



Yukon Legislative Assembly

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HANSARD

Wednesday, April 15, 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

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

GOVERNMENT PRIVATE MEMBERS

Yukon Party

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

OPPOSITION MEMBERS

New Democratic Party

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

Liberal Party

Sandy Silver	Leader of the Third Party Klondike
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**Yukon Legislative Assembly
Whitehorse, Yukon
Wednesday, April 15, 2015 — 1:00 p.m.**

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

Prayers

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of National Oral Health Month

Hon. Mr. Nixon: I rise in the House today on behalf of all members to acknowledge that April is National Oral Health Month in Canada.

In the spring every year, the Canadian Dental Association celebrates dental health month to promote the importance of good oral health. Dental health is an important issue for Canadians because dental problems can reduce a person's quality of life by affecting their physical, mental and social health. Dental problems can be a sign of oral cancer, a disease that approximately 3,200 Canadians are diagnosed with annually.

Oral diseases are also linked to other health problems such as diabetes, heart disease and stroke, certain kinds of pneumonia and even premature and low-birth-weight babies. Brushing and flossing, following a healthy diet and visiting a dentist regularly are all part of ongoing oral care for healthy teeth and gums.

Yukon Health and Social Services helps ensure Yukon children have a good start on having a healthy mouth and body for a lifetime. Since 1969, the Yukon children's dental program has provided diagnostic, preventive and restorative dental services to Yukon children at no cost to the family. The school-based program has ensured the dental health of at least a generation of Yukoners and continues to do so today.

I urge all Yukoners to look after their dental health and the dental health of their children and, if they have any undiagnosed oral pain, visit a dentist to have it diagnosed, because as we know, there is more to dental health than having a nice smile.

I would like to extend thanks on behalf of Yukon government to all the professionals working in the field of dental health in the territory. Thank you.

In recognition of Parkinson's Awareness Month

Hon. Mr. Hassard: It's a pleasure to rise today to ask all colleagues in the House to join me in recognizing April as Parkinson's Awareness Month.

Many of us have only become aware of this disease because of the work done by Canadian actor and Parkinson's activist Michael J. Fox, but every day 10 people are diagnosed with Parkinson's disease. In fact over the next 10 years, the

number of Canadians diagnosed with Parkinson's disease is expected to double to more than 63,000 people.

Parkinson's is a chronic, degenerative neurological disease that is characterized by a loss of dopamine in the brain. There is no known cure. Symptoms include: resting tremor; slowness of movement; stiffness or rigidity of muscles; difficulty with balance and walking; and changes in voice, volume and speech. Other changes can include depression, loss of sense of smell, sleep disturbances and cognitive changes.

The average onset age is 60, but it can affect people as young as 30 or 40. Parkinson's can take time to diagnose. There are no X-rays or tests to confirm the disease. It is a matter of ruling out other conditions and tracking symptoms.

Currently, Mr. Speaker, there is no cure for Parkinson's, and people can live for years, treated with medication. Some people can benefit from surgery; others manage through a combination of physical and occupational therapy, speech therapy and exercise. One of the challenges is that the disease progresses at different rates for every person diagnosed. Most caregivers for people with Parkinson's are family members, and caregiver stress can double when caring for an individual with a neurological condition, particularly if the condition is accompanied by cognitive impairment or behavioural issues, which are common.

Fifty percent of people living with Parkinson's experience memory limitations, and 40 percent, thinking and problem-solving limitations. It is not an easy disease.

Yukoners are not exempt from this disease. It touches families and individuals here as well. I ask my colleagues to take a minute to recognize what these folks are facing.

In recognition of Irritable Bowel Syndrome Awareness Month

Ms. McLeod: I rise today to talk about a topic that is often met with amusement or embarrassment, and yet, irritable bowel syndrome, or IBS, is a serious problem for many Canadians. According to the Canadian Society of Intestinal Research, between 13 and 20 percent of Canadians experience IBS at any given time, depending on the criteria used to assess the symptoms.

The risk of developing IBS throughout our lifetime is as high as 30 percent.

Here at home, we have no identified numbers of Yukoners with IBS but, by extrapolating the national average, between 4,800 and 7,384 Yukoners could be experiencing IBS.

The Canadian Society of Intestinal Research offers a 30-second IBS test on its website. IBS is a chronic condition. It is often debilitating. Its symptoms include abdominal pain, bloating, constipation and altered bowel behaviours. No matter how you try to disguise it, IBS is unpleasant and painful. No one knows the cause or causes of IBS, but some of the theories include the following possibilities: chronic alcohol abuse, antibiotic use, stress, food allergies or poor eating patterns and gastrointestinal infection, among other things.

We do know that hormones play an important part in triggering a bout of IBS. The good news is that there is no reason to believe that people suffering from IBS have an increased risk of inflammatory bowel disease or colorectal cancer. There is no cure for IBS as yet, but the condition can be managed with dietary and lifestyle changes. By following their individualized treatment plan, many sufferers experience a marked improvement in their condition.

In closing, I would like to invite all of my colleagues to learn more about IBS. It is a serious condition that affects many Canadians.

Speaker: Introduction of visitors.

Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Cathers: I have two documents for tabling today. Both are reports.

The first is the Yukon Law Foundation annual report for the year ending October 31, 2014, which I'm tabling in accordance with section 83(2) of the Yukon *Legal Profession Act*. It's the annual report from November 1, 2013 to October 31, 2014.

I also have for tabling the *Workers' Advocate Office — 2014 Annual Report*.

Mr. Barr: I have for tabling a letter dated April 14, 2015 from the Information and Privacy Commissioner.

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

Are there any reports of committees?

REPORTS OF COMMITTEES

Hon. Mr. Hassard: I have for presentation the 15th report of the Standing Committee on Appointments to Major Government Boards and Committees.

Speaker: Are there any further reports of committees to be presented?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

Hon. Mr. Kent: I give notice of the following motion:

THAT this House urges the Government of Yukon to responsibly develop Yukon's oil and gas industry, provide jobs and opportunities for Yukoners who are here and currently working in other jurisdictions in this industry, and work to become a net contributor to Canada by:

(1) developing a robust and advanced oil and gas regulatory regime;

(2) being open to applications for hydraulic fracturing in the Liard Basin, less than two percent of the Yukon area, but only with the support of affected First Nations;

(3) continuing a public dialogue to inform and educate Yukoners about oil and gas; and

(4) performing the research and scientific and economic studies outlined in the recommendations from the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing so that additional baseline data and information is available.

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

THAT this House urges the Government of Yukon to foster more efficient, globally competitive capital markets, increase protection for investors and strengthen national capacity to identify and manage capital markets-related systemic risks by signing onto the cooperative capital markets regulatory system.

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

THAT this House urges the Government of Yukon to consult First Nations and industry stakeholders to develop a new biomass strategy that may include:

(1) the development of a pilot district heating system;

(2) private sector opportunities to heat Yukon government buildings;

(3) reducing the reliance on oil and propane fuels; and

(4) the development of opportunities for the local forestry industry.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to use the 2015-16 budget to invest \$500,000 to support the development of the new Conrad campground on Tagish Lake's Windy Arm, in partnership with Carcross-Tagish First Nation.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to use the 2015-16 budget to invest in 911 service, including:

(1) \$334,000 to move the 911 call centre to the new Emergency Response Centre; and

(2) \$733,000 to support hiring and training of additional 911 call centre staff, who are necessary to allow for the expansion of basic 911 service to all Yukon communities.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to use the community development fund to support the Watson Lake Daycare Centre Society to make improvements to their playground.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to extend the current exemption from compliance with the new energy efficiency standards in section 9.36 of the National Building Code until March 31, 2016 in order to allow time for the development of regulations implementing

recommendations made by the advisory committee, which include specific provisions to ensure log-home construction continues to be an affordable option for Yukon families.

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

THAT this House urges the Government of Yukon to continue moving forward with the planning and construction of a new 150-bed continuing care facility that is designed to provide for future expansion in recognition of Yukon's growing seniors population, while at the same time continuing to enhance homecare for seniors in order that they can stay in their homes and home communities as long as possible.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to enhance the suite of energy incentive programs by adding:

- (1) a program that will assist Yukon apartment and condominium owners in retrofitting their buildings to improve energy performance and reduce energy consumption, costs and emissions;
- (2) a program that targets the lighting efficiency of commercial buildings by encouraging owners to upgrade to energy-efficient and long-lasting LED lighting systems.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to use the community development fund to restore and repair St. Paul's Anglican Church in Dawson City.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to use the community development fund to support the Tr'ondëk Hwëch'in First Nation in developing a complete United Nations Educational, Scientific and Cultural Organization nomination dossier that meets World Heritage Convention requirements.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to implement the new northern wellness project with the Public Health Agency of Canada with the goals of:

- (1) improving wellness and preventing illness associated with modifiable risk factors;
- (2) building capacity at the community level to create enabling environments and opportunities for residents to improve their health and well-being;
- (3) reducing disparities in health status and removing barriers to engaging in healthy living activities and behaviours; and
- (4) promoting a healthy living cultural norm by emphasizing fun, learning connections, engagement, personal development and community pride.

I also give notice of the following motion:

THAT this House urges the Yukon government to use the 2015-16 budget to allocate \$920,000 for new ambulances and fire trucks, including:

- (1) \$310,000 for two new ambulances; and
- (2) \$610,000 for two new fire trucks.

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

THAT the Yukon Legislative Assembly, pursuant to subsection 22(2) of the *Human Rights Act*, does appoint Geneviève Chabot as a member of the panel of adjudicators and, pursuant to subsection 22(2.01) of the *Human Rights Act*, does designate Geneviève Chabot as deputy chief adjudicator.

I also give notice of the following motion:

THAT the Yukon Legislative Assembly, pursuant to subsection 17(1) of the *Human Rights Act*, does appoint Russell Knutson as a member of the Yukon Human Rights Commission for a term of three years, effective April 30, 2015.

I also give notice of the following motion:

THAT the Yukon Legislative Assembly, pursuant to subsection 22(3) of the *Human Rights Act*, does remove Heather McFarlane and Elaine Cairns as members of the panel of adjudicators.

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

THAT this House urges the Government of Yukon to:

- (1) acknowledge that without regulations in place, the *Residential Landlord and Tenant Act* that was assented to in 2012 cannot come into force; and
- (2) recognize that without the act or its regulations in place, landlords and tenants lack formal terms of reference on which to base their relationships, including the dispute resolution processes.

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

THAT this House urges the Government of Yukon to retain the name "Sarah Steele Building" when it reopens the downtown alcohol and drug treatment centre.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to table the new formula it is using to calculate Yukon's visitation statistics.

Speaker: Is there a statement by a minister?

This then brings us to Question Period.

QUESTION PERIOD

Question re: YESAA process

Ms. Hanson: This Yukon Party government has refused to recognize that its stance on Bill S-6 is hurting Yukon. In desperation, they have thrown a Hail Mary pass and proposed a bilateral agreement with Yukon First Nation governments. The government cites the Yukon *Oil and Gas Act* as a precedent. In fact, in 1997, the Yukon NDP

government and First Nation governments negotiated and signed a bilateral agreement before oil and gas was devolved from Canada to Yukon. Key benefits were negotiated with First Nations to get their support for the bilateral agreement.

In 2012, this government then breached that bilateral agreement by unilaterally deleting section 13 of the *Yukon Oil and Gas Act*, removing the requirement for consent of First Nations prior to developing oil and gas. Why would First Nations trust this government and agree to a bilateral agreement when the government has shown they have no qualms about reaching agreements when it suits them?

