with work on some new B.C. curricula that will be incorporated into our schools, and \$70,000 is also requested for additional proposals received by the Department of Education for special payments, which support programs like the 2014 fall/winter experiential program at the Yukon Wildlife Preserve.

In direct contrast to what the member opposite has to say, the rural action plan is also very important to us and money has been requested to support the rural experiential models hosted in Dawson City and Carmacks, as well as the continued rollout of the blended, differentiated learning approach in Watson Lake.

The department is also extremely proud to provide professional development to its teaching staff through the summer academy. The summer academy is a great opportunity for teachers and administrators to connect and learn about new developments in the field of education that supports success for each learner. This is especially important to me, because at a recent conference I was at, where educators from all over the world attended, we were informed from different countries — New Zealand, Finland, among others — that what was more important than class size and curriculum was the attitude and the training of the teachers that were actually delivering the programs. Those teachers and their enthusiasm for the job — and connecting with students — would result in better opportunities for those students than any amount of other changes to the system. We have requested another \$110,000 for additional costs incurred at the 2014 summer academy.

We're also forecasting — we experienced a decrease in demand for student boarding and accommodations in the 2014-15 school year that resulted in a lapse of \$50,000, but we utilized that money to offset other new budget demands, such as the \$66,000 that was provided to Kwanlin Dun First Nation's home tutor program and an additional \$22,000 for operating bridge funding for the Yukon Literacy Coalition.

The Yukon Literacy Coalition has also requested funding from the federal government, but it is unknown at this time whether the funding has been approved, so the Department of Education has provided that bridge funding for the Yukon Literacy Coalition.

A total of \$159,000 has been requested for the Advanced Education branch to support the delivery of emigration, labour market and training programs and services for the Yukon. In fact, on October 27, 2014, the department entered into a new two-year agreement with Employment and Social Development Canada to enhance the assessment and recognition of foreign qualifications of accountants in Yukon. \$80,000 is requested to support the Yukon's commitment in this area, but it is all fully refundable or recoverable from Canada. This is an essential or a very important step that we are taking because, during my years at the college, one of the real difficulties experienced by foreign professionals was recognition of their credentials in Canada. Many times we had to direct these people to resources in B.C., Alberta or as far away as Ontario to accurately assess their credentials. This is a step in enhancing the assessment and recognition of foreign credentials here in the Yukon.

The Canada-Yukon job fund agreement is very important to the territory and we are working with the Canadian government to assist individuals who want to improve their job skills or who need support entering the job market. The Canada-Yukon job fund agreement provides approximately \$1 million per year to support training opportunities that will help Yukoners find or upgrade their jobs, and \$14,000 has been requested for cash-flow adjustment for anticipated expenditures. However, as members are aware, that funding is also 100-percent recoverable from the Government of Canada.

The Education Support Services branch reported a net decrease of \$19,000 under finance and administration. Student transportation has requested an extra \$225,000 for increased student transportation costs, including Handy Bus services. We are continuing to investigate further opportunities with the City of Whitehorse to have the City of Whitehorse provide more transportation for a number of high schools, or for all high school students, in the territory. As those discussions progress, I am sure we will be back to inform the House how they are going.

We also continue to work closely with our colleagues at the Department of Highways and Public Works on projects such as the Teslin School lease. In July 2014, the Department of Highways and Public Works entered into a lease with the Teslin Tlingit Council for the lease of the Teslin School, and the \$250,000-odd that is currently in the department's budget will be transferred to the Department of Highways and Public Works — or it has been transferred to the Department of Highways and Public Works. The term of the lease is 10 years commencing July 1, 2014, to June 30, 2024, but it also has the possibility of renewal for an additional five years.

The total supplementary capital budget requested for the Department of Education's capital expenditures is \$1.551 million and it represents the costs for facility construction and maintenance and instructional programs.

The \$97,000 in the capital repairs budget was identified as surplus for transfer, again, to the Department of Highways and Public Works for capital maintenance repair projects. The Property Management Division has requested these funds to complete two flooring replacement projects and snow removal at Yukon College.

In 2015-16 we will be replacing the boilers in the older wing at Porter Creek Secondary School, which was built in 1981, to improve energy efficiency, and the Property Management Division has once again requested that design money be moved forward from the 2015-16 budget for the Porter Creek Secondary School boiler replacement program. That is also reflected in this budget. \$20,000 has been moved forward for that purpose.

Approximately \$705,000 in funding has been deferred to 2015-16 under instructional programs due to the delayed implementation of the new student information system. \$597,000 of those funds is requested to be deferred for the implementation and teacher training on the new system, and that's expected to begin in the spring of 2015. The other \$108,000 of these funds are requested for transfer for a school van replacement for the Wood Street Centre. In order to continue to safely transport students and staff on extended school trips outside of Yukon, a replacement 24-passenger activity bus is being purchased. The delivery was expected by March 21, 2015; however it was delayed by the supplier to early April and that money will be moved to that year.

In conclusion, we're very, very proud of our investments in education here in the territory, and this supplementary budget just incorporates or continues our support of programs and services that serve Yukoners of all ages to succeed in school and in all of our communities around the territory.

**Hon. Mr. Kent:** I'm going to speak to the votes of both the Department of Highways and Public Works as well as the Department of Energy, Mines and Resources in these supplementary estimates.

I'll start by introducing the 2014-15 supplementary estimates for the Department of Energy, Mines and Resources. This supplementary budget reflects adjustments made to the 2014-15 budget as Energy, Mines and Resources works to manage Yukon's natural resources and ensure integrated resource and land use. For this supplementary budget, EMR requests an overall increase of \$2.884 million for operation and maintenance expenditures and a decrease of \$485,000 for capital expenditures.

Under operation and maintenance, these are the following significant changes: \$200,000 internal transfer from Corporate Services to the Energy branch to fund the 2014-15 costs for the residential energy efficiency incentive program; a \$1-million contribution agreement with the Kluane First Nation for energy-related initiatives; and \$213,000 for assessment and abandoned mines. This increase reflects adjusted workplan for Mount Nansen, as per the amended type 2 mine sites agreements with Canada. This amount is 100-percent recoverable from Canada.

A \$400,000 decrease from oil and gas resources is for the well B-62 abandonment project. Members will recall this was a well that we went in and did some environmental remediation on in the Member for Vuntut Gwitchin's riding in north-central Yukon. Initial work on that project has been completed and additional work will be finished in the summer of 2015. This funding has been moved into the 2015-16 budget.

There is \$2.08 million to Compliance Monitoring and Inspections for the Ketz River mine. I believe the Member for Klondike referenced this in his speech, in that he would like to ask specific questions about it during Committee of the Whole on Energy, Mines and Resources here. Specifically, this money was for inspection and maintenance of the facility. This funding is security from the company and is 100-percent recoverable from that third party.

Under capital, \$485,000 in funding remaining is moved to the 2015-16 budget in order to complete road realignment work on the Dome Road.

This concludes my comments for Energy, Mines and Resources. I would like to turn my attention now to the Department of Highways and Public Works.

In this supplementary estimate, the Department of Highways and Public Works is seeking a \$1.075 million increase on operation and maintenance, coupled with a decrease of \$6.718 million on capital, for a total appropriation of \$5.643 million. When it comes — perhaps I'll do some of the line-by-line breakdowns for Highways and Public Works. That might be the easiest thing to do, so that members opposite have an opportunity to hear what these expenditures are related to.

On the operation and maintenance side, under Corporate Services, there's an \$18,000 reduction. This is resulting from internal transfers to properly allocate HPW service agreements and personnel funds. So we have a \$7,000 funding increase for manager salary increases for January to March of 2015; a \$54,000 increase resulting from postage cost increases and higher volume for mail-outs in the mailroom. A corresponding decrease of \$54,000 is as a result of an internal transfer of service agreements to consolidate the budget for service agreements in one area, and another \$25,000 reduction is resulting from an internal transfer to the Transportation division. Funds were allocated to Corporate Services in error. That is a total reduction of \$18,000 for Corporate Services.

For Information and Communications Technology, we have an increase of \$288,000. This is primarily a result of an internal transfer from all branches within the department. This is to properly allocate IT service agreement funds to the Information Management branch.

With respect to the Transportation division, on operation and maintenance there's a \$605,000 increase due primarily to road and airport equipment reserve funds and maintenance camp catering contracts.