Hon. Mr. Kent: As the Premier has stated on previous occasions in this House, we believe that Bill S-6, the federal legislation that was introduced in the Senate and is currently in Committee in the House of Commons, is good for Yukon's economy and will strengthen Yukon's environmental and socio-economic assessment system. We certainly stand by that and we also hear the concerns that have been expressed.

Again, as the Premier has previously stated, governments in Yukon have a job to do. That is what our government has proposed. We have outlined a workable way through the division that exists — Yukon and First Nation governments negotiate a bilateral accord to implement the bill. This has happened in the past and we believe it can be successful in the future.

This bill, Bill S-6, is being supported by industry organizations such as the Yukon Chamber of Mines and the Klondike Placer Miners' Association but, as I've said on occasion in this House as well, the YESAA assessment process is about more than just mining projects.

It is about municipal projects, it is about tourism developments and it is about individual landowners and projects that they would like to see proceed. It is about oil and gas and agriculture and forestry as well. It is a very broad and sweeping assessment process that does a great job and these amendments I think will improve the process even further.

Ms. Hanson: The lesson is that trust is something that is earned. It is not something to ask for at the final hour on the courthouse steps. YESAA and the *Yukon Oil and Gas Act* have a similar history. They both stem from agreements negotiated in good faith at a time when relationships actually meant something to the Yukon government. Now they have both been breached by this government. The minister did not answer my question when I asked it the first time, so I will try again.

With the track record of breaching agreements to which they have a legal obligation, why does this government expect Yukon First Nations to trust them and now agree to some sort of ill-defined, bilateral agreement over Bill S-6?

Hon. Mr. Kent: As I mentioned in my previous response to the member opposite, our government has proposed what we feel would be a workable way through the division that exists and that is to have Yukon and First Nation governments negotiate a bilateral accord to implement the bill. It is something the Premier has stated. We have done this before and can do it again and find our own solutions together moving forward together.

Just with respect to Bill S-6 and some of the comments made in this Chamber and publicly by the Leader of the Official Opposition with respect to the operating mine in Minto and that it will shut down if there is litigation around Bill S-6 — I did reach out to the general manager of that mine over the weekend and mentioned what the Leader of the Official Opposition has said. He said to me that: "It was absolutely incorrect. I did say if regulatory changes did not take place soon, there would be no mining in the Yukon. I did not mention the Minto mine in this respect and further was speaking as the VP of the Yukon Chamber of Mines. I can assure you I would not have said that in any way, shape or form."

Let's talk about trust; let's talk about that. The member opposite should be ashamed for mentioning a publicly traded company, not only on the floor of this House but in the community, when it comes to what the general manager of that company said. Again, he did give me permission to read that into the record here today.

Ms. Hanson: Just before the consent clause was removed from the *Yukon Oil and Gas Act* by this government, the government received a letter from the Kaska explaining the implications of the action. They said — and I quote: "...what will you have achieved? You will have incurred our deep enmity and otherwise irrevocably damaged a relationship that is supposed to be trust-like, not adversarial. You'll have destroyed any doubts which many exist regarding your government's profound lack of respect for our recognized title and rights, and you will have erected a completely unnecessary, but potential insurmountable boundary to any new oil and gas development..." History is repeating itself. What was said then applies equally to Bill S-6.

When will this government acknowledge that the proposed bilateral agreement is just another desperate attempt to divert attention from their efforts to gut Yukon's environmental and regulatory processes?

Hon. Mr. Kent: Again, I will reiterate that the government believes that Bill S-6 is good for the Yukon's economy and will strengthen the Yukon's environmental and socio-economic assessment system. We stand by that, but we have proposed to First Nation governments that we would like to negotiate a bilateral accord to implement the bill.

When it comes to working with First Nations, this government has a tremendous track record. We're currently in reconciliation talks with Kaska First Nations — the three from British Columbia and the two from Yukon; Ross River and Liard First Nation. I can go up and down these benches, Mr. Speaker, and each and every one of the ministers on this side of the House could speak at length to the cooperation and partnerships that are going on between their departments and First Nations. I believe there's a 30-page document we have that outlines partnerships and collaboration with First Nation governments across the board.

Again, just to close, I would reiterate that the general manager of Capstone Mining is quite disappointed with the fact that the member of the Official Opposition would say the

things that she has, both inside this House and outside, with respect to the closing of the Minto mine.

When you're talking about publicly traded companies, you're also talking about shareholders. Again, I think we all, as legislators, have to be careful of what we say, not only on the floor of this House, but out in the public, when it comes to publicly traded companies.

Question re: Robert Campbell Highway improvements

Mr. Tredger: Let me quote the last few budget highlights of the Yukon Party government: 2012 government budget — \$7 million for the reconstruction of the Campbell Highway from kilometre 10 to kilometre 190; 2013 budget — \$8 million for the reconstruction of the Campbell Highway from kilometre 10 to 190; 2014 budget — \$9 million for reconstruction of the Robert Campbell Highway kilometre 97 to 107; 2015 budget — \$9 million for work terminating at kilometre 190. Guess what starts near kilometre 190? The Wolverine mine road.

Will the minister admit that his government's Campbell Highway investments were first and foremost for the benefit of the Wolverine mine and not the people of Watson Lake, Carmacks, Ross River and Faro?

Hon. Mr. Kent: I certainly found the Official Opposition's position with respect to this expenditure quite interesting yesterday. Mr. Speaker, when the Yukon Party government was first elected and their first budget presented in 2003-04, they started to make significant investments in the Campbell Highway. There were investments made between Carmacks and Faro, and then there was a functional plan done from kilometre zero to kilometre 190, which is the Wolverine cut-off. Again, that functional plan has served as a placeholder for additional investments in the Campbell Highway over the past number of years.

In the fall capital update that was announced by the previous Minister of Highways and Public Works, there is a functional plan being conducted from kilometre 190 to kilometre 414, which will help inform the next series of updates to the Campbell Highway.

The Campbell Highway is an important access, not only for industrial traffic, such as mining trucks and other industries that take place along that corridor, but it is important for the travelling public, as well as tourism opportunities that exist within that region of the Yukon.

These are significant investments that this Yukon Party government has made and previous Yukon Party governments have made all along the Campbell Highway. Again, I think for the member opposite to suggest that we're only doing it for industrial purposes is completely inaccurate.

Mr. Tredger: With the Wolverine mine shuttered after a short period of production, Yukoners laid off, Yukon businesses lining up in a court process to have their debts paid, and no royalties paid, the public wants to know whether the millions of dollars spent by the Yukon Party government to subsidize this mine was money well-spent.

In budget after budget, investments stop at kilometre 190. It is clear that upgrading the Campbell has been about one thing — improving access to the mine. Now that the mine has shuttered after a rather short period of production, does the minister believe that the millions spent for upgrading the Robert Campbell to the mine was money well-spent?

Hon. Mr. Kent: As I indicated in my previous response, there have been significant investments made on the portion of the Campbell Highway between Carmacks and Faro by previous Yukon Party governments, starting with the initial budget that was introduced by the Yukon Party that was first elected in 2002 with the 2003-04 budget.

The Campbell Highway is an important access, not only for those mining companies that exist there — of course, the traffic that used to travel on there from the former Wolverine mine, which is now in temporary closure — but also the Cantung mine, which comes down the Nahanni Range Road. Members will be aware that Selwyn Chihong is planning to use the Campbell Highway as well, as an access for their proposed mine.

So, Mr. Speaker, not only industrial traffic, but travelling Yukoners and tourists will be able to take advantage of the investments that this government has made in the Campbell Highway over the years, and will continue to make. It is an extremely important access corridor for a variety of reasons, and that is why we continue to invest in infrastructure that members opposite continue to vote against.

Mr. Tredger: Yesterday the minister declared the Campbell Highway a public highway important to the people of Watson Lake, Carmacks, Faro and Ross River. While the Yukon Party committed millions on improving the road to the mine, problem roads used by communities have received scant attention. The average daily traffic count shows that public use of the Campbell Highway near the mine has averaged about 30 daily drivers. There are sections of the Campbell used far more by locals that have received little attention. The section between Ross River and Faro is a critical link between the communities, but the road is in terrible shape.

With the mine shuttered, does the Yukon Party government plan to carry on and spend \$10 million on upgrades for the benefit of the mine, or will it reallocate funds to address other critical highway needs that the people of Ross River and Faro have been requesting for years?

Hon. Mr. Kent: Perhaps the member didn't hear that in my first response I mentioned that, in the fall capital update provided by the previous Minister of Highways and Public Works, there is the Campbell Highway functional plan, which takes in from kilometre 190 to 414. Kilometre 414 is approximately the Drury Creek station, which is well past the section of the highway that the member opposite is referencing. The first functional plan up to kilometre 190 was completed a number of years ago and serves as a placeholder.

Mr. Speaker, when you read the news release put out by the New Democrat Official Opposition yesterday, you would read it to suggest that a \$7.25-million investment was for 180 kilometres of reconstruction. I should probably inform the member opposite that the most recent tender that closed with

respect to the Campbell Highway was for six kilometres of reconstruction. The low bid on that came in at \$2.696 million.

Again, I would encourage the member opposite, when the House rises in June, to take a drive. Take a drive on the Campbell Highway and check out where we are at. We are still three construction seasons away from the Nahanni Range turnoff. That is at kilometre 107.

Mr. Speaker, I think it's easy for individuals on this side of the House to figure out how long it would take to complete those reconstructions on that highway.

Question re: Mining sector development

Mr. Silver: For many years, the Yukon Party insisted that the upturn in mining in the territory was a direct result of their actions taken. Now that the mining industry is in decline, the government is trying to shift the blame to world mineral prices. The government is trying to have it both ways: take credit during the good times and assign the blame during the bad.

Here's what the owner of the Eagle Gold property near Mayo said this winter — and I quote: "Everybody is a bit uneasy about the Yukon these days." He said that the mining industry is uneasy because the Yukon government's efforts to streamline the permitting process had been met with so much opposition. He also said that investors fear it is impossible to open a mine in the territory right now.

Mr. Speaker, this is happening under the Yukon Party's watch. Does the government accept responsibility for the fact that investors are now saying it is impossible to open a mine in the Yukon?

Hon. Mr. Kent: When it comes to the mining industry in the Yukon, we are very proud of what we've accomplished, whether it's with respect to the hardrock industry or the placer mining industry.

We are currently in a world economic downturn when it comes to this industry and that's why we feel this is the time to make strategic investments in infrastructure. It's time to train Yukoners for jobs and opportunities. It's also time to take a look at our permitting regime. That's why we've launched the mine licensing improvement initiative. This is on top of amendments that we made to timelines in the water licensing process last year. We're embarking on a mineral development strategy with our First Nation partners and industry. This is something the Yukon Minerals Advisory Board and the Yukon Chamber of Mines are participating in. We want to emerge from this global economic downturn in better shape than we went in and be a world-class destination for mining investment globally.

Mr. Silver: The chickens are coming home to roost, it seems. The Yukon Party spent years crowing about how it was responsible for a mining boom in the Yukon. Now investors fear that it is impossible to open a mine in the territory due to the uncertainty created by this government.

The president of Victoria Gold told local media in January that the mining industry is uneasy because the Yukon government's efforts to streamline the permitting process have been met with so much opposition. He went on to say that it

would be naïve to include the opening of his mine in any short-term economic forecast, yet that's exactly what this government continues to do.

Here's a quote from the Yukon Party during the good times: "We will take credit for becoming a mining hot spot in Canada." Mr. Speaker, why is this government now unwilling to accept the major role it has played in making the Yukon an undesirable to invest in?

Hon. Mr. Kent: The simple answer is, because it's not correct. We are working extremely hard over a number of fronts to ensure that we emerge from this current global economic downturn in better shape than we went in.

The Premier and I recently travelled to Toronto and met with a number of investors accompanied by several chief executives from junior mining companies that are active in the Yukon, including the one that the member opposite referenced. On top of investing in infrastructure and training, and trying to streamline our permitting and licensing process, we are also — through the Department of Economic Development — active with the Yukon Mining Alliance. The Chair of that organization is the individual the member is referencing.

That organization is a public/private partnership that seeks investment in many of the major financial centres around the world, including New York, Toronto and centres in Europe and Asia.

We are working hard to ensure that when the cycle returns, we are well-positioned to take advantage of that and we are the number one mining jurisdiction in the world.

Mr. Silver: It is quite interesting to watch the government try to shift the blame to world mineral prices. When times are good, the Yukon Party dismisses the role that mineral prices played in the success of our mining industry. They said it wasn't a factor. They said it was all the Yukon Party's doing — that they single-handedly made the Yukon a hotspot for mining. Now the shoe is on the other foot and the government refuses to take any responsibility for this downturn. Investors are saying it is impossible to open a mine in the Yukon right now. We are dropping like a rock in the Fraser Institute's survey on mining. Thirteen percent of the Yukon is under a full staking ban because of this government's unwillingness to work with First Nation governments. The Wolverine mine recently closed and another court battle with Yukon First Nations is on the horizon.

Does the minister accept any responsibility for these events that have occurred under his watch?

Hon. Mr. Kent: I think the government is being very proactive in trying to address the concerns that are raised by industry and we have heard in the financial centres around the world — whether it is Toronto, New York or other places — that we do need to improve our mine licensing. When it comes to the Yukon's responsibilities, it is the *Waters Act* and the *Quartz Mining Act* and the associated licences with those two different pieces of legislation. We are working through the mine licensing improvement initiative. We are embarking on a new mineral development strategy. We are investing in things

like the Centre for Northern Innovation in Mining and capital construction at not only the Whitehorse campus of Yukon College, but throughout the Yukon through the mobile trades trailer.

Of course the government can play a role when it comes to investment attraction and we recognize that there are some things that are in our control that we need to address and we are going to address them, so that when this current global downturn in the mining cycle reverses itself, we are very well-positioned to emerge as one of the leaders globally for attracting mining investment and ensuring that it is a first-class destination for everything from early stage prospecting to mine development and production.

Question re: Access to Information and Protection of Privacy Act implementation

Mr. Barr: Yesterday Yukon's Information and Privacy Commissioner wrote a letter to the deputy minister of Community Services regarding her concerns with Bill No. 87, *Personal Property Security Registry (Electronic) Amendments Act*. Bill No. 87 creates an on-line database that stores personal information that is managed by a third party. The Privacy Commissioner has a problem with the government's decision to exclude the proposed new registry from the ATIPP act — Yukon's access to information law.

Why didn't the minister consult the Information and Privacy Commissioner about Bill No. 87 before excluding it from Yukon's access to information system?

Hon. Mr. Dixon: Earlier this session we had a chance to table the act in question — the PPSRA — that will be debated in the course of the Sitting. I look forward to getting into the details of the bill in debate in Committee of the Whole and in second and third reading. I am very proud of the work that has been done by the Department of Community Services in drafting this bill and bringing it forward to the Legislature. I think it will go a long way to reducing significant red tape on Yukon businesses and Yukoners who are borrowing money to leverage against their personal property. I think it's a good bill that will do a remarkable job of reducing red tape for Yukon businesses and Yukon borrowers.

With regard to the specific questions raised by the member opposite — of course we'll get into that when we debate the bill clause by clause, but we did consult the Information and Privacy Commissioner and sought input. That input will get consideration as we move forward.

Mr. Barr: Mr. Speaker, there was no consultation whatsoever. Yukon's access to information law already applies to the current registry. The information isn't changing, just the place it's stored — so why the change? The new registry is similar to the Panorama system that's used by Health and Social Services. That database, located in British Columbia, is managed by a third party, just like the registry proposed in Bill No. 87.

When a public body like a government department has control of data, that data should be subject to the ATIPP act. Even though the Panorama data is stored in B.C., Health and

Social Services still has control of it. Why should the personal property security registry be any different?

Mr. Speaker, this exclusion just does not add up. In light of the Privacy Commissioner's concerns, will the government remove Bill No. 87's ATIPP exclusion clause?

Hon. Mr. Dixon: No, we will not remove that clause. This is a very simple matter that we'll, I'm sure, get into in detail during debate on the bill. We're moving this system to a system that's used by a number of jurisdictions in Canada. It's called ACOL system, the Atlantic Canada On-Line system. The reason why ATIPP doesn't apply is because we won't own the data and Yukon government can't be responsible for that data in that sense.

I look forward to getting into this at length in Committee of the Whole debate on this particular bill, but I should note that, while we appreciate the input the Information and Privacy Commissioner has provided through the letter that was tabled earlier today, I am confident the bill is good as it is, and we look forward to passing it in this House during this session.

Question re: Mine closure security

Mr. Tredger: Here's a timeline about Yukon Zinc. In November 2013, Yukon Zinc requests flexibility to the security payment schedule. EMR agrees to suspend payments temporarily. In March 2014, EMR sets a new payment schedule. On October 31, Yukon Zinc misses a \$350,000-payment. On January 31, 2015, Yukon Zinc misses another payment for \$450,000. The pattern makes it clear: The minister made a decision to take a soft line with the company and hope they would come into compliance.

What have we learned? Would the minister have acted differently? Would he have taken a stronger position with this non-compliant mine instead of offering opportunity after opportunity to meet its obligations?

Hon. Mr. Kent: Again, when it comes to compliance monitoring and inspections, we normally follow a triple-E model, which is educate, encourage and then enforce. Unfortunately, Mr. Speaker, we did set up a payment schedule with Wolverine mine to get them back into compliance with their security. We do hold \$7.8 million for security, which is being held right now by the Yukon government. These missed payments that the member opposite is talking about are something that has concerned us, especially since the mine has obviously gone into temporary closure.

Professional staff at EMR is responsible to ensure that Yukon's Zinc Corporation meets its obligations and we have since taken legal action in regard to the failure to make the security payments.

Mr. Speaker, I think it would be speculative to stand here today and say to the House what we would have done had we known then what we now know today, but again, with compliance monitoring and inspections we try to first educate and encourage companies to come into compliance followed by enforcement and that is just as important with the Wolverine mine as it with other individuals. We certainly

recognize that mining is important to our economy and the impacts this closure has had —

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

Mr. Tredger: The minister is ultimately responsible. He is supposed to represent Yukon's interest. He provides direction to his department. He would have known about the missed payments. He would have been privy to many conversations. He would have had many decisions to make when the company first missed payments, including whether the company should be fined. But he didn't stand up and insist the company live up to its agreement. We know where this has gotten us. The closure caught workers, the public and businesses by surprise and now those who are owed money are waiting in line at the courthouse.

When did the minister know the mine would not meet its security payments and why didn't the minister show leadership and insist that the company live up to its agreements?

Hon. Mr. Kent: Of course as the minister responsible for Energy, Mines and Resources, I am ultimately responsible for what happens at the mine and we tried to keep Yukoners working while we looked for the additional security payment through an agreed-to payment plan. The mine missed payments that were outlined by the member opposite in his initial question and we've since taken legal action in regard to the failure to make these security payments.

I think it's important again for me to reiterate and for Yukoners to know that we do hold almost \$8 million in security with respect to this mine and staff of EMR are regularly on-site now, inspecting what the company is doing. The company is still on-site. They're actively managing the care and maintenance through their staff. The professional staff at EMR is monitoring the work that they're doing. As I've mentioned previously, we've reached out to individuals in the Ross River Dena Council to offer them a visit to the mine site to see exactly what is being done there.

We're looking through legal means to secure the outstanding security payments that are due and we're working with the mine to ensure that the environment and human health are protected.

Mr. Tredger: The minister is responsible to Yukoners. It won't be the first time the Yukon Party was influenced by Yukon Zinc. Sometime in 2009, the chief operating officer of Yukon Zinc wrote to the Yukon Party Minister of Energy, Mines and Resources about concerns with inspections at Wolverine mine. The minister wrote back in agreement. I have the letter for tabling which reads: "We are also interested in streamlining processes to make them more efficient." At the company's request, the minister transferred responsibility for mining licences, water licences and securities transfers over to Energy, Mines and Resources in an MOU.

In the lead-up to the missed payments, did the minister have any direct discussions with the company?

Hon. Mr. Kent: It is difficult for me to comment on the letters that the member opposite is reading. I don't have copies in front of me and, just given the time that we have in

Question Period, I'm sure there wasn't time for him to read out the entire text of the letter, but I will look forward to reviewing that, prior to future Sittings here.

Again, with respect to this mine, we recognize that the temporary closure is having an impact on Yukoners, both those who worked at the mine site, as well as the businesses that supported them. We tried through education and encouragement to keep the mine operating and bring the mine back into compliance. Obviously they missed security payments. I think it is important to restate that we do hold almost \$8 million in security with respect to this mine and I believe there is another \$2.5 million that is outstanding. I am not sure of the exact figure, but I can get back to members with that.

This is something that — mining is an important industry in the territory. It is a cornerstone of our economy, whether prospectors or producing mines, such as the one that we're talking about here, and it is important for us to ensure that we try as hard as we can, for those Yukoners who are working there and those businesses that are supporting those mines, to be successful. That is where we're at with respect to this.

Speaker: The time for Question Period has now elapsed.

INTRODUCTION OF VISITORS

Mr. Silver: I would like to ask my colleagues to help me in welcoming a woman who is no stranger to the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing. She is a post-doctoral fellow from Duke University and also a resident of beautiful Atlin, B.C. — Dr. Kate Neville.

Applause

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

ORDERS OF THE DAY

OPPOSITION PRIVATE MEMBERS' BUSINESS

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Motion No. 912

Clerk: Motion No. 912, standing in the name of Ms. Moorcroft.

Speaker: It is moved by the Member for Copperbelt-South

THAT this House condemns the Government of Yukon's decision to proceed with hydraulic fracturing against the will of Yukoners, the recommendations of the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing and the concerns of the scientific community.

Ms. Moorcroft: Let me say at the outset that I do not lightly condemn the Government of Yukon decision to proceed with hydraulic fracturing against the will of Yukoners, the recommendations of the select committee and the concerns of the scientific community.

In fact, it saddens me that the Yukon Party does not stand with science, with First Nations and with the public in its determination to proceed with hydraulic fracturing. Above all, the Yukon Party government's actions in support of hydraulic fracturing have eroded public trust.

As the vice-chair on the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing, I was honoured to hear the thoughtful comments from citizens at public hearings held in 12 communities and to hear from scientists, government officials, industry, regulators, health practitioners, and boards established under the land claims agreements as the committee conducted its work.

As I will outline this afternoon, the Yukon public and Yukon First Nations are opposed to the Yukon Party plans to allow industry to develop oil and gas in the Liard Basin using the controversial and harmful practice of hydraulic fracturing. That opposition has been expressed frequently in person, in writing, in song and in costume. At some of our hearings, we had the caribou come to town.