Just to give a little more additional information on that amount, there's an increase to transportation administration due to manager salary increases of \$6,000 — again for that similar period of January to March 2015 — and a \$380,000

increase in new funds required for transportation maintenance as follows: \$237,000 for a catering contract increase for five maintenance camps; \$93,000 for a road and airport equipment reserve fund increase for equipment hourly increase; and a \$50,000 increase for road and airport equipment reserve fund review. There is a \$364,000 increase in new funds required for aviation as follows: \$196,000 for road and airport equipment reserve fund increases for hourly charges; \$68,000 maintenance increase at Dawson Airport for additional summer flights between Fairbanks and Dawson City; \$52,000 for a temporary electrician position required to cover for vacancies; \$46,000 for testing airport emergency plan two times per year, as required by Transport Canada; and finally, a \$2,000 increase for manager's salary during the same time frame as I've previously mentioned.

A \$5,000 increase is required for Transport Services as follows: \$4,000 for utility costs at the Haines Junction scales, which is 100-percent recoverable, and \$1,000 for the manager's salary increases. A \$175,000 decrease due to IT service agreement transfer that I spoke about earlier came from the following areas: \$20,000 from Transportation administration, \$78,000 from Transportation Maintenance, \$60,000 from Aviation, and \$17,000 from Transport Services. Then there is a \$25,000 increase in funds due to an internal transfer from Corporate Services to correct a coding error.

With respect to Property Management, here is a breakdown of the \$200,000 contained in the O&M portion of this supplementary. It is due primarily to transfer of funds from the Department of Education. Again, there was a \$5,000 manager's salary increase; \$249,000 increased funds due to an interdepartmental transfer from Education for the Teslin School lease; and a \$54,000 reduction resulting from an internal transfer for service agreements to consolidate the budget for service agreements in one area.

I will now speak briefly to the capital expenditures — the capital vote that I spoke about. The first one is a \$25,000 reduction in information and communication technology, corporate information tech and systems. That \$25,000 decrease is due to a transfer of funds to Environment, for work on the Yukon Environment Information System.

When it comes to Transportation division — for the transportation facilities and equipment, there is a \$3.57-million decrease due primarily to project deferral to 2015-16 year. This includes funds required for equipment purchases as follows: fuel dispensing units for two maintenance camps, three sanders, a rock crusher, in Reach for safety. Those amounts total a \$243,000 increase. A \$20,000 increase in funds is required to repair a tank shutdown switch in Watson Lake. The big decrease of \$3.836 million is resulting from deferral to 2015-16 of the following projects: Swift River complex, sand and salt sheds construction and re-powering the George Black ferry. There is a small increase of \$23,000 for an internal transfer from the Silver Trail to complete satellite Internet installation of \$23,000.

Transportation planning and engineering is seeing a \$64,000 increase in this supplementary primarily due to internal transfers. We can get into more detail as we move into

line by line. I want to be cognizant of the time and the fact that others on this side want to speak.

Highway construction — partially YG funded, Building Canada fund — there is a \$125,000 increase due to an internal transfer from YG-funded bridges, numbered highways, secondary roads. This was for the Upper Liard bridge approaches.

There is a decrease of \$114,000 on YG-funded Alaska Highway, resulting from an internal transfer to the Dempster Highway. There is an increase of \$49,000 on the Klondike Highway to complete BST work at Too Much Gold Creek and Allgold Creek after the replacement of culverts.

There is a decrease of \$828,000 due to project deferred and completed underbudget. Some of these — in summary, I won't include all of them — are a decrease resulting from projects completed underbudget, reconstruction projects on the Campbell Highway at kilometre 67 to 73, kilometre 97 to 107 and kilometre 60 to 67. This is all associated with the Campbell Highway — this \$838,000 reduction — so there are some other line items associated with that that we can talk about when we get into Committee of the Whole.

Dempster Highway and Top of the World Highway — an increase of \$142,000 for the Dempster and an increase of \$40,000 for the Top of the World Highway. The Dempster was due to an internal transfer for Dempster aggregate production and predesign work in advance of the 2015-16 project. The \$40,000 increase in the Top of the World is due to predesign and permitting for replacement of some steel beams.

Highway construction on the Canol Road — a decrease of \$300,000 due to internal transfer to bridges and numbered highways and secondary roads.

The Atlin road saw a decrease of \$205,000 due to projects completed underbudget.

Pavement rehabilitation and other road improvements — an increase of \$148,000 due primarily to internal transfer from Campbell Highway for pavement rehab work throughout the Yukon.

There is a decrease of \$649,000 on highway construction, YG funded. This is a continuation due primarily to work completion underbudget, such as the Tatchun Creek bridge and Fox Creek bridge detailed design. There are some increases — the Pelly Ranch Road bridge and Upper Frances River bridge, Blue Moon Creek bridge. We can get into further details when we get into Committee of the Whole.

There is a \$20,000 increase on other roads that are YG funded, overall again due to increased funds for additional work required and internal transfers. The largest portion of this increase, which is offset by some decreases, is \$55,000 in funds resulting from an internal transfer from pavement rehab and other road improvements for Alaska Highway rest-stop upgrade.

Aviation and Yukon airports — \$2-million decrease due primarily to contract awarded less than budgeted, a decrease in funds resulting from work completed underbudget of \$1.95 million and then a further \$50,000 decrease in funds resulting

from an internal transfer to other airport projects. There is a decrease of \$961,000 in other airport projects.

The largest portion of that — again which is offset by some other decreases and increases — is \$964,000, resulting from a number of projects, such as the Whitehorse airport taxiway G extension, Whitehorse airport pavement patching and Old Crow airport RILs installation.

Property Management — there's a \$950,000 increase in building overhead, resulting from a number of things, the biggest of which is building condition assessments in Whitehorse and Haines Junction and underground tank replacement designs at various locations.

The building maintenance piece is seeking a \$1.351 million increase. Again, a number of projects here from Justice to Health and Social Services, Tourism and Culture, Community Services, Education and Executive Council Office formulate the bulk of that increase, but I'll look forward to getting into more detail when we get into line-by-line debate.

The building development, space planning and tenant improvements saw a \$913,000 decrease in the supplementary. This is resulting from the data centre cooling and UPS system upgrades at the Whitehorse main administration building. That amount will be deferred to the 2015-16 capital budget for this project; as well, a \$42,000 decrease resulting from an internal transfer to building maintenance.

I hope that information was useful to members of the House with respect to the supplementary. Often we don't get the chance to get into line-by-line in the supplementary budgets, so hopefully, if members weren't able to follow along — particularly the critics for Highways and Public Works across the floor — they're able to review the Blues. Again, as we got toward the end there, I didn't read each line out, but hopefully that was able to give members across the way a snapshot of what's happening with respect to the supplementary budget for Highways and Public Works, as well as Energy, Mines and Resources.

If we are able to get into Committee of the Whole and departmental debate on the supplementary, I'll look forward to answering questions there or, conversely, if we're in the mains, I'll look forward to answering questions in general debate with respect to projects that are underway.

Again, I would just like to conclude by thanking officials in Highways and Public Works, as well as Energy, Mines and Resources, for their work and commitment throughout the year, especially those who have spent a significant amount of time developing these budget documents for my purposes here in the Legislature. I look forward to further debate with respect to both of these departments as we work through the Spring Sitting of the current Legislative Assembly.

**Hon. Mr. Dixon:** It's a pleasure to rise and speak to this particular budget bill, the third appropriation act, *Supplementary Estimates No. 2*, for the 2014-15 year. As members will see on page 3 of the bill, the sums required for appropriation for the Department of Community Services, under the operation and maintenance section, are \$912,000,

which I'll get into in a few moments, and a small expenditure of \$26,000 in the Public Service Commission for O&M.

Under capital, we have a \$8.2-million decrease under the capital column for the capital section on page 3 for Community Services and an increase of \$56,000 in the Public Service Commission. I'll provide a little bit of context to this budget and discuss some of the contents of it as we go through and then of course, as other ministers and members have noted, the details of the individual projects and individual items can be addressed when we get into Committee and go through line-by-line debate perhaps later today or at a later date.

I would like to thank the department officials in the Department of Finance for their work in preparing this particular budget bill, but I should also commend the Department of Community Services finance officials as well who contributed significantly to this process. The financial accounting of a department like Community Services is no small task and we appreciate greatly the work of those folks in the finance department of Community Services in their work on this particular bill, but also the budget itself as well of course.

I would also, as I noted, the supplementary estimates before us consist of a \$912,000 increase in O&M expenditures and a decrease of \$8.2 million in capital for Community Services. The department's combined O&M and capital budget for 2014-15, including the supplementary estimate, is \$122,978,000. This represents a significant investment in programs and services that directly benefit Yukon people and communities by developing and improving community infrastructure, assisting with and responding to emergency events, fostering strong local governance and promoting and developing recreation and sport.

As well, Community Services administers a broad range of licensing, business and regulatory services for the health, safety and protection of the public. The department continues to work to achieve goals set out in our strategic plan and this enables our government to deliver on our commitments to achieve a better quality of life for Yukoners, promote a healthy environment, grow the economy and practice good governance.

We made significant progress toward priorities of Yukoners in 2014-15 and this supplementary budget — this appropriation act — builds on that. That work ranged from our work on the *Municipal Act* to finding an innovative solution to the Ross River bridge. We took steps that included making changes to the *Municipal Act* and *Assessment and Taxation Act* to expand the domestic water well program to property owners in participating municipalities. That was done last year and was announced, I believe, in the fall of last year.

As was indicated at the time, the new legislation will allow people living inside municipal boundaries to access the successful rural well program if their municipality has chosen to participate. Amendments made to the *Municipal Act* and *Assessment and Taxation Act* extend the opportunity for municipalities to take part in the rural domestic well water

program. Prior to the amendments the program was open only to property owners outside municipalities.

Since 2004, the rural domestic water well program has helped to provide almost 250 property owners living in unincorporated areas with sustainable and affordable access to drinking water through domestic well development. The program helps property owners drill a new water well or make improvements to an existing well for domestic use, and allows residents to access low-interest loans that can be paid back over a maximum period of 15 years. Loans under this program are fully funded by the Yukon government, but municipalities are required to agree to collect the loan from the property owner using a local improvement charge. That bill was approved unanimously by the Legislative Assembly last year and the work since that time has begun with work with municipalities on reaching individual agreements with each of them to provide this new service and this new program to those residents.

I can report that negotiations and discussions have been successful with a number of municipalities. Many municipalities that I've had a chance to speak with about this are excited about the opportunity to offer this program in their respective communities. Still needed are the necessary regulations to come into force. We have been sharing those regulations with municipalities so far and seeking their input in the regulations. Once we have those regulations in place, we will need to enter into individual bilateral agreements with the respective municipalities that want to participate. Anecdotally, I would note that there are a number of communities that are very interested in this project.

As a result of this development, we have budgeted additional dollars in the budget aimed at those new municipal customers of the rural well program. We are confident that the budget appropriation for the coming year will be sufficient to meet the demand. However, if it's not, we will have to look at expanding that program.

I should also note that the rural electrification program was involved here as well. That is another program that is very successful in allowing Yukoners either living off-grid or who want to provide additional energy production at their residence by way of a renewable energy project — they can access that program to do so. That involves a similar structure with regard to the low-interest loan and the repayment based on local improvement charges. That's something that is ongoing and that this budget bill will help advance through the expenditures therein.

I also wanted to note that, at the time the bill was passed last year, the former Minister of Community Services noted that the Yukon government is pleased to create this opportunity for residents and participating municipalities to take advantage of funding that will help them drill new water wells. That was a quote from the former minister, which I think is reflective of the government's opinion of this excellent new program.

In this 2014-15 budget — to which, of course, this is supplementary — we unveiled new ambulances purchased with support from the 2014-15 budget, and we brought in new

fire trucks for Tagish and west Dawson, of course, late last year — part of those purchases we announced in December.

That included two new ambulances to support Yukon Emergency Medical Services in the professional, safe and efficient delivery of pre-hospital emergency medical care. The two new state-of-the-art ambulances cost a total of \$310,000 and represent an important investment in Yukon EMS.

Each ambulance accommodates a patient and two paramedics, or can be configured to carry additional Yukon EMS personnel and two patients. The ambulances are outfitted to operate efficiently year-round and in harsh winter conditions. Installation of multiple electrical and oxygen outlets allow for greater flexibility in caring for the needs of patients. A scene lighting system, brighter emergency lights, improved reflective markings, a backup camera and a treatment area camera all contribute to safer operations.

These new ambulances join the fleet of 23 ambulances that Yukon maintains, providing territory-wide emergency medical services. Two high-mileage vehicles will now safely be retired from the fleet.

At the time that was announced — I think a quote from the former minister is certainly very relevant here, as he indicated at the time — and I quote: “The professional paramedics and emergency response volunteers of Yukon EMS train to stay sharp and be prepared to assist Yukoners and visitors experiencing a medical emergency. They respond to demanding circumstances to help those in need, care for the injured on the scene and transport them to appropriate health care facilities.” The then minister also added that, “The Yukon government continues to invest in the equipment, facilities and training that our paramedics and emergency medical responders need. By upgrading and replacing units with modern ambulances, Yukon EMS paramedics and emergency response volunteers will better meet the needs of patients.”

So I think the comments of the former minister are certainly reflective of the position of the government in terms of our high opinion of the EMS responders that we have here in the territory, and this budget will go a long way toward helping them to do their job in terms of helping Yukoners throughout the territory.

Also, we made significant progress on bringing basic 911 service to Yukon’s rural communities. Finally, we have seen significant investments in projects funded by the gas tax and by the Building Canada fund.

Further to that issue with regard to the basic 911 service — I would be remiss if I didn’t note that on March 27 of this year, we made an announcement about this particular issue. We noted that the Government of Yukon has allocated more than \$1 million in the 2015-16 budget, pending legislative approval, to lay the groundwork for expanding emergency 911 service to all Yukon communities.

As the current Minister of Justice noted at the time, the Government of Yukon is investing \$334,000 to move the current 911 call centre to our new emergency response centre, a modern facility designed for the purpose, and to outfit it with the necessary communications and support equipment.

He also noted that we’re also investing \$733,000 to support hiring and training additional 911 call centre staff. As we know, the RCMP operates the territory’s 911 call centre on behalf of the Yukon government. During the transition to the new ERC site, current 911 services will not be impacted. We’ve continued to work with our partners — Northwestel, the Association of Yukon Fire Chiefs, the Association of Yukon Communities and the RCMP — to make progress on expanding 911. This move is another important step. We are making a substantial commitment this year to expand basic 911 service to rural communities by July 2016.

I should note that Chief Superintendent Peter Clark noted of this announcement that: “The current integration of RCMP dispatch and the 911 Public Service Answering Point improves community safety through dissemination of real-time information and the coordination of medical, fire and police responders ...” He also noted that: “The RCMP continues to collaborate with Government of Yukon and stakeholders and looks forward to expanding the 911 service to all Yukon communities. Relocating our current call centre to the Emergency Response Centre and growing the number of dispatchers allows us to keep in step with the planned expansion of the 911 service.”

I should add that the expansion of 911 telephone service to rural Yukon communities has also been a priority of the Association of Yukon Fire Chiefs and the Association of Yukon Communities. The Association of Yukon Fire Chiefs President Jim Regimbal said of the announcement that: “The Association of Yukon Fire Chiefs is very pleased to see continued progress in expanding lifesaving 911 service to all Yukon communities ... We know it’ll take some time to get the system up and running so, for now, we urge all Yukoners to make sure that they know their local emergency numbers.”

The president of the Association of Yukon Communities noted: “Effective local emergency response services are essential to rural Yukon’s local governments. The expansion of 911 will benefit local residents, travellers and visitors to our communities because they’ll have one number to dial for help.”

“Currently, 911 service is only available within an 80 kilometre radius around Whitehorse. The Yukon government has committed to expanding basic emergency 911 service to communities across the territory by July 2016.”

The Emergency Response Centre on Two Mile Hill was designed and built to meet RCMP specifications for a 911 emergency call centre. The RCMP run the 911 emergency call centre under contract to the Government of Yukon. With the government’s plan to expand 911 call service to communities across the territory by July 2016, now is the opportune time to move the call centre from its current location in downtown Whitehorse.

The new call centre will be equipped with the latest telecommunications equipment needed to run the planned expanded 911 system. By moving to the ERC, the Yukon government will continue to work to integrate emergency response services across the territory.



In December 2014, the CRTC approved a unique interim emergency call service for rural Yukon, similar to what Yukon government had proposed, but with unexpected conditions attached. For example, the CRTC required that calls not answered by community emergency responders would be automatically transferred either to a live person at the RCMP or to the 911 call centre in Whitehorse. This is very similar to how basic 911 will function.

This condition raised unexpected challenges and, after careful analysis and discussion with Northwestel and our partners, the Yukon government has decided to focus its resources on implementing basic 911 as quickly as possible and will not be implementing the interim solution, as defined by the CRTC. The current seven-digit emergency numbers in Yukon communities continue to work, and we urge Yukoners living in Yukon to make sure that they know their local numbers in an emergency situation. Emergency response services in rural communities now, and when basic 911 is in place, will continue to be delivered by municipal and volunteer fire departments, volunteer EMS, community nursing stations and the RCMP.

Callers in the 911 service area will be unaffected by this process and will continue to access 911 as they do now. The Whitehorse call area encompasses an area 80 kilometres from the centre of Whitehorse and includes the rural communities of Mendenhall, Marsh Lake, Mount Lorne and Fox Lake.