The Yukon Party is opening the door to fracking in Yukon, despite Yukoners' opposition. If it's not safe for Yukon; it's not safe in the Liard Basin. As Yukon First Nations and others told the committee, you can't extract two percent of the land mass. The Earth is a system. Water systems are connected, and whatever harm we do cannot be undone.

The most recent opposition I will note, following the government's announcement that it will proceed with hydraulic fracturing in the Liard Basin, is that a group of Kaska members have formed the Kaska Society for the Protection of our Lands and Resources to fight against the government's plans.

The Yukon NDP stands with the Yukon public, who are opposed to hydraulic fracturing. The Yukon NDP stands with First Nations, which are opposed to fracking. The Yukon NDP stands with science. The scientific evidence does not exist to prove that hydraulic fracturing is safe — in fact, quite the opposite, as I will show.

We cannot support development of an oil and gas industry that would use enormous volumes of our precious water resources to inject a cocktail of harmful chemicals underground in order to extract shale gas, with a vague notion that it will bring economic benefit to the Yukon.

There has been no assessment of potential infrastructure costs, there has been no assessment of potential health and social services costs, and there has been no assessment of potential environmental costs. There's no evidence that hydraulic fracturing produces long-term employment for the local economy. Indeed, we heard from the Fort Nelson First Nation that development of oil and gas using hydraulic fracturing in the Liard Basin — at the other end of the same basin that this government wants to develop — has not benefitted that First Nation. We've heard there have been harmful effects, in fact, on the communities, on the land and on the habitat.

In the mining industry, 67 percent of jobs are held by workers from Outside. This is for an industry that has been

ongoing in Yukon for over 100 years. There are questions about whether the Yukon would see any significant job creation, as the access road for Kotaneelee starts in Fort Nelson, not in Yukon.

The Yukon NDP supports the principles of science. As the MLA for Mayo-Tatchun said yesterday in his tribute to the bridge building competition, we need young, enthusiastic citizens, trained in scientific methods, with a can-do attitude. The keys to learning are engagement, presentations of real challenges, research, sharing and collecting of information, putting forth hypotheses, building and testing those hypotheses, and bringing information learned to the next project.

Those words are quite relevant to the work of the select committee. Its mandate was to gain a science-based understanding of the technical, environmental, economic and regular aspects of hydraulic fracturing, and to determine whether allowing hydraulic fracturing is in the public interest.

Mr. Speaker, I will argue that the Yukon Party government has had a consistent agenda since 2011 in support of hydraulic fracturing — a pro-fracking agenda that preceded the establishment of the committee, a pro-fracking agenda that operated during and in spite of the work of the select committee, and now a pro-fracking agenda that is found in the Yukon government response of April 9 to the select committee report that was issued on January 19.

The Yukon Party agenda was demonstrated by, for example, its legislation to remove the requirement for First Nation consent before development occurred from the Yukon *Oil and Gas Act*, from the Premier's statements supporting the oil and gas industry at the Denver Gold Forum during the time the committee conducted its work, from the leaked Energy, Mines and Resources PowerPoint presentation on the government response to the select committee report.

Mr. Speaker, it is the Yukon Party government's pro-fracking agenda in the face of opposition from a majority of the Yukon public and opposition from Yukon First Nations that this motion condemns.

I will speak about the select committee's recommendations and the Yukon government response. A thorough read of its response shows that the Yukon government hasn't actually accepted all of the recommendations of the select committee, and rather, that they have changed the meaning or watered down the intent. The recommendations must be met before fracking is even considered in Yukon. The report says nothing of going ahead with fracking and responding to a stripped-down version of the recommendations.

Considering science — with hydraulic fracturing, the Earth is the laboratory. There is no modelling. There is no other planet that we can use. Tests are being done where hydraulic fracturing is taking place. There are known harms associated with hydraulic fracturing and more science is emerging weekly. I will refer to a few recent examples of studies on air pollution and note concerns about water, habitat and climate change.

I will refer to the Council of the Canadian Academies' report, *Environmental Impacts of Shale Gas Extraction in Canada*. This expert panel was established through a motion from energy ministers for Canada and for all jurisdictions to look at harnessing science and technology to understand the environmental impacts of shale gas extraction. That report concluded, among other things, that not enough is known and that regulatory regimes are not robust and are not based on sound science, contrary to what is asserted by members opposite.

Mr. Speaker, western science does not have years of data. It does not have generations of data as First Nations have and which have led First Nations to oppose hydraulic fracturing. Yukon First Nations, in their oral traditions, their passing down of stories and their culture, have generations of knowledge about the land and the water, the animals and their habitat, and because of that knowledge, they oppose hydraulic fracturing.

We stand with Yukon First Nations. As legislators, we have a moral and a legal obligation to respect the law and to respect land claim agreements. In submissions to the committee from First Nation citizens, leadership and elders in the form of resolutions, letters, petitions and, above all, the testimony at public hearings, we heard, without exception, opposition to hydraulic fracturing occurring on the traditional territories of any Yukon First Nation.

The Yukon public has not given social licence for hydraulic fracturing. The industry recognizes that they want and need social licence but government is not willing to do so.

Social licence can be translated quite simply as meaning widespread support of the public. I would suggest that 7,000 names on a petition submitted in this Assembly in opposition to hydraulic fracturing shows that there is not support or social licence for hydraulic fracturing. The Yukon NDP respects and agrees with the public's position informed by science and the experience of other jurisdictions that hydraulic fracturing has not been proven safe and should not occur here in the Yukon.

I will go through some of the select committee report — and I want to note that we agreed to work toward reaching a consensus in meeting our mandate. The committee, however, could not reach consensus to make recommendations on the following matters: whether or not hydraulic fracturing can be done safely; whether or not hydraulic fracturing should be allowed in Yukon; whether or not social licence from the Yukon public is necessary before considering hydraulic fracturing in Yukon; and whether or not to proceed with specific regulatory development of hydraulic fracturing.

The committee did agree on a number of recommendations that “should be addressed before hydraulic fracturing is considered.” This is where the government and the members opposite are fundamentally in disagreement with what the committee has recommended.

The committee's intent in the wording of that initial outline on the recommendations is that those recommendations should be met before development occurred. The government has made the decision that they are

going to open up the Liard Basin and then they will do all these other things.

There are 21 recommendations. They are in great depth. They deal with many matters, and I will touch on some of them this afternoon.

The government's response was to say that they have accepted the report, and I will show how they have changed the meaning and watered down the intent, primarily by determining that they will proceed now before considering the concerns that are raised and the recommendations that are made. Those speak to water, to greenhouse gas emissions, to land and seismic activity, to human health and social impacts, to economic impacts and to matters of regulations.

I will speak to a different vision that the Yukon NDP holds — one that respects the findings and recommendations of the select committee report, one that supports a diverse local economy that does not shortchange the rights of future generations to enjoy the environment that we hold dear today and that we are privileged to enjoy.

As a mother and a grandmother, I want my children to be able to drink the water from the Yukon River. I am here to work for the well-being of future generations — as First Nations say, “to work for the rights of future generations for seven generations to come”.

As I have stated before in this House, the animals, the fish, the birds, water and trees — the Earth itself is alive. We do not have the right to destroy life for a short-lived fossil fuel economy. I am determined that while holding office as an MLA, I must act for social justice and for environmental justice. That is why I stand today to speak for this motion.

The Yukon Party is opening the door to fracking in the Yukon, despite Yukoners' opposition. I think it is important to go back to the beginning. We need to look back to February 3, 2012, when a government press release told an unsuspecting public that, during the twice-yearly disposition process, 12 areas of interest were targeted by oil and gas companies — all of them in the Whitehorse Trough, a 4,113-square kilometre area of land between Carmacks and Carcross. It is the most populated stretch of land in the territory. More than 75 percent of Yukon's population lives there. This was to be the catalyst of what can only be viewed as Yukon's oil and gas awakening.

The government set a 60-day consultation period. Meetings were held in different communities throughout the Whitehorse Trough so that Yukon citizens could provide comments on any environmental, socio-economic or surface-access concerns that they might have. I imagine that that first meeting didn't go quite as planned when, after the presentation by Oil and Gas Resources branch staff, they were bombarded with questions from the floor. That first meeting was to set the tone for the next two months.

On March 5, I attended the meeting in Mount Lorne, where more than 80 community members listened to the presentation from staff. We were told about Yukon's world-class regulations already in place and that is an assertion, I will repeat, that has been contradicted by the Council of Canadian Academies. We were told that we had nothing to

fear from an industry that had been doing this work for years. The community was not convinced.

During the question and answer portion, people asked thoughtful questions that showed the depth to which they had been researching the issue of hydraulic fracturing. It is certainly an issue that I have had a considerable amount of research time for since the establishment of the select committee.

Mr. Speaker, by the time the first public meeting was held in Whitehorse at the Transportation Museum, the department had changed their format. It was no longer an information session with a question and answer period. It was now an open house. Oil and Gas staff stood in front of colourful panels to answer questions as the public moved through the room, angry and disturbed because there was no oral presentation. There was no public question and answer period. There was no being heard by one's neighbours. Citizens felt they were being ignored and that their opinions were being silenced by the format. Some attendees of the open house speculated that the format had been changed to avoid the heavy fire and opposition that had been raised in Mount Lorne and in many previous communities.

By the next week, the format was once again changed back, in time for the meeting at the Hootalinqua fire hall in the riding of Lake Laberge. The hall was packed. People were standing along the walls and at the back of the room. Audience members sat patiently through the presentation, where they were told by one official that if the rules weren't followed, he could be counted on to head out to enforce the rules, baseball bat in hand.

You can imagine the response to that comment. Talk about overreacting to the public's right to participate in our democracy and to participate in critical decisions that government has to make about the future. People asked questions and raised concerns, and over and over again were told not to worry — world-class regulations were already in place. Yukon was ready for this industry.

The meetings were then taken north to Carmacks to a packed house. The presentation was met with similar disbelief and concern as all the others. No one in the community of Carmacks was buying it.

In the background of those 60 days, an organic group of activists had come together to create Yukoners Concerned about Oil and Gas Exploration/Development. They attended every meeting with a petition in hand. This was the beginning of the ongoing work that this group of passionate, informed and steadfast citizens continues to pursue today.

By the time the final meeting was held at the High Country Inn, hundreds of people were now following the proceedings and they came out and filled the space.

Speaker after speaker raised concerns over the development of hydraulic fracturing in the territory. They held nothing back. They spoke of their distrust of government, the weakening of democracy and their fears for our water and environment.

If one thing was clear, Mr. Speaker, it was that the people were unified when they said no to fracking. On April 12, the

government issued a press release from the minister then responsible that removed the Whitehorse Trough from potential development. In the release, he said that what we heard during the public review period is that many Yukoners have concerns and questions about oil and gas exploration and development in the Whitehorse Trough, and the recent public review was our first real opportunity to hear from Yukoners on the possibility of oil and gas exploration rights being issued in the Whitehorse Trough.

In a follow-up media interview, the then minister also said that what we heard is that there are a lot of Yukoners who have concerns and questions.

Mr. Speaker, one only has to ask: What has changed? Yukoners still have concerns and questions. There is still widespread public opposition to fracking. The Yukon Party government is pursuing its own agenda and is breaching the public trust, replicating the Peel consultations. It's more than disappointing that all of the hard work of the select committee process appears to have just been a formality, because it's clear that work was ongoing behind closed doors concurrent with the work of the select committee.