Those are just a few examples of the great work done by our department on behalf of all Yukoners, and of course, as I noted, this budget bill will advance that work considerably. Our team members make a difference each and every day. Collectively, we are committed to promoting vibrant, healthy and sustainable Yukon communities, and this supplementary budget, and our broader 2014-15 main budget, contributes to this vision.

As I mentioned, we have an overall increase of \$912,000 in this supplementary budget for operation and maintenance. A significant portion of this includes an increase of \$272,000 in funding support for the operational needs of our solid-waste management program. There was also an increase of \$400,000 in funding as a result of the northern wellness agreement that we recently signed with Canada. My colleague, the Minister of Health and Social Services, recently announced the northern wellness funding, along with our Member of Parliament — funding that helps to offer active living opportunities to Yukoners and empowers communities to fight health challenges, chronic disease and the use of tobacco among youth, while also promoting physical activity.

We were also able to provide \$60,000 to the Yukon Avalanche Association to support the public avalanche forecast — a key tool that helped make wilderness use safer for both Yukoners and visitors this past winter. Finally, there was an increase in O&M to support the ongoing funding increase for the grant-in-lieu of property taxes for the senior and student housing at the Yukon College campus.

Of course, there are a number of capital expenditures that have changed in this budget bill, Mr. Speaker, and it appears I won't have time to explain them all and discuss them, so I

look forward to getting into this bill further at a later date, perhaps in Committee of the Whole next week, or whenever available.

Once again I would like to commend this bill to the House and thank officials for their hard work in bringing this bill forward, and thank the —

**Speaker:** Order please.

**Hon. Ms. Taylor:** I would like to thank my colleagues for their words today. It is very clear that the work of the government is very comprehensive. It is very wide-reaching and continues to build on the vision set out by the Yukon Party government when it was first elected back in 2002.

I want to first off just start by thanking the public service for all of their work in each of the departments, and the respective agencies and corporations for their hard work in working with the various stakeholder organizations throughout the territory in support of a thriving economy and contributing to the quality of life that we as Yukoners have come to know over the years.

I want to thank the Minister of Finance as well for his work as our leader, as we look to the future, as well as for the past number of years maintaining a healthy fiscal situation here in the Yukon. As the minister and the Premier alluded to already, it cannot be overstated just how fortunate we are here in the Yukon.

I am a recipient of a newsletter that is distributed by the Alaska Travel Industry Association. Of course, we worked very closely with ATIA over the years in conducting many cooperative marketing initiatives in support of growing the rubber-tire travel market but, in plain, to be able to grow tourism revenues between Yukon and Alaska. Alaska's tourism budget has been really hard hit, and little wonder. When you look at the debt and deficit that the State of Alaska has had to endure, not unlike what Alberta, British Columbia and many other jurisdictions are having to endure right now, it is a stark reminder of how we have to continue on balancing and continue to invest in the various industry sectors that are also very important to ensuring that our economy thrives.

Of course, we heard earlier this sitting, and even earlier today in QP, about all that we are in control of and what we are not in control of. What I can say, though, is that, through the supplementary estimates and the main estimates as well — which we'll soon be getting to debate — without starting off with a healthy financial picture, we would not be able to continue to invest in key sectors such as tourism and culture, IT, health care, education, vital community services — as the minister just outlined in terms of support for drinking water systems, waste-water treatment and rural road upgrades. Of course, the list goes on, Mr. Speaker.

We are very fortunate that we are here on the floor of the Assembly today and throughout the duration of the sitting to be able to talk at great length about each and every one of those expenditures, how we arrived at those expenditures, and what that means for not only the short term but the longer term for Yukoners in particular. Whether it has been making

strategic investments in infrastructure, strategic investments in reducing our taxation burden, or whether it's continuing to make investments in programs and policies and streamlining our regulatory regimes, all of these contribute to a very healthy picture — a climate that is conducive to the growth of the private sector.

I want to thank the Premier — I guess you could say — for reinstating me within the Department of Tourism and Culture after taking a bit of hiatus for the past three years. It has been with great pride that I am back in this particular portfolio. I want to thank the previous Minister of Tourism and Culture for his work in collaboration with industry to really raise the bar in terms of advancing the tourism industry as a whole.

The Government of Yukon has, in collaboration and at the request of industry, really worked hard over the past number of years to really raise the bar in terms of our marketing reach into various markets, in terms of our conventional, traditional markets, of course, of Canada and the United States, but also looking overseas. If it weren't for the healthy financial picture, we would not be able to really expand our reach into the overseas markets, such as Asia — and I'll get to that in a moment or later on in this sitting — but we also wouldn't be able to reach deeper within the domestic market of Canada.

In Canada we've seen significant growth over the past number of years, thanks to strategic partners like Air North, Yukon's airline. We've been really blessed with increased air access into those key markets within Canada, and we've been able to leverage and extend that reach through programs like the tourism cooperative marketing fund, through the assistance of our product development branch, of course, and through our marketing division, being able to really expand and raise awareness of the Yukon as a destination of travel. Tourism is very important. It contributes significantly to our gross domestic product. We just recently undertook a tourism business survey that pointed out about \$250 million in tourism revenue is to be attributed to the tourism sector alone — so a very significant sector.

Tourism is not just about investments in tourism marketing, although it is very significant to be able to really ensure that individuals across this globe in our strategic markets are well aware of the Yukon and where it is that we wish to brand ourselves — but it's also very important that, in addition to tourism marketing, we're able to continue to invest in programs.

We will get into it at greater length about some of those programs and some of those investments as we get into the main estimates. As you look at the past year — and of course we are talking about the supplementary estimate of the previous fiscal year — we have generated great success in utilizing those programs at our disposal, when we look to the marketing investments.

The Yukon Now marketing campaign, or the marketing initiative, that was kicked off last fall by my colleague, the previous Minister of Tourism and Culture, really comprises a number of various elements in that marketing campaign —

from the development and the production and distribution of television commercials to investments in the digital storytelling project, investing in our local film industry, which showcases Yukon from Yukoners' perspectives and how we can promote the territory as a travel destination through various development and creations of webisodes.

Through the user-generated content project, we've also been able to create a social media platform where Yukoners and visitors alike can post pictures, videos and content — again to share with the world what it is that makes the Yukon the fantastic place it is to visit and to live and to call Yukon home and to be able to raise our families from Yukoners' perspectives as well.

Part of that funding has also gone toward overseas marketing. Just recently we were able to utilize some of those dollars in support of our first-ever tourism mission to Japan and China and representing about a dozen various tourism businesses that went to both Japan and China. It resulted in a number of accomplishments and I don't want to get into this at great length because I have a lot more to say about this, but I can't say enough about the investments by those respective tourism businesses and the expertise around that table when we were able to meet with the hundreds of tourism buyers over in Asia when we were meeting directly with the media, the travel trade market media place, and individuals who represented print to digital to social marketing media — and again using all these platforms in conveying and raising awareness of Yukon as a destination.

We've seen significant growth from the Asian market. Even when one looks to Japan, I think we actually broke a record in 2013. From 2013 to 2014, the growth in the number of Chinese travellers, for example, actually doubled just in that one year alone. We've seen the amount of growth actually supersede that of the Japanese visitation as well. Both Japan and China and all the various markets around — when we look to Korea and others — are a great source, especially when you see the increase of air access coming into Canada and the available seats alone — just from China alone, half a million seats coming into Vancouver, into western Canada, each and every year, and we see that number continuing to climb.

So that, coupled with our daily jet service into the Yukon courtesy of Air North, Yukon's airline and other carriers, makes us a very attractive destination, particularly for travellers coming over from China or Japan for the second or third time looking for new products and looking for accessible same-day service. You can certainly do that from Japan all the way into the Yukon. The amount of products that have been built up over the years by various tourism businesses is amazing, not just about the winter or the auroras, but the midnight sun and all of the various products that go along with that — from ice fishing to dogsledding to hiking experiences, to some spectacular drives that are only known to the Yukon, and the list goes on.

We continue along that path of working alongside industry to help direct our marketing programs — research-

based, of course. We continue to pay great credence to the return on investment in each of those various markets.

Again, budgets — and I keep coming back to our fiscal situation. The situation that we do have here in the Yukon, as a result of that, is that we are able to continue to invest in initiatives such as Yukon Now — the single largest tourism marketing investment in Yukon's history. This has really raised the bar in terms of our capacity and our reach in this country and outside as well.

There is so much in the Department of Tourism and Culture that I could just spend hours and hours articulating, and I will throughout the sitting. Again, when we look to other expenditures throughout the supplementary and the mains and so forth — and I look forward to getting into that greater detail. I know that when we look to the specific supplementary budget alone, on the operation and maintenance expenditures for Tourism and Culture, we are not requesting any. Of course, on the capital expenditures, we are reporting a decrease of just over \$700,000 in capital expenditures. It includes a number of transfers initiated by Property Management Division out of Highways and Public Works for various capital maintenance projects resulting in a net reduction of some \$100,000.

In addition, the banner program for Tourism Yukon's Larger than Life banners came in underbudget by about \$10,000. We also see that a decrease of \$629,000 is requested to reprofile funding allocated to the Yukon Archives vault-expansion project to this fiscal year. Again, as members will recall, there was an expenditure that was voted in a year ago in the main estimates, as I seem to recall. We are asking for the lion's share of that to be reprofiled to the finalization in support of the actual design and to go toward a tender-ready project in support of the vault expansion. I want to make abundantly clear that we're very much — and the staff over at the Yukon Archives — committed to ensuring that Archives continues to be able to preserve Yukon's rich documentary history.

We recognize the facility that was built some years ago is nearing capacity, and we've been working on a design for an expansion of the vault that is both cost effective and meets the mandate of the *Archives Act* as well.

That work is underway. As members opposite will recall, within the main estimates for our Department of Tourism and Culture, is approximately \$629,000 in support of the finalization of that design work, continued planning and proceeding with tender-ready documents of the vault expansion itself this year.

Again, I want to thank the members, my colleagues, for their continued work and I look forward to debating at great length each of the expenditures housed within not only Tourism and Culture, but also Women's Directorate and French Language Services Directorate.

**Hon. Mr. Hassard:** It's a pleasure to rise today to speak to Bill No. 16. As this is the first time this session that I've had the opportunity to rise and speak, other than Question Period, I would just like to take the opportunity to thank all

my constituents in the riding of Pelly-Nisutlin for continuing to entrust me with the privilege of representing them here in the Assembly. I would also like to thank my family for their continued support and understanding, especially with my new role as a member of Cabinet. It has kind of impacted my personal life somewhat.

As far as the supplementary and the budget, I think it's important, as Minister of Economic Development, that we realize the jobs that are coming from this money. It's the role of Economic Development to foster responsible development opportunities that can contribute to a sustainable and diversified economy.

I would like to talk a little bit about Ross River, to begin with. Since 2008, with the Building Canada fund, we've spent approximately \$11 million. This year, we're looking at money investments for the solid-waste facility, investments in the waste-water treatment site, and I know these are two subjects that have been debated in this House over the past couple of years on more than one occasion, so I'm happy to see that this will be spending \$400,000 for the solid-waste facility, as well as \$950,000 to move forward with the building of a new sewage lagoon.

Another rather hot topic in Ross River is the state of the school. I was happy to see that the government has allotted \$500,000 to do assessments and levelling of the footings. It was mentioned today during Question Period. It was brought up and as the minister responsible for the Department of Education noted, the minister and I will be travelling to Ross River tomorrow to meet with the council, the teachers and the staff from the school. On that note, I would like to thank the staff of the Ross River School, led by Principal Fran Etzel, for both their tenacity and their ingenuity in finding ways to minimize the disruption of class during the transition of students out of the school into their temporary classrooms throughout the community.

As well, in Ross River, we see about \$300,000 on the North Canol, along with a few smaller projects such as \$75,000 for the Ross River tanker base; \$50,000 for upgrades to the multi-use community hall. Another important infrastructure upgrade is the purchase of a new \$250,000 water delivery truck.

In Faro, I am happy to see in excess of \$2.5 million for replacement of the roof of the Del Van Gorder School, and almost \$3.6 million moving forward with the replacement of the Faro RCMP detachment. As well there is \$300,000 for the Faro aerodrome and then just a few hundred kilometres down the road in the wonderful town of Teslin, we see \$2 million for waste-water upgrades and approximately \$500,000 for street upgrades as well. I believe the Minister of Education already mentioned the \$200,000 for the Teslin School to get some new windows and new fuel tanks. That will be nice.

As far as my portfolio stuff — and I don't want to give the impression that one department is more important than another in how I have started or where I start. I will start with technology and communications. That falls under the Economic Development portfolio. It is a very exciting topic right now as we look forward to improving broadband

connectivity in the north. The Department of Economic Development's Technology and Telecommunications Development directorate — or more commonly referred to as "T2D2" — they work to ensure the availability of fast, affordable and reliable telecommunications infrastructure and services for all Yukoners.

This government really understands the incredible potential that the ICT sector has here in the Yukon. It is because of this potential that the government continues to invest in determining what is the best possible way to provide Yukoners with these services.

The Department of Economic Development continues to work with Bell Mobility as we see expansion of 4G mobile services throughout the entire territory. It's also through the T2D2 shop that we see support to Yukon's research, innovation and commercialization sector or RIC. This is an area of prime strategic importance to our economy. The development of the RIC sector has strategic long-term benefits for Yukon, including: enabling growth of the private sector; supporting the development of wealth-generating industries and secondary industries; and supporting the development of a knowledge-based economy in the Yukon. I believe that investing with organizations such as the Cold Climate Innovation and YITIS is smart money, Mr. Speaker.

As well, the personnel at the Business and Industry Development branch work closely with companies, industries and all organizations to undertake strategic projects that will enhance key industry sectors and contribute to Yukon's overall economic prosperity.

The Business and Industry Development branch also supports and stimulates the development and growth of Yukon's small- and medium-sized enterprises to further maximize benefits from large resource development projects and other economic activities. Small and medium-sized enterprises have access to business development support and advisory services through the branch's partnerships with NGOs and industry associations as well as through direct financial assistance.

In February, the enterprise department services unit moved to a storefront location to better serve the needs of small and medium-sized enterprises. Clients will now be able to benefit from business and industry development staff expertise and also learn more about the branch funding services.

One of these financial resources is the strategic industries development fund. This fund is available for projects that act as enablers or catalysts for growth of Yukon's strategic industries and that will generate secondary benefits and business opportunities within the territory. The strategic industries development fund provides funds to projects focused on natural resources, tourism and culture, and research innovation and commercialization. The funding is intended to assist the private sector to address barriers to development and to improve the competitiveness of their businesses. In 2015-16, the Department of Economic Development will continue to support the development of

Yukon's strategic industries through this fund and we have provided over \$800,000 in this budget to do so.

Business and Industry Development also administers the enterprise trade fund and this is to support business development and market expansion. The enterprise trade fund was developed to stimulate and support the growth of Yukon business activity by focusing on the development or expansion of export markets as well as attracting investment capital for businesses and supporting business planning, marketing and business skills training. This fund has been accessed by businesses in a wide variety of sectors including the manufacturing, service, cultural, mining, and film and sound sectors. In addition to being available to all Yukon businesses, the enterprise trade fund also accepts applications from non-profit as well as for-profit business-related organizations and industry associations.

Trade negotiations — ultimately the Yukon's economy depends on not only what happens within our boundaries but outside them as well. The Department of Economic Development participates in trade negotiations to ensure Yukoners enjoy the benefits of internal and international trade while taking into account Yukon's position as a relatively small, developing economy. For example, as the member of the Canadian federation, the Yukon is working with federal, provincial and territorial governments to ensure that the movement of persons, goods and investments within Canada is not faced with unreasonable barriers. Presently a comprehensive negotiation on an internal trade renewal agreement is taking place as agreed to by all premiers last year at the Council of the Federation meeting.

The Government of Canada is also currently negotiating the Trans-Pacific Partnership, which provides opportunities for Government of Yukon representatives to continue to work with officials from other regions and to ensure Yukon's interests are brought to these negotiations.

In terms of investment attraction — investment attraction has significant implications for natural resources, technology and tourism and is particularly important for the mineral sector. The goal of the investment attraction is to enable the development of the private sector economy.

In addition we're working closely with the newly formed Yukon First Nation Chamber of Commerce to enhance the role of the First Nation development corporations.

Film and Sound Commission — just as we reach out to the mineral industry investors, we also reach out to the film and sound industries to create opportunities for Yukoners and to maximize the economic impact of media production here in the Yukon.

Regional Economic Development — this is a branch that supports a broad range of foundational activities for organizations with a mandate in the area of economic development. The Regional Economic Development branch works with First Nations, local governments, communities, community-based organizations, and this is to facilitate strong economically self-reliant regions and communities. The branch supports social and economic development projects

and works with clients throughout their process from project articulation to implementation.

As well, they provide advisory and coordination services, and the branch financially supports worthwhile initiatives through the regional economic development and community development funds — one of those funds I talked about today during Question Period.

The intended outcome for the regional economic development fund is to help coordinate regional economic development plans, positive long-term impacts on employment and wealth creation, as well as diversified local economies and an inclusive workforce. Assistance under the regional economic development fund is available for activities related to regional economic development — obviously — including assistance in developing regional plans, participation in regional economic development planning processes, opportunity identification and related research. The fund also supports activities related to capacity development, including needs assessment, training plans and corporate organizational capacity training for corporate business enterprises and the economic development organizations.