In my outline, I referred to the fact that scientific inquiry into hydraulic fracturing is ongoing. I should provide a brief definition of hydraulic fracturing. It's a drilling process that injects, under high pressure, a mixture of chemicals and water into shale rock deep below the surface of the Earth, causing fractures, or cracks, in the shale in order to extract oil and gas. Some of the chemical mixture is returned after the rock has been fractured.

The science tells us that between 20 and 80 percent of the mixture doesn't return to the surface and it's unknown where it does go. That uncertainty, in and of itself, is reason for caution. Hydrogeologists presented to the committee on the connections and pathways between waterways and the potential for destruction of water.

Another aspect of hydraulic fracturing that's important to recognize — and again, the Council of Canadian Academies, or CCA, report referred to that — is that there is about a 60-year history of hydraulic fracturing using horizontal drills. However, the modern, multi-stage, hydraulic fracturing is a different approach and a more recent approach that CCA indicates has been used in Canada for about 10 years. Under that method of fracking, the vertical drill goes down to a kickoff point, and then it goes horizontally, and a number of explosions occur along a long length of pipe to inject the chemicals and water and to cause fractures so that the shale can be returned.

That is not a procedure that has been widely studied for the long-term impacts that it can have when, as I said, it has only been in use for about a decade.

The incredible volumes of water that are used and the damage to water systems are one of the deepest matters of concern. Water is vital for life. Damage to streams, rivers, lakes, wetlands, oceans — none of that is in the public interest. What we destroy, we can never replace. Looking at aerial photographs of areas with widespread fracking shows

just how barren the land becomes after hydraulic fracturing. Nobody knows yet what long-term damage it may cost.

The select committee mandate was to gain a full science-based understanding of the technical, environmental, economic and regulatory aspects of hydraulic fracturing and current Yukon legislation and regulations. It was also to facilitate an informed public dialogue, to hold public hearings in Watson Lake and Old Crow and other communities — ultimately we determined to hold hearings in 12 communities — and to consider whether hydraulic fracturing could be done safely if properly regulated.

The committee was then directed to present its findings and recommendations on whether allowing use of hydraulic fracturing was in the public interest.

We had presentations and we held public proceedings in this Chamber for four days, inviting a number of presenters to bring forward information to facilitate that informed public dialogue. The committee met with Yukon government departments of Environment, Justice, and Energy, Mines and Resources, the Yukon Environmental and Socio-economic Assessment Board, the Yukon Water Board, the Energy Committee from the Yukon Chamber of Commerce, the Yukoners Concerned About Oil and Gas Exploration/Development group, the Yukon Conservation Society, and Dr. Brendan Hanley — and the committee conducted a fact-finding mission to Alberta.

To facilitate the informed public dialogue, we had a number of industry, regulatory and scientific presentations. Those included hydrologist, Gilles Wendling, who noted that multiple pathways exist for gas to escape a well and well leaks can be immediate or occur after a number of years. He noted the connections between ground and surface waters were complex and that in Yukon we are still developing our understanding of water resources and how they behave.

The BC Oil and Gas Commission focused on how the industry is safely regulated. The BC Oil and Gas Commission said it does not assess cumulative greenhouse gas emissions or monitor health effects directly.

The Pembina Institute spoke to the gaps in knowledge that include naturally occurring radioactive materials and the disposal of NORMs, of gaps in knowledge about greenhouse gas emissions. The overlapping infrastructure that occurs with this oil and gas development fragments the landscape, increasing the footprint and cumulative effects. Regional and land use strategies should be in place prior to development — that was their suggestion, and that's a recommendation that the committee heard from First Nations and from citizens in many presentations, both written and oral.

We had industry representatives from EFLO Energy Incorporated, Northern Cross (Yukon) Limited and the Canadian Association of Petroleum Producers. I'm only going to refer to the EFLO presentation because the proposal from the government is to develop oil and gas in the Liard Basin, which is where the Kotaneelee is located. The EFLO presented that there would be economic benefits from the development of the Kotaneelee field through the creation of jobs, taxes, royalties and spinoff benefits and the local

production and use of natural gas. They did, however, note that small-scale hydraulic fracturing to meet only local needs is not feasible.

Mr. Speaker, hydraulic fracturing cannot be small scale, and it is a complete fantasy that hydraulic fracturing would be done in order to provide local energy sources. That development would not occur without it being used for national and international markets — markets that, I note, are flooded at the moment.

Bernhard Mayer, a professor of geoscience, noted the general lack of scientific information about the impacts that hydraulic fracturing could have on groundwater.

Rick Chalaturnyk, a professor of geotechnical engineering, provided information on the geology of shale gas plays, on how well casings are constructed and tested, and how monitoring of well casings can be done at a technical level. He and many others have noted, though, that well casings fail and that a high percentage of well casings will fail over time.

Mark Jaccard, a professor of resource and environmental management, discussed some of the macro-economic issues of natural gas and fossil fuel markets. He advised against public funding of large infrastructure projects and suggested avoiding reliance on the tax revenue from natural gas projects due to the likelihood of a boom-and-bust scenario. He noted that a small jurisdiction like Yukon should be exploring renewable or zero-emission options as part of its energy system.

Donald Reid, an associate conservation zoologist with the Wildlife Conservation Society of Canada, focused his presentation on the potential impacts of hydraulic fracturing on wildlife in the Yukon. He noted that the use and potential contamination of water, the air pollution and infrastructure development and the noise produced by fracking are some of the impacts that could negatively affect wildlife habitat. In light of climate change, he questioned the ethics of contemplating new hydrocarbon developments.

That is only a brief snapshot of the scientific evidence that was presented to the select committee, and I want to, as I noted earlier, provide a bit of information from a fairly recent study. The March 2015 *Journal of Environmental Science and Health* published an article where researchers took six-hour average measurements of air pollution, instead of the traditional 24-hour average. They found that pollution levels tend to spike at certain times of the day and under certain weather conditions, which previous studies had ignored. The study found that the closer people lived to drilling sites and other gas-production facilities, the more likely they are to exhibit symptoms of toxic exposure.

The study was based on observed conditions in Washington County, Pennsylvania — population 28,000 — using emissions reports from nearby fracking sites and weather conditions over 14 months. The researchers also compared illness reports to the weather conditions and time of day. They found that residents living in the area would have toxic-level exposures more than enough to account for their reported illnesses.

The most common health effects reported for residents living near fracking sites include shortness of breath, coughing, chronic fatigue and skin burning. There are many others. There are new scientific reports being released on a regular basis.

Industry asserts that there is no harm caused by hydraulic fracturing, and regulators insist that any harms can be managed or mitigated by robust regulations. But scientists told the committee, “Do not believe anyone who tells you there is no harm caused by hydraulic fracturing.”

I am going to turn again to the CCA report on the environmental impacts of shale gas extraction and what they had to say about regulations. They said that shale gas developments pose particular challenges for governance because the benefits are primarily regional, although adverse effects are mostly local and cut across several layers of government. The Canadian regulatory framework governing shale gas development is evolving. Many aspects are not based on strong science and remain untested. Evolving regulations are not robust.

There have been specific problems with water use for oil and gas activities in the Liard Basin. The BC Oil and Gas Commission 2012 annual report issued a number of active short-term water-use approvals at various times during the year, and those were held by 50 companies. The massive draw of water used for fracking in the Liard Basin took so much water from tributaries that there was risk of a drought.

On August 2, 2012, the BC Oil and Gas Commission issued a directive suspending water withdrawals for short-term water use by the industry, due to low stream flow conditions. Several larger rivers and lakes less affected by the drought were exempted. On November 14, the suspension was lifted for all rivers in the Peace River drainage area, but it was maintained for smaller rivers in the Fort Nelson and Liard River drainages. The water suspension was lifted completely on January 23, 2013.

Mr. Speaker, I think that action alone of the BC Oil and Gas Commission, which had to suspend water withdrawals because of its harmful effect on the tributaries of rivers in the Liard Basin, should convince the government that they're heading down the wrong path.

I spoke at the outset about how we stand with First Nations. In the select committee's report, there is a summary of what we heard from Yukon First Nations. The Council of Yukon First Nations has adopted a resolution in opposition to hydraulic fracturing, and there are several member nations of the Council of Yukon First Nations that signed on to that. I'm going to refer to the First Nations' participation and what they said. We met with some First Nations in-camera; we met with others at committee public proceedings; we received submissions in writing; and we heard from many First Nation citizens at the public hearings. We offered translation services where they were requested and, in the community of Old Crow, there were translation services provided in Gwich'in. First Nation elders were invited to give an opening prayer in a number of communities.

The committee's first public hearing was held in Watson Lake, and Liard First Nation elders and citizens spoke of their opposition to hydraulic fracturing. They spoke about the need to protect fish, wildlife, people and the water for future generations. That theme came back repeatedly throughout our hearings.

The Daylu Dena Council is part of Liard First Nation and the Kaska Nation, and they don't recognize the British Columbia/Yukon border dividing their traditional territory. I would note also that the Gwich'in Tribal Council does not recognize the boundaries dividing Yukon and Northwest Territories.

Coming back to the Daylu Dena Council — its seat of governance is in the Liard Basin — that council described their experiences interacting with the oil and gas industry and the BC Oil and Gas Commission. They expressed concerns about industry practices and they noted shortcomings with the BC Oil and Gas Commission. Those concerns included timber use, sump sites, multiple access roads and a lack of planning and baseline data. The submission highlighted the potential negative impacts on water and wildlife from hydraulic fracturing. Now the government has said that they will not proceed without support from First Nations — and I'm going to quote: “Based on the many uncertainties that still exist, Daylu Dena Council is not supportive of hydraulic fracturing in Yukon.”

Mr. Speaker, the committee then travelled to the community of Old Crow and held a public hearing. In Old Crow, we heard from Jeffrey Peter, Paul Josie, William Josie, Vicky Josie, Erin Linklater, Tammy Josie, Brandon Kyikavichik, Bonnee Bingham, Robert Bruce, Esau Schafer, Danny Kassi and Fanny Charlie.

Mr. Speaker, I've read those names into the record today because in motion debate last week I referred to the submissions and I quoted from the submissions made by Vuntut Gwitchin First Nation citizens to the committee, and I neglected to include all of their names. I would urge the public to go to the Legislative Assembly website and to the Select Committee on the Risks and Benefits of Hydraulic Fracturing website where they can listen to the public hearings. They can read the transcripts, but people can also hear what people said. It was moving testimony.

I have spoken to many Vuntut Gwitchin First Nation citizens and leadership since the government announced its decision to proceed with hydraulic fracturing and they put the government on notice that they don't like what the government is doing. They don't agree with the government's decision to frack in southeast Yukon. They told me that the Gwich'in Tribal Council, like the Vuntut Gwitchin First Nation, remains opposed to fracking.

The Teslin Tlingit Council was one of the First Nations that passed a resolution opposing hydraulic fracturing in their traditional territory and they noted that they have a responsibility to protect land, water and the cultural way of life of the Teslin Tlingit. They mentioned chapter 14 of the final agreement, which makes the Government of Yukon responsible for the protection of water supplies. They

expressed their concerns about uncertainties plaguing all facets of the hydraulic fracturing process, including regulations and management. They spoke about the Government of Yukon and that it needs to reconcile First Nation interests through the exercise of consultation in ways that are in keeping with the honour of the Crown.

The Teslin Tlingit Council noted recent aboriginal rights and title legal decisions and they cautioned that the Government of Yukon should risk inviting further legal challenge. But it seems, as we've seen ever since this government took office, that they are inviting legal challenge from First Nations. We see that with Bill S-6 — with the amendments to the *Yukon Environmental and Socio-economic Assessment Act*.