Past-funded projects have included board training, human resource planning, tourism research, mining-awareness projects, as well as attendance at networking and educational events related to economic development.

The community development fund provides support to Yukon communities, industry and professional associations, non-profit and charitable organizations, municipal governments and First Nations governments. These are for projects and events that support community well-being, create jobs, generate spending on Yukon goods and services, and have measureable social, cultural and economic benefits for Yukon residents and the communities.

The primary goal of the fund is to enable projects and events that provide long-term benefits and value to Yukon communities. Some projects made possible through the CDF include BYTE. Bringing Youth Towards Equality received just about \$58,000 to host a youth entrepreneur conference here in Whitehorse in May. If any of you are bored, I will be opening that conference on the Friday morning. This event will bring together approximately 100 young people aged 18 to 25 from across Yukon. It will be three days of learning, collaborating and networking and discovering the world of small business.

Another one was that the Percy DeWolfe Memorial Mail Race committee received \$15,000 to streamline the organization of the races, improve community-focused events, and update the race manual.

The Member for Kluane will be happy to know that Champagne and Aishihik First Nations received \$20,000 to rebuild its existing website, creating a user-friendly social-media-compatible website, allowing for more partners, citizens and the public to visit and utilize the site. We look forward to supporting more worthwhile initiatives in the coming years.

I see that I am just about out of time, so I will sit down. I look forward to hearing everyone else's comments and

concerns today. I would like to thank the Minister of Finance for bringing forward this bill today and look forward to hearing from everyone else.

**Hon. Mr. Istchenko:** It is a privilege for me to stand up in the House today. Like the Minister of Economic Development, I do believe I owe a big thank you to my constituents from the great riding of Kluane — from Beaver Creek to White River, Pine Valley, Burwash Landing, Destruction Bay, Silver City, Bear Creek, Nygren subdivision, Haines Junction, Kathleen Lake, Dezadeash Lake, Six Mile, Klukshu, Blanchard River, Stanley Flats, Forty Eight Mile, Marshall Creek, Canyon Creek, Aishihik, Champagne, Mendenhall and Takhini — 640-plus kilometres.

I also want to really thank my wife and my son and the rest of my family for the support that they give me. I don't get to be at home as much as I would like to, so I think it is key to thank your family.

I would also like to thank the Premier for the opportunity to take over the Department of Environment. I would also like to really thank the previous Environment minister. A lot of the stuff that I will be taking over are projects and stuff that he started working on.

I would like to add that, yesterday in the House, it was brought to attention through a motion from the NDP that there are other jurisdictions that think this is a great place to be, one of them being Saskatchewan. That is where my wife's family is from and I tend to agree with my wife's family, but I would probably sit at the dinner table and argue that we are a little bit better than Saskatchewan.

The Member for Copperbelt South yesterday didn't say this was the best place to live. Just for her, looking at the supplementary estimates within my department, I met with some of her constituents and they were pretty happy to see that there was money out there for work. I am pretty proud of that.

Getting down to the brass tacks of the supplementary here in the Department of Environment, there will be a result of a decrease of about two percent from the \$39.125 million voted to date. This amount involved is about \$764,000. The savings arise mostly from a remediation project costing less than we budgeted for and from moving construction work on the new Conrad campground into 2015-16.

I do want to talk a little bit about the Conrad campground. I know this was a project that the previous minister started, and he put a lot of time and effort into it and a lot of work with the First Nation. The construction of the new 35-site Conrad campground on Windy Arm of Tagish Lake will proceed over the summer and fall. We have allocated dollars for this project, and I anticipate, the way things looked that the campground, that the brand new campground will be open for the 2016 camping season.

I hope to see everybody there with their RVs, tents and/or motorhomes and we can camp together. The department collaborated with the Carcross-Tagish First Nation during the planning process and we will continue to work together as we move forward with land clearing, the construction and the

other activities. A new campground is going to help with the demand for camping sites near Whitehorse for Yukoners and visitors. We've heard that many times from Yukoners.

A heritage management plan for the site, which will be co-developed by the Yukon government and the Carcross-Tagish First Nation — this is another good example of this government working with the First Nation. The Conrad campground is really well-situated to complement the growing recreational opportunities and the Carcross-Tagish First Nation community development in and near Carcross.

So the budget is a good example of a wide range of activities undertaken by the Department of Environment, and our mandate includes taking a leading role in regulating and enforcing safe standards for air, water and soil. I want to talk just a little bit about the water strategy, which is part of this.

It's a significant initiative. It was started by the previous minister and it's to protect our environment. The importance of water of course to our livelihood and to our identity cannot be overstated. We are a territory of rivers, lakes, streams and glaciers and, as part of this action plan, we will further develop a groundwater program, expand our water monitoring network and improve access to drinking water to ensure that future generations can continue to enjoy the abundance of clean water that we have been so fortunate to experience.

Some of the work that will be underway is: the installment of 19 new hydrometric stations planned for 2015-16; the installment of three new water quality monitoring stations in 2015-16; adding new wells to the underground network collecting our baseline data; developing a comprehensive groundwater program; and holding a Yukon water forum on a regular basis for the water managers across the territory.

I had the opportunity to open the Water Forum and make a few comments and then to close the Water Forum and listen to what came out of the Water Forum. I went early and spent time listening and there were First Nations, there were rural municipalities and there were different departments that deal with water. One of the key things that came out that was the importance of having these water forums, because we sometimes find ourselves in a tunnel doing our own thing and to share data and share knowledge is key to working together. This government of course is doing our part to ensure and maintain our clean water and our beautiful environment.

Getting back to the range of activities undertaken by the department and our mandates is managing the human impacts of fish and wildlife, providing quality outdoor recreational opportunities in our parks and campgrounds — and I spoke about the Conrad campground — and of course, addressing the challenge of global climate change. I'll speak a little bit about that. Some of the actions that we're focused on are: increasing our adaptation efforts by researching ecosystem changes; predicting the impacts of the mountain pine beetle; examining the impact of thawing permafrost on agriculture, the north Alaska highway and the Yukon water systems; producing food-risk mapping; reporting internal government greenhouse gas emissions data annually through the climate

registry; and working across government to identify and implement emission reduction opportunities.

We're establishing sector-specific targets and actions to minimize growth of greenhouse gas emissions in some of our key Yukon sectors. We're also co-leading the Canadian action on the Arctic adaptation exchange and an on-line information portal that enables the sharing of climate change adaptation information across the Arctic. There are some new and great things that will come out of this, Mr. Speaker. I'm sure this House will be very, very impressed and supportive of the department's initiatives.

One of the key things is actively implementing the provisions under the First Nation final agreements and that's key to just about everything that we do.

With respect to operation and maintenance expenditures, we are seeking a net reduction of \$348,000. In the general management area, \$41,000 is being transferred from the deputy minister's office to other branches. Mr. Speaker, of this total, \$17,000 has been transferred to the parks program to help fund the extension of the fully serviced campground seasons to September 30 at 10 of the key campgrounds. I want to speak a little bit about that because I had the opportunity with the Minister of Tourism and Culture to go out with our MP. Parks Canada is also following through with the same things that we're doing. I think it's really key, because campgrounds are key for the Yukon and having them open longer — an extended operating season by three weeks at 10 government campgrounds is pretty impressive. The campgrounds will now be opened on May 8 — 10 of them earlier — and open until May 30. We've committed money to make this happen. How else can we be the best to live if we don't work? Listen to the tourism industry and listen to Yukoners by providing better or longer services.

I would also note that funds for this purpose were approved in the *Supplementary Estimates No. 1*. The total cost of extending the season is about \$67,000 for this fiscal year.

In the Corporate Services area, we are requesting a total of \$37,000. Of this, \$13,000 is needed for projects at Herschel Island, Qikiqtaruk Territorial Park, such as repairs to the mission house and the building. I'm hoping to get up there to see some of the employees. I managed to travel a little bit already this year and see some of the rural CO offices and talk to the staff and hear some of the questions that they have — things that they put into queue for upgrades and things that are needed. I'm hoping that the MLA from that area can come with me. These expenditures are 100-percent recoverable under the *Inuvialuit Final Agreement*.

In the environmental sustainability area, there's an increase of \$50,000. \$13,000 is needed for the agreement with the Nature Conservancy of Canada for the northern biodiversity project. This amount is 100-percent recoverable. \$20,000 is needed for the Kluane/Duke River moose management survey. The data collected will inform harvest decisions by shared management committees. This amount is 100-percent recoverable. It's just a good example of the *Umbrella Final Agreement* stating in chapter 16 that the resource councils and the Fish and Wildlife Management

Board are the primary instruments in resource management. It's key that this government works and we believe in the *Umbrella Final Agreement* and this is just another good example of us sitting down and working with our partners to move forward on management of moose — just in this area — among other areas.