I have to ask whether the Yukon government's submission to the federal government to add a provision for binding policy direction from the Government of Canada — binding policy direction that could then be delegated to a Yukon minister — was sent off to Ottawa because the government wants to be able to proceed with hydraulic fracturing.

In Dawson City, the Tr'ondëk Hwëch'in First Nation leadership voiced their opposition to hydraulic fracturing. They spoke about the resolution they had passed. They noted that fresh water is the most valuable for their ecosystems — animals and homelands — and that it should not be exposed to industry without their consent. They said to the committee that the right thing for you to do is to go back and to recommend a ban on hydraulic fracturing. They referred to the Government of Yukon's *Peel Watershed Regional Land Use Plan* and the risk of inviting further legal challenges if the Government of Yukon proceeded with hydraulic fracturing when Yukon First Nations oppose it.

The Ross River Dena Council noted that the Kaska Nation has pristine land. The Ross River Dena Council and the Kaska people live in Yukon, B.C. and the Northwest Territories. It includes many Kaska nations, all of which are opposed to fracturing. The chief encouraged the government to look at economic alternatives, such as adventure and cultural tourism, instead of — and I quote: “really harmful ways of making money that's through extraction of minerals and gas and trees.”

The Little Salmon Carmacks First Nation also passed a General Assembly resolution in opposition to hydraulic fracturing in its traditional territory and in Yukon.

The Selkirk First Nation said, at the public hearing in Pelly Crossing, that hydraulic fracturing was too controversial and that there should be a very long wait before it is considered. Elders spoke about the need to have clean water now and for future generations.

The First Nation of Na Cho Nyäk Dun also provided the committee with a copy of its annual General Assembly resolution in opposition to hydraulic fracturing. It calls on the Government of Yukon — and I quote: “...to prohibit any fracking in the Na Cho Nyäk Dun traditional territory.”

A youth councillor submitted a petition to the committee, urging the Government of Yukon to ban hydraulic fracturing

in Yukon. Their opposition is based on harm to traditional ways of life, including fishing, hunting and harvesting; threats to water, land and air resources; and few and short-lived jobs and economic benefits.

The people who attended in Mayo also pointed out the really obvious fact that the committee travelled to Mayo to hear from the citizens of Mayo and to hear from the Na Cho Nyäk Dun government — among others — about the risks and benefits of hydraulic fracturing and what the public had to say. That hearing was held on the same date that the Peel River watershed land use plan was being challenged in Yukon court in Whitehorse. The majority of the leadership and many of the elders and citizens of Na Cho Nyäk Dun travelled to Whitehorse and couldn't be at the public hearings, but they did make their voices known and they did make their opposition known.

The Carcross-Tagish First Nation made a submission to the committee as well, opposing hydraulic fracturing, and they noted that aboriginal drumming and a folk protest song enlivened the public against fracking and that Carcross-Tagish First Nation leadership, elders, members and staff made 29 witness statements. The witness statements from Carcross-Tagish First Nation reflected an indigenous perspective, respectful of the sacred obligations that Carcross-Tagish First Nation carries for Mother Earth, the lands, waters, air, animals, birds — all the resources — and the next generations yet to come. Climate change was also a theme, with a call for renewable and green technologies in place of hydraulic fracturing.

I spoke at the beginning about the CYFN resolution and opposition. The CYFN member nations are Carcross-Tagish First Nation, Champagne and Aishihik First Nations, the First Nation of Na Cho Nyäk Dun, Kluane First Nation, Little Salmon Carmacks First Nation, Selkirk First Nation, Ta'an Kwäch'än Council, Teslin Tlingit Council and Tr'ondëk Hwëch'in. Of the First Nation responses, the Gwich'in Tribal Council referenced the Vuntut Gwitchin First Nation resolution of August 2013 to oppose hydraulic fracturing, and the Gwich'in Tribal Council itself resolved at its 2014 Annual General Assembly to declare the Gwich'in settlement region to be a frack-free zone. The Gwich'in Tribal Council called on the governments of Yukon and Northwest Territories to prohibit any fracking in the Yukon and Northwest Territories.

Yukon First Nation leaders, citizens and elders have told us the land of their traditional territories is their home, their food basket, their medicine chest, their spiritual place. It has inherent value and should not be destroyed. Yukon First Nations ceded most of their land in exchange for agreements that provide for meaningful involvement in government decision making on the use of the land and the resources in the future. That was a vision of public governments and First Nation governments working together — working in collaboration, consulting with each other and listening to each other — that are entrenched in law. We need to respect that.

I am condemning the Yukon government's decision to proceed with hydraulic fracturing in the Liard Basin, because they are not respecting those agreements. Those agreements

provide for regional land use plans, and we see what happened with the government refusing to accept the final recommended regional land use plan for the Peel River watershed. Government came out with their own plan and forced the First Nations to go to court to uphold the honour of the Crown and to uphold the provisions of the treaties that are in those land claims agreements.

The *Yukon Environmental and Socio-economic Assessment Act* is another creature of the land claims agreements that deserves to be respected, not flouted.

The Yukon government has said they need the support of the affected First Nations. The Yukon government used to be obligated by law to seek the consent of Yukon First Nations in the *Yukon Oil and Gas Act*. In the 1990s, the territorial government wanted to pursue a transfer from Ottawa of control over Yukon's oil and gas resources. At the time, such a transfer required the formal support of affected Yukon First Nations. In 1996, the Yukon NDP government of the day and Yukon First Nation representatives entered into negotiations and produced a bilateral agreement that set the terms for the devolution of this legislation.

The legislation was devolved and the Yukon government of the time recognized that affected First Nations had aboriginal rights, titles and interests in the Yukon that were affirmed by section 35 of the *Constitution Act, 1982*. In recognition of this, the legislation had a section that Government of Yukon would not issue any new oil and gas dispositions in First Nation traditional territories that had not signed a final agreement without their consent.

Section 13 allowed the Kaska to have a say on the development on their land. In 2012, the Premier, in one of his first moves in office, unilaterally deleted the consent provisions contained in section 13 from the *Yukon Oil and Gas Act*. The Liard Basin is situated firmly in Kaska territory. It seems that this government was planning as early as 2012 to go ahead with fracking in the Liard Basin and was already laying the groundwork.

The government's actions around the *Yukon Oil and Gas Act* are very similar to their actions on Bill S-6 and YESAA. Both stem from agreements negotiated in good faith at a time when relationships actually meant something to a more honest and open Yukon government, and now they both have the reputation of having been breached by this Premier.

Just before the *Yukon Oil and Gas Act* was amended, the Kaska sent a scathing letter to the Premier. In it, they outlined their opposition to the unilateral changes that took away their consent. They told the Yukon government what the changes would mean for Yukon industry and relations, and they said — and I quote: "... what will you have achieved? You will have incurred our deep enmity and otherwise irrevocably damaged a relationship that is supposed to be trust-like, not adversarial. You'll have destroyed any doubts that may exist regarding your government's profound lack of respect for recognized title and rights, and you will have erected completely unnecessary but potential insurmountable barriers to any new oil and gas development in our traditional territory, for so long as your government remains in office."

It seems that history has a way of repeating itself, doesn't it, Mr. Speaker?

What the Kaska told the Yukon government about the *Yukon Oil and Gas Act* amendments is the exact same thing that Yukon First Nations are telling this government about the amendments to YESAA contained in Bill S-6. I refer to the four controversial amendments that were added on after the consultation period and the five-year review of the YESAA. I do acknowledge that there are a number of amendments that were agreed to by First Nations.

I would also like to note that the Fort Nelson First Nation Chief Gale and Lands Director Lana Lowe spoke about the negative consequences of hydraulic fracturing on the B.C. side of the Liard Basin. Fort Nelson First Nation said that they did not receive adequate economic compensation and benefits for their citizens. Fort Nelson First Nation reported that crime, violence and social disruption had increased with the industry coming to their territory. They spoke about harmful effects on wildlife and habitat.

Mr. Speaker, before I close, I want to go to the Government of Yukon's response to the *Final Report of the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing* that was issued on April 9. They assert that their work is underway to implement actions so that they can proceed with hydraulic fracturing. They want to address the recommendations while they are going ahead with encouraging development. They say they will meet their legal obligations to consult with affected First Nations, but I go back to the fact that the committee report said that, of the recommendations that we could agree to, those needed to be addressed before the government considered hydraulic fracturing.

The government has said that it will require the involvement and support of affected First Nations on any future oil and gas development within their traditional territories that requires hydraulic fracturing. I've spoken this afternoon of the position of Yukon First Nations, including the Kaska, whose territory includes the Liard Basin. I think the government needs to be very cautious about proceeding, because they do not have support from First Nations.

In its response on water, the government is going to collect additional baseline groundwater and surface water data. Here I want to note that we don't have very good data as of yet and we don't have long-term data. The Yukon government proposal — or not proposal — their decision is that Water Resources, Oil and Gas Resources and the Yukon Geological Survey are collaborating with the University of Calgary on a Natural Sciences and Engineering Research Council of Canada, NSERC, project to develop baseline monitoring techniques to assess potential impacts on groundwater and surface water of oil and gas extraction.

They said that they will seek expert advice to confirm our baseline information is adequate in comparison to other jurisdictions. Well, Mr. Speaker, how low are they going to set the bar?

In other jurisdictions, we have certainly seen the damage that has been caused. They are not saying that they will

confirm a long-term set of baseline data. They say they are going to have it be adequate in comparison to other jurisdictions. I want to exceed what other jurisdictions have done — that is what I would like to see happening in the Yukon. When the government says they will seek expert advice to confirm their baseline data, I am deeply concerned that their view of who to consult for expert advice will be the industry, which is promoting the development of oil and gas and the use of hydraulic fracturing, and the regulators, who assert — in complete contradiction to the science — that they have robust regulatory regimes in place to protect the environment. They don't exist — those robust regulations.

The frack fluid impact on groundwater is unknown. The impact on permafrost is unknown. Throughout the Yukon, there are regions of both discontinuous permafrost and other types of permafrost in the northern regions. That is something that there is not enough scientific evidence on to understand whether hydraulic fracturing could be safe.

I want to refer to the *United Nations Declaration on the Rights of Indigenous Peoples* and the rights of indigenous peoples for free, prior and informed consent before developments take place. That is an obligation that the Yukon government should pay attention to. Canada is signatory to that UN declaration.

There is also the issue of non-compliance by industry and I want to make a brief mention of what is occurring in Alberta, where Jessica Ernst, who has spent 30 years working in the oil and gas industry as an environmental specialist, documented what she calls non-compliance by Encana Corporation, one of her former clients, with Alberta environmental regulations — a whistle-blower, in other words. Her belief is that Encana knowingly injected chemicals into the drinking water in Rosebud, Alberta, about 100 kilometres northeast of Calgary. When the select committee made its fact-finding trip to Alberta, we heard from residents about their health concerns.

Ms. Ernst has filed a lawsuit for what she alleges was a violation of her freedom-of-expression rights under the *Canadian Charter of Rights and Freedoms*, because the Alberta regulators sent a cease-and-desist letter to her that accused her of making criminal threats against the regulator, for speaking out about what she believed to be harmful activities.

Now the Supreme Court of Canada is being asked to rule whether the province's energy regulator is allowed to violate a citizen's fundamental freedoms. We are talking about huge implications on not just the environment, but on the rights of citizens.