\$6,000 is needed for the trapper education workshop, and this is recoverable through the participant fees. Mr. Speaker, I just will let you know that one of the first things I did when I became the new Minister of Environment is that I went up to the fur show, which was put on by the Member for Klondike's local renewable resources council. It's a wonderful program. We brought a bunch of trappers from the Kluane area up there with their furs. Having the minister up there was very well-received by the trapping industry.

One of the highlights for me was being entered in the trap-setting competition, where I got spanked by our trapping instructor — 57 seconds. I was a minute and 20, which was average — not the worst but not the best. The highlight for me was, after the fur grading was done, the local youth we brought up there and the local youth from the community had the opportunity to speak with the fur graders who came from the south, and they got to explain what they're looking for in fur. It was novel. There are great youth in our community who are out doing basically the oldest industry in Canada — trapping. I look forward to many more trapping education workshops and the department working with our trappers on complete management of our species.

Lastly, we are seeking a net decrease in operation and maintenance funds of \$394,000 for the environmental liabilities in the remediation area. \$675,000 — and this is key to understand — is not needed for remediation projects. A detailed assessment of a contaminated soil stockpile found that the material could be repurposed, rather than treated, and that that's exactly what has been done.

However, \$275,000 is needed for a site assessment at Fraser camp to deal with contaminants from the garage sump. It is expected that the remediation will take place soon after assessment work is complete.

When we look at our environmental remediation, we put funds forward, but sometimes we find uses for the material, we find other ways of working with this, and then the monies saved get to go to remediate other sites. I would be more than happy, when we get into budget debate on the Department of Environment when the staff is here — if there are other questions that the critics have, we can get down into the finer points of it.

In addition to these projects, internal transfers are requested to address personal budget adjustments between the branch areas. You see that in most departments.

Mr. Speaker, this concludes my remarks on the operation and maintenance funding request for the Department of Environment. With respect to the capital expenditures, the department seeks approval for a decrease of \$416,000 for the fiscal year of 2014-15. The bulk of the decreases is due to the revised construction schedule I spoke to earlier about the Conrad campground. I'm pretty sure that the MLA for that

area is probably going to be one of the first guys to camp there. Hopefully I'll see him there.

We plan to move this \$500,000 of approved funds into 2015-16 to cover the construction costs that will be incurred throughout the summer. Members will be glad to hear that this project is on schedule and will be opening for 2016 — I spoke to that earlier.

\$25,000 is needed to support the Yukon Environment Information System project. This is a transfer from Highways and Public Works' IT envelope. This year's work has proceeded on modules for the fish and for Yukon biophysical inventory, as well as on on-line systems for purchasing angling and annual campground permits.

That is something that we heard about during the election and one of the campaign promises was these services. This system that is going to be implemented — it's going to be available to get a fishing licence on-line, and we look forward to further opportunities after we work the bugs out, because this is the first time doing this and we may look at the hunting licences and other licences required throughout the Department of Environment, but through other departments in the government.

\$44,000 is needed for the now-complete upgrades to the septic system at the department's Mayo compound. This is a reallocation within the capital maintenance envelope, and lastly, \$15,000 is needed to help purchase a new motor for the boat at Herschel Island. It is a big ocean up there, Mr. Speaker, and we need a good motor on the back of that boat. You being a fellow boater might understand that. This amount is 100-percent recoverable under the *Inuvialuit Final Agreement*, as is some of the construction on Mission House.

This supplementary budget is a great snapshot of the many activities that the Department of Environment undertakes in order to support a healthy, sustainable and prosperous Yukon now and into the future, making it the best place to live.

I would like to extend my remarks by thanking the staff of the Department of Environment, who are dedicated and are professionals at their work and truly committed to environmental stewardship, informed decision-making and working in partnership with other organizations, communities, other governments — First Nation governments — and organizational excellence. I do look forward — as I said earlier — to comments and questions from members about the activities outlined in the department's supplementary estimates.

I do want to thank my fellow colleagues and I want to thank the members opposite, who have the opportunity to ask the questions that need to be answered for the public. I do look forward to being the Minister of Environment and some of the challenges that move forward with it. I look forward to working with our local First Nations on issues — our local management boards — and I just look forward to the Spring Sitting, because I know, at the end of the Spring Sitting, Mr. Speaker, the ice will be off and we can go fishing.

**Hon. Mr. Cathers:** I'll be brief in my remarks in speaking to this bill. It is a pleasure to rise here in the House this afternoon. I would like to first of all thank my constituents for the continued opportunity to work with them and to serve as MLA for Lake Laberge, and I would like to acknowledge and thank the staff of the Department of Justice and the staff and board of Yukon Development Corporation and Yukon Energy Corporation for their work. It is a pleasure to once again have the opportunity to be minister responsible for Yukon Development and Yukon Energy, and a pleasure to take on the Department of Justice for the first time.

I would also like to thank staff of my former departments: Community Services, for the continued excellent work that they do day in and day out throughout the years, and thank them for the things that we accomplished during my tenure as their minister; and I would also like to thank the staff and board of Yukon Housing Corporation for their good work during my tenure as minister responsible for Yukon Housing Corporation.

There are a few things that I'm particularly pleased to see in the 2014 fiscal year, which include the progress that we made toward implementing 911 services, the purchase of new fire trucks for a number of Yukon communities, as well as the purchase of new ambulances and the work that has been done to improve fire response capacity throughout the territory, including investments in my riding of the expansion of the Ibex Valley fire hall to include new water storage tanks, which have significantly increased the refill capacity for fire trucks at that hall. I am also pleased that, in the last few years, we have seen the Ibex Valley fire department receive both a new pumper and a new pumper tanker and the Hootalinqua fire department, the other fire department within my riding, received a new pumper tanker — one of the state-of-the-art series that have gone to communities, including Tagish, Golden Horn and, of course, Ibex Valley and Hootalinqua.

So through the water storage tanks added at the Ibex Valley fire hall — what the fire department tells me is that it will allow them to have an additional capacity of about four truck refills through those new tanks, and that will significantly assist in improving fire response capacity there, because the well on that site is a fairly low-flow rate, but the addition of those storage tanks will help them be able to refill an additional four times, which will also provide additional time for the well to refill the internal tanks, as well as the new external storage units.

Also in the area of fire capacity, the Deep Creek/Grizzly Valley well project was modified and is nearing completion, scheduled for some time this summer with a modification to the design that allowed fire trucks to hook up to it and increase the water storage capacity from the original design for that facility — or from the original plan, I should say.

I'm also pleased to see the continuation — I thank the current Minister of Community Services for his good work in continuing, including in areas for moving toward the implementation in this current fiscal year's budget of funding for the expansion of the rural domestic water well program into municipalities. I'm pleased that, as a result of the work

done last year and the bill tabled and passed unanimously last fall, which enabled the extension, that the 2015-16 estimates, which we will be debating throughout this sitting, include \$400,000 for expanding that successful program, which has seen roughly 250 families assisted throughout the territory and over \$5.5 million invested in helping families install personal water well systems.

I could go on at length here this afternoon, but I will leave further remarks for later in the sitting, as we'll have the opportunity in debating the main estimates, as well as bills to, I'm sure, discuss investments on many more occasions.

Prior to concluding, I would just like to very briefly congratulate the Minister of Community Services and the Department of Community Services for their success in concluding the work necessary, done both under the current minister's watch and during my time and the time of the Member for Whitehorse West, as Ministers of Community Services, that has successfully seen the Yukon hosting the 2016 Arctic X Games. Hosting the games was excluded from the 2016 Arctic Winter Games in Greenland. It would be something that came forward from parents. The amount of work done at the ministerial level and especially at the official level to get us to the point where we were able to announce that we're hosting those games should not be underestimated.

I would like to thank very much the officials for their good work and thank and acknowledge the work by Sport Yukon and their commitment to being the host society and organizing the volunteers. Without that commitment from them and from supporting other sports groups for the sports that are included in it, of course it would not be possible for the government to offer to host those Arctic X Games in 2016.

With that, I will conclude my remarks on the *Third Appropriation Act, 2014-15*. I look forward to rising later in debate to talk about some of the other investments in this current fiscal year.

**Ms. McLeod:** I only have a few comments to make. I really want to thank the various ministers who are on this side of the House for their hard work on behalf of all Yukoners, and particularly for those ridings that are served by private members and indeed opposition members.

There are two major projects that have been successfully tendered and are moving forward this year. There is \$8 million for the Robert Campbell Highway and \$5-and-some million for a water treatment plant in Watson Lake. I want to congratulate the two Yukon companies that were successful in being awarded these tenders. I think it is a little bit of a different story than what we were hearing earlier about assertions that work is all going to Outside companies, because that simply isn't true.