There is a group in Cochrane, Alberta, that has organized and written letters to all levels of government. They have joined provincial groups to educate people about hydraulic fracturing. They have met with industry representatives, but their concern is that it may be too late. Their concern is also that nobody knows what long-term damage fracking might do.

In referring at the outset to this government's decision — before they even struck the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing — to proceed with

supporting the oil and gas industry, I mentioned a number of actions that it has taken that show their purpose.

A recently leaked memo from Energy, Mines and Resources discussed the need to enter into an oil and gas agreement with the Liard First Nation. There was also a leaked PowerPoint presentation to caucus about hydraulic fracturing. There is much more that I could have said about hydraulic fracturing. I could have read into the record quotes from the presenters to the select committee.

I want to encourage people who are interested to go to the Yukon Legislative Assembly website for themselves and read the transcripts of the many experts' presentations at the committee's public proceedings.

I also want to encourage people again to listen to the testimony of the public at the hearings that were held in the 12 communities in the Yukon. There were over 700 people who presented to the committee, and the committee also received 435 written submissions. More than 95 percent of those submissions were opposed to hydraulic fracturing.

When all is said and done, the Yukon Party government has not respected the findings and recommendations of the select committee. It appears they never intended to. We do agree that public dialogue needs to continue. This government may never again regain the trust of the Yukon public. They have destroyed it through too many actions: the Peel River watershed final recommended land use plan being rejected; the unilateral changes to YESAA that they have proposed; and now the action to support oil and gas development and hydraulic fracturing in the Liard Basin.

The government cannot assert that, because it is only two percent of the land, that really it is just a small thing. It is not really anything anybody needs to worry about. The science does not bear that out.

When I spoke with the Chief of Vuntut Gwitchin First Nation this week, his message was that they stand behind the resolution to oppose hydraulic fracturing, not just in Eagle Plains, but throughout Yukon. When I spoke with elders in the community, they said, take notice, Yukon government; we are not happy about your decision to proceed with hydraulic fracturing in the Liard Basin. We do not support it and Yukoners and First Nations will stand up against it.

We do urge the Yukon government to listen to Yukon First Nations. As I mentioned, a group of Kaska members have formed the Kaska Society for the Protection of our Lands and Resources to fight against the government's plans to frack. We urge the Yukon government to refrain from its pro-fracking agenda in the absence of widespread public support — or social licence, as it's called. We urge the Yukon government to refrain from its pro-fracking agenda in view of the scientific evidence and we urge the Yukon government to refrain from fracking in Yukon because of the opposition of First Nations.

It is possible to have a strong and diverse local economy that values the environment. As Yukon First Nations and community members have told us, a subsistence economy is legitimate. The wealth of the territory includes its people and its environment. We can have a strong and diverse local

economy that includes a knowledge-based economy, technology, education, arts and culture, trapping, forestry and small business development. But Mr. Speaker, hydraulic fracturing does not belong in our territory. It does not advance the economy and it's the wrong thing to do.

I commend this motion to the House and I urge members to support it.

Hon. Mr. Kent: I would like to thank the Member for Copperbelt South for bringing forward this motion for debate today here on the floor of the House.

I would also like to thank her for her role on the select committee, along with the Member for Klondike, the Member for Mayo-Tatchun and the three government members, the Member for Vuntut Gwitchin, the Member for Watson Lake — who was the chair of the committee — as well as the Member for Copperbelt North. It was a tremendous amount of work that they put into developing this *Final Report of the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing* and I commend them for that.

I know as politicians and MLAs and Cabinet ministers we all have very busy schedules. There are a number of commitments, not only in our ridings, but also in the broader community. For them to take the time that they put into this and the work they did I think on behalf of all MLAs in this Legislative Assembly — we owe them a debt of gratitude. It was a tremendous amount of work on an issue that is subject to considerable debate and is a concern to many Yukon citizens, whether they are for it or against it.

With respect to the motion itself, of course the government will not be supporting this motion today. There are a number of problems with the wording and I think that even if there were some amendments that we could make to the motion to make it more palatable, it would take away too much from the meaning of the motion. So rather than doing that, we will just simply not be supporting the motion as it is crafted by the Member for Copperbelt South and the NDP Official Opposition.

Last week, the Yukon government came out with our response to the *Final Report of the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing*. On top of that, we also made an announcement that we will be open to applications for potential hydraulic fracturing in only one area of the Yukon. That is the Liard Basin and that would only occur with the support of the affected First Nations. Of course those affected First Nations are the five Kaska nations — the three in British Columbia as well as the two Yukon First Nations, the Ross River Dena Council and the Liard First Nation. There is also the Acho Dene Koe, a First Nation based in the Northwest Territories in the community of Fort Liard that is — I don't have the number, Mr. Speaker, but I am assuming it is the closest community that we have to the area in question.

We believe that this is appropriate because there is an established industry in that part of the Yukon and infrastructure exists. There have been producing conventional natural gas wells in the Liard Basin going back to the 1970s.

They were significant producers. I believe two of them were rated in the top-30 wells in Canada at peak production. Again, with that and the delivery infrastructure and the processing infrastructure that exists, we feel that this area is an appropriate area to focus on with respect to this type of shale gas development that we are looking for.

This area, as I have mentioned, is less than two percent and my understanding is that it is actually 1.3 percent of Yukon's total land area. This is also about bringing Yukoners home to work and live and, in many cases, reuniting families who live apart because work can only be found elsewhere. I have mentioned in reports to local media recently that although our resources are managed by us, they are owned by Canada.

My colleagues and I believe that we must be a contributor to the country and cannot rely only on the hard work of British Columbians and Albertans and residents of Saskatchewan to do the heavy lifting when it comes to responsible resource development. We must play our part, and I believe a strong and robust energy sector is an opportunity for us to do that, on top of all of the other industries that we have in the territory. We are a relatively small jurisdiction population-wise, but we have strong industries in mining, both hardrock and placer. We have strong tourism numbers and continue to see growth and investment by our government in that particular industry. There is the knowledge sector. There is the public sector that plays an important role here in the territory as well. I feel that through those industries — on top of other industries that I am responsible for as Minister of Energy, Mines and Resources, such as agriculture and forestry — we can be a net contributor to this country and hold our own and make a difference when it comes to generating wealth and being able to make those investments in health care, education and infrastructure, which are not only important to us, but important to Canadians from coast to coast to coast.

With respect to the First Nations' support, we are already in reconciliation talks with the Kaska First Nations — again, the five mentioned: three British Columbian and two from Yukon — and are also initiating talks with the Acho Dene Koe. These are the two affected First Nations in regard to the Liard Basin.

The Yukon Party supports all responsible regulated resource industries and is committed to creating the conditions that bring jobs for Yukoners right at home, right here in our territory.

In responding to this motion this afternoon — and I guess my time for a response is unlimited, but I certainly won't go on for any longer than necessary because I am interested in hearing from other members. With respect to the New Democrat Official Opposition, I think that as early as 2011, in the 10-day Sitting that we had after the election that started this, I believe the Member for Mayo-Tatchun raised the issue of hydraulic fracturing during that time. Certainly, I don't believe that it would come as a surprise to any Yukoner that the New Democrat Official Opposition is opposed to this practice.

Of course there was a mail-out that many Yukoners received from the NDP Official Opposition with respect to their opposition to this type of activity. In that 2011 Sitting, the Member for Klondike at that time was very bullish about the opportunities with respect to the oil and gas industry in the territory and, since then, has changed his mind. At the time, he mentioned that developing LNG is better for the environment than diesel; it is good for our business community; it would bring new investment into the Yukon and one day could grow to rival mining as our biggest resource sector.

So I am anxious to hear from him as well. He will have the time — perhaps when he has his chance on the floor, he'll be able to talk about why he has changed his mind with respect to the opportunities that exist with oil and gas development here in the territory. Mr. Speaker, I'll just mention — through you — to the Member for Klondike that I don't plan on taking up the rest of the afternoon, so he will have his time to explain why he has abandoned oil and gas as an opportunity for future economic growth in the territory.

I am going to take a bit of time to walk through some of the aspects with respect to Yukon geology, water, seismicity, air quality, human health, the economic analysis, and the regulation of hydraulic fracturing, and then I am going to get into a little bit more detail than the Member for Copperbelt-South did with respect to our response to the select committee. We are accepting and addressing all of the select committee report recommendations and moving forward with actions on each and every one of them.

When it comes to Yukon geology, there are eight basins in the territory with oil and gas potential that encompass approximately 15 percent of Yukon's total land base — 85 percent of Yukon is not prospective for oil and gas exploration or development. Of that 15 percent of Yukon land with oil and gas potential, Yukon First Nations own 1.6 percent of those lands as category A. For various reasons, 7.8 percent of the land with potential is currently not available for disposition — either permanently, such as parklands, or for an extended period of time, such as the Whitehorse Trough. That is another important thing that Yukoners need to know with respect to our position, which is that not only are we only focusing on the Liard Basin for shale gas opportunities, but we will continue to not issue oil and gas dispositions of any kind in the Whitehorse Trough and then focus on conventional opportunities in the other basins that exist mainly in the north Yukon. I guess it's really focused around two of those areas: the Eagle Plains Basin and the Kandik Basin at this time.

Approximately 5.4 percent of the total area of Yukon is available for oil and gas exploration or development. The unencumbered portion of the Liard Basin, which is open to consideration for hydraulic fracturing again, as we've mentioned, is approximately 1.3 to two percent of the Yukon land area.

Shale and tight oil and gas or the unconventional resource potential has not been assessed in Yukon, but four basins are geologically promising: Liard, Eagle Plains, the Peel plateau and onshore Beaufort-Mackenzie.

A total of 76 wells have been drilled in five of the eight basins. Oil and/or gas in conventional reservoirs have been discovered in two basins: Eagle Plains and Liard. They are the only basins with active dispositions. Assessments of conventional resource potential are available for all basins. Again, the Liard oil and gas basin — we've mentioned how much of the total land area it covers. Of that 1.3 percent, approximately one percent of Yukon's land area is available for dispositions in the Liard Basin.

There has been over 25 years of gas production from conventional reservoirs. There is the gas pipeline that delivers gas to Fort Nelson in British Columbia. The Liard Basin in northeastern British Columbia is a proven world-class shale gas resource. That same basin, of course, extends into the Yukon.

An unconventional target in the Besa River Shale — there may be others — approximate depths to the Besa River Shale, based on limited drilling, range from approximately one kilometre to greater than four kilometres.

Not much is known about the groundwater conditions either in the Yukon. There is limited surface water quality and quantity data available. This basin is 177 kilometres to the east of Watson Lake and 400 kilometres to the southeast of Ross River. That, of course, is straight-line distance.

When it comes to the Eagle Plains oil and gas basin — that area covers approximately 4.4 percent of Yukon's land area. There are discoveries of oil and gas in conventional reservoirs.

There are two unconventional targets at Ford Lake and Canol shale formations — and there may be others. Approximate depths to Ford Lake Shale, based on limited drilling, range from one kilometre to 3.2 kilometres. Approximate depths to Canol shale, based on limited drilling, range from one kilometre to 3.7 kilometres. Groundwater conditions are not well-known, but permafrost is locally thick and extensive. This area is approximately 65 kilometres from Old Crow and 180 kilometres north of Dawson City.

Those are the two basins that I wanted to highlight with respect to the geology — again, largely because Eagle Plains does have the conventional work underway that Northern Cross (Yukon) is talking about, and then, of course, significant — the Liard Basin is the area of the Yukon that we would like to focus on shale gas opportunities, providing there is support of the affected First Nations.

I'm going to talk a little bit about the water. Long-term monitoring of Yukon's surface water quality and quantity occurs across the territory. The *Yukon Water Strategy and Action Plan* was released in June of 2014. One of the six priority areas is to better understand and manage Yukon's groundwater, with emphasis on enhancing and formalizing the existing groundwater program in Yukon and developing a regulatory framework to manage the groundwater.

A hydrogeologist has been hired to work on groundwater-related issues and lend expertise to existing water programs. The Yukon government is collaborating with the University of Calgary on an NSERC project to develop monitoring techniques to assess potential impacts of oil and gas

extraction, including hydraulic fracturing on groundwater and surface water. A portion of this project will look at well integrity and the potential transport of hydraulic fracturing fluids and fugitive gas migration into groundwater.

In 2013, Yukon government enhanced its existing water monitoring program in the Eagle Plains region. This baseline program includes new hydrometric stations on Eagle River and McParlon and Dalglish creeks and collection of water quality data from 15 creeks and tributaries in the region.

In 2014, Yukon government enhanced its existing water monitoring program in the Kotaneelee region. This baseline program includes new hydrometric stations on the Beaver and La Biche rivers, collection of water quality data from the Beaver and La Biche rivers, and information on Yukon surface water is available on-line at www.yukonwater.ca.

The Yukon Water Board and Department of Energy, Mines and Resources are participating in the coordinated on-line information network — or COIN — initiative to make baseline data regarding water use more easily available for oil and gas project assessments.

Mr. Speaker, with respect to seismicity — another concern that we've heard associated with the hydraulic fracturing activity — earthquakes can occur across Yukon, but the larger ones tend to occur in two regions: in the southwest Yukon and in the northeast Yukon. Yukon is locally seismically active with concentrations of seismicity of magnitude greater than 5 occurring in southwest Yukon and in northeast Yukon along the eastern side of the Richardson Mountains. Between these areas, earthquakes do occur but are generally less than magnitude 5.0. Seismicity in Yukon is currently monitored by two seismometer arrays comprising 13 stations, installed and maintained by the Geological Survey of Canada and the University of Ottawa. Seismometers in Alaska, B.C. and N.W.T. also monitor Yukon earthquakes. The enhanced array of instruments will improve our ability to pinpoint active faults and provide data on the background level of seismic activity in different areas of the territory. Installation of two more arrays, comprising approximately 50 stations, will commence in 2015 — in fact this year, Mr. Speaker. These arrays belong to a research consortium called the USArray and Colorado State University. The University of Ottawa, USArray and Colorado State arrays are temporary, mostly to be removed by 2019. 2015 to 2019 is sufficient time to determine the locations of active structures and establish a seismic baseline in areas of oil and gas activities.

With respect to air quality, Yukon's air quality is available on-line through Environment Canada's National Air Pollution Surveillance, or NAPS, website. YG will continue to collect long-term air quality trend data for Yukon at the monitoring station located in Whitehorse. Three studies on greenhouse gas emissions over the full life cycle of natural gas are available on the Yukon Energy Corporation website as a result of their work to convert the backup in peak diesel generators to natural gas-fired generators. Obviously the source would be liquefied natural gas at this time transmitted from the Lower Mainland of British Columbia.

"Measurements of methane emissions at natural gas production sites in the United States" was published in September 2013 in the *Proceedings of the National Academy of Sciences of the United States of America*.

This work reports direct measurements of methane emissions at 190 onshore natural gas sites in the U.S. The measurements indicate that, while completion emissions are lower than previously estimated, the data also show emissions from pneumatic controllers and equipment leaks are higher than Environmental Protection Agency national emission projections. Estimates of total emissions are similar to the most recent EPA national inventory of methane emissions from natural gas production. These measurements will help inform policy makers, researchers and industry, providing information about some of the sources of methane emissions from the production of natural gas, and will better inform and advance national and international scientific and policy discussions.

The results of a recently released three-year human health impact study that was conducted in northeast British Columbia can be found on Government of British Columbia's website. There are some key findings from this B.C. study. There is some possibility for elevated air concentrations to occur at some locations. There is a low probability that health impacts would occur in association with these exposures. The elevated air concentrations were rare or occurred in remote locations and are not expected to result in negative health effects. A review of existing regulatory and policy frameworks related to oil and gas activity in place in British Columbia was completed. Overall, the review found that the existing regulatory framework in B.C. is both extensive and protective of human health. There are some areas that warrant further consideration, including: emergency planning; flaring, venting and fugitive emissions management; hydraulic fracturing; information management; and environmental monitoring.

Economic analysis, of course, will be undertaken by the Department of Economic Development with respect to the potential economic impact of developing shale resources in the Liard Basin. There will be an analysis done to assess the size of the shale resources. Currently the Yukon Geological Survey has relatively decent information on conventional gas reserves, but there is little information on the shale gas reserves, although, when you look at the EFLO Energy website, they estimate that shale gas reserves in the Kotaneelee are 3.9 trillion to seven trillion cubic feet. Again, that is a number that dwarfs the conventional production that has occurred at that site since the 1970s, but the experts who work on the Yukon Geological Survey, in partnership with the Department of Economic Development, will be conducting a more detailed analysis of the shale resources.

They will: rely on current cost estimates for development by basin; use multipliers to assess economic potential; model all fiscal impacts of development, such as the royalties and the taxes, et cetera; assess short-, medium- and long-term effects; consider scenarios for various levels of development and

global conditions; and include analysis on export potential as well as any domestic demand.

Of course, when we are talking about these numbers that are put forward by companies like EFLO Energy, that is well in excess of what we could use domestically in the territory, but, that said, we would become a net exporter of natural gas to other areas across North America and perhaps even internationally, depending on what happens in British Columbia with their liquefied natural gas activities and export facilities on the coast.

Mr. Speaker, I want to talk a little bit about the regulatory environment that exists for oil and gas activities, which will of course also extend to any potential shale gas opportunities.

There are several regulators, agencies and processes that are involved in regulating oil and gas activities. Each one contributes to ensuring the safety — each one, pardon me, contributes to ensuring the integrity of the environment and protecting human health. The key statutes that are involved are the *Oil and Gas Act*, the *Yukon Environmental and Socio-economic Assessment Act*, the *Waters Act*, the *Environment Act*, as well as *Occupational Health and Safety Act*. Hydraulic fracturing requires well operation approval under the drilling and production regulations of the *Oil and Gas Act* as well.

The Yukon government is committed to using the FracFocus Chemical Disclosure Registry as well, and I will get into a little bit more detail on that when I read through our response to the 21 recommendations.

First Nations have worked with Yukon since the late 1990s to develop all oil and gas legislation and regulations and have the option to adopt Yukon legislation for their category A lands. I think it's important again for Yukoners to note that, when we talk about oil and gas development in the Liard Basin, it's not just going to be a blanket assessment. Like any other project, each proponent will have to develop a project proposal and submit it to the YESA board as well as for consideration to the Yukon Water Board and the Workers' Compensation Health and Safety Board of course will have a role. There will be a requirement for a socio-economic benefit. I should say that as well as a part of the royalty structure that we've received from the development at the Kotaneelee fields, I think the number is between \$45 million and \$50 million of royalties received by the Yukon government, of which \$10 million was transferred to Yukon First Nations.

I know I haven't had the opportunity to talk about it during this current Sitting of the Legislative Assembly, but those are dollars that Yukon governments of all stripes, whether it is NDP or the Liberal government or Yukon Party government, has used to invest in important things for Yukon, such as education, hiring teachers, hiring nurses, investments in infrastructure and other health care investments. Again, these dollars have been used for the benefit of Yukoners. I can't state that enough.

The Yukon Chamber of Commerce put out their news release yesterday and I'm just going to read from it. It was for immediate release Tuesday, 14 April 2015. The title is *The Yukon Chamber supports Yukon government position on*

hydraulic fracturing. Again, this news release is available publicly and I would encourage all members and indeed all those interested to look at this news release. They are very pleased obviously that the government — pardon me, this is a quote from Peter Turner, president of the Yukon chamber. At the end of the news release he says: "We are pleased that the government will act on our previous concerns about the Select Committee having left incomplete part of their mandate: to identify potential benefits of hydraulic fracturing in terms of potential oil and gas royalties to be paid to the federal, territorial, and First Nations governments."

It goes on to say, "The Chamber had previously pointed out that conventional gas extraction in the Liard Basin had contributed more than \$45 million in royalties. This provides at least one data point that could be used to forecast the potential for future royalties." He added that "Yukoners have a long tradition of self-reliance, and we encourage all efforts to explore options to make our territory more energy independent." That is a direct quote from the president of the Yukon Chamber of Commerce. This is a news release from the Yukon Chamber of Commerce that was released yesterday.

Again, Mr. Speaker, I'm going to talk a little bit about our acceptance and how we're addressing the select committee report and the actions we're using. It's a fairly straightforward document that I tabled earlier this week — I believe it was on Monday, Mr. Speaker. I delivered a copy to you personally before it was made public on Thursday afternoon, and then tabled it at my earliest opportunity during that time of normal daily proceedings on Monday.

The first select committee recommendation is that the Government of Yukon should have the support of the Yukon First Nations whose traditional territories are affected before allowing hydraulic fracturing. Of course, we agree. I mentioned that we are open to applications for potential hydraulic fracturing in only one area of the Yukon, the Liard Basin, and that would occur only with the support of affected First Nations.

I think we are broadening that somewhat by also adding the non-Yukon First Nations — the three Kaska First Nations, as well as the Acho Dene Koe — but I can't see that any members would argue with adding those First Nations to the discussions, as they have asserted traditional territory that covers the Liard Basin.

Some of the actions that we're going to undertake with respect to this recommendation include: we will initiate discussions with affected First Nations regarding information needs related to understanding the risks and benefits associated with hydraulic fracturing; initiate discussion with affected First Nations regarding models of engagement, including potential partnerships and agreements; continue to discuss a common regulatory regime for oil and gas on First Nation and public lands with the 1997 MOA working group; and continue to seek First Nation involvement when negotiating benefit agreements, as required by the *Oil and Gas Act*.

The second recommendation brought forward by the committee was that the Government of Yukon should consider options for continuing an informed public dialogue among Yukoners about the issue of hydraulic fracturing and the oil and gas industry, more generally. Again, the YG response was that we agreed with that recommendation, and the actions we will take are: We will develop an engagement strategy that will provide opportunities for public dialogue; include information to enhance knowledge on the management and regulation of Yukon's oil and gas industry; and improve the understanding of the risks and benefits of this industry. The strategy will include Yukon First Nations, stakeholders, industry and the public.

Further to that, we will continue to participate in a Natural Resources Canada energy and mines ministers markets and trade working group, which is creating a public portal with facts around shale oil and gas resources. We will be open to formation of partnerships and use of mechanisms that can enhance communication and broaden knowledge of the oil and gas industry.

With respect to the public dialogue and the informed public dialogue, I've mentioned on the floor of this House that, on a go-forward basis, one thing that, as a government and as Yukoners, we need to ensure happens is that there is zero tolerance for misinformation.

Through this public dialogue, we will be able to ensure that we get the proper information out there in response to situations or instances where incorrect information is being portrayed as correct. I think we owe that, as legislators, to the Yukon public so that they can make an informed decision with respect to this practice.

The third recommendation is that the Government of Yukon should make all relevant environmental data open, transparent and available to the public. Again, our response is that we agree. The actions that we will undertake — we currently collect water quality