I do want to talk a little bit about the major investment that the Yukon government is making in southeast Yukon, in my riding of Watson Lake, in upgrading and updating our aging infrastructure — not unlike a lot of other Yukon communities and indeed communities across Canada. Our infrastructure dates back to the 1960s and 1970s. It is time-



expired and starting to cause a few problems as far as management is concerned.

Since 2010, about \$7.5 million has been spent and invested to upgrade roads, water and waste-water systems, which included improvement to wellheads, installation of new water mains, sewer lines and manholes, significant repair work to water and sewer lines to prevent leakage and to improve their operational efficiency, BST road restoration — because, of course, digging up an entire town means there's a lot of BST repair work to do. I expect that the final work on the water, waste-water and road upgrades will be completed in this year.

I want to thank the Minister of Highways and Public Works for his work in moving forward other projects in Watson Lake. I really appreciate the work that's being done to work with the municipality of Watson Lake. There have been challenges and I'm very happy that the ministers are sorting that out with the cooperation and assistance from mayor and council.

I wanted to just thank constituents, and indeed other rural Yukoners, who sit on a variety of the territorial advisory boards. I think it's very important for rural participation on these advisory boards, and I think it's a greater commitment from rural members to participate. As I say, I really appreciate their involvement and think it's very important for the territory.

I want to thank and recognize Ann Raider and Sergeant Cam Lockwood for their outstanding work in community policing and their ability to work to create programs between the RCMP and the Liard Aboriginal Women's Society. They were recognized by the Department of Justice at a dinner last fall. I know the community really appreciates the hard work that they do.

Just one further thing — I want to thank the Minister of Community Services — both past and present — for their work that has resulted in the expansion of the domestic water well program, because of course this includes a measure of funding. This program should be of great benefit to many rural Yukoners and I really urge all municipalities to get on board with the program and participate.

I think that's really all I wanted to say, other than to reiterate that I'm appreciative of the commitment that ministers on this side of the House show in their work with all Yukoners.

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

**Hon. Mr. Pasloski:** My comments will be short. I want to thank everybody for their comments during second reading debate. We are talking about the *Third Appropriation Act, 2014-15, Supplementary Estimates No. 2*, which provides a total of \$14.74 million as sums required, offset by sums not required of \$48.298 million. There will be an opportunity within Committee of the Whole for members opposite to ask any questions that are directed at departments and will be answered by the appropriate minister as well.

I would like to take the opportunity to thank all of the people who put this bill together — the various departments and the finance people within those departments. I especially want to acknowledge the work of my Department of Finance. What an excellent team — what a hard-working team — and what a great job they've done. I certainly want to also acknowledge the leadership of our ministers in moving forward and leading these departments. Last, but certainly not least, is just the vision of this Yukon Party caucus as we continue to move forward, making Yukon the best place to work, live, play and to raise a family. Thank you, Mr. Speaker.

**Speaker:** Are you prepared for the question?

**Some Hon. Members:** Division.

### Division

**Speaker:** Division has been called.

### Bells

**Speaker:** Mr. Clerk, please poll the House.

**Hon. Mr. Pasloski:** Agree.

**Mr. Elias:** Agree.

**Hon. Ms. Taylor:** Agree.

**Hon. Mr. Graham:** Agree.

**Hon. Mr. Kent:** Agree.

**Hon. Mr. Istchenko:** Agree.

**Hon. Mr. Dixon:** Agree.

**Hon. Mr. Hassard:** Agree.

**Hon. Mr. Cathers:** Agree.

**Hon. Mr. Nixon:** Agree.

**Ms. McLeod:** Agree.

**Ms. Hanson:** Disagree.

**Ms. Stick:** Disagree.

**Ms. Moorcroft:** Disagree.

**Ms. White:** Disagree.

**Mr. Tredger:** Disagree.

**Mr. Barr:** Disagree.

**Mr. Silver:** Disagree.

**Clerk:** Mr. Speaker, the results are 11 yea, seven nay.

**Speaker:** The yeas have it. I declare the motion carried.

*Motion for second reading of Bill No. 16 agreed to*

**Mr. Elias:** 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

general debate in Bill No. 16, entitled *Third Appropriation Act, 2014-15*.

Do members wish a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

**Bill No. 16: *Third Appropriation Act, 2014-15***

**Chair:** The matter before the Committee is general debate in Bill No. 16, entitled *Third Appropriation Act, 2014-15*.

**Hon. Mr. Pasloski:** I am pleased to be joined at this time by Mark Tubman, in his capacity as acting Deputy Minister of Finance. It's nice to have you here as well, Mark.

Madam Chair, I am pleased to introduce Bill No. 16, entitled *Third Appropriation Act, 2014-15*, also referred to as *Supplementary Estimates No. 2*, to Committee of the Whole.

The *Third Appropriation Act, 2014-15* provides for the sums required of \$14.74 million, consistent with the amount previously identified in the special warrant. While the Legislature conducts its business, the special warrant ensures that government officials have the requisite legal authority to make expenditures delegated and entrusted to them.

The members will have the opportunity very shortly to raise questions in general debate; therefore, I do not wish to get into great detail at this time.

Madam Chair, the *Third Appropriation Act, 2014-15* provides for \$14.74 million for increased expenditures as identified under the sums required column, offset by sums not required of \$48.298 million. I will limit my comments to the more significant items under sums required.

For the Department of Community Services, the total operation and maintenance requirement is \$912,000, providing additional funding and support of the Canada-Yukon five-year northern wellness agreement, increased funding through Yukon Lotteries in support of sports initiatives and operation costs for Yukon solid-waste facilities.

For the Department of Education, \$2.225 million is required for a 10-year lease agreement with the Teslin Tlingit Council. This is offset by deferrals to the 2015-16 requirements for the student information system resulting in total capital requirements of \$1.551 million.

For the Department of Energy, Mines and Resources, a total of \$2.884 million — \$2.08 million is required for inspections and repairs to the Ketza River mine tailings facility.

For the Department of Health and Social Services, the total operation and maintenance requirement is \$1.993 million. This additional funding supports the department in the delivery of important programs and services to Yukoners,

including physician claims, social assistance and persons with disabilities.

For the Yukon Development Corporation, \$1 million is provided to complete stage 1 of the Keno-Stewart Crossing transmission line. This initial investment will support environmental studies, fieldwork and design engineering that is required to obtain permits, start civil work and initiate the tender period.

These additional amounts required represent a few examples of the items included in the special warrant and identified under the sums required column. Sums required are, as mentioned earlier, offset by items not required. The individual ministers will speak to all changes reflected in *Supplementary Estimates No. 2* during line-by-line debate. In summary, the *Supplementary Estimates No. 2* reflects increased operation and maintenance requirements of \$9.125 million, decreased capital requirements of \$42.683 million, decreased general revenues of \$4.083 million and increased recoveries associated with increased expenditures of \$1.119 million.

Our net financial resource position remains positive. This is a most enviable position. While most provincial and territorial governments have net debt, this is not the case in Yukon. As a measure of the future revenue requirements, our positive net financial resource position means that we have not mortgaged the future. If I may, we are building the bank, not breaking the bank.

Future revenues will be used for future programs and services. Future revenues will not be required to offset current program and service expenditures as of course we know has happened in the past under the Liberal and NDP governments.

Our government continues to pay as we go. Yukoners can be very proud of how our government — the Yukon Party — has managed the fiscal framework. We have maintained a savings account while continuing to provide significant and strategic investments on behalf of all Yukoners. Our future is bright. As I have stated, a positive net financial resource position represents a measure of our resources available for the provision of future programs and services. We are indeed financially well-positioned for the future.

Madam Chair, as Minister of Finance, I am pleased to present the supplementary estimates for consideration by the Legislative Assembly in Committee of the Whole.

**Chair:** Does any other member wish to speak in general debate?

**Mr. Elias:** Madam Chair, I move that you report progress.

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

*Motion agreed to*

**Mr. Elias:** I move that the Speaker do now resume the Chair.

**Chair:** It has been moved by Mr. Elias that the Speaker do now resume the Chair.

*Motion agreed to*

*Speaker resumes the Chair*

**Speaker:** I will now call the House to order.

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

**Chair's report**

**Ms. McLeod:** Mr. Speaker, Committee of the Whole has considered Bill No. 16, entitled *Third Appropriation Act, 2014-15*, and directed me to report progress.

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

**Some Hon. Members:** Agreed.

**Speaker:** I declare the report carried.

**Mr. Elias:** 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. Monday.

*The House adjourned at 5:25 p.m.*

**The following document was filed April 9, 2015:**

33-1-109

*Personal Income Tax Room Sharing Agreement Between the Government of Yukon and Carcross/Tagish First Nation (2012-2019) (Pasloski)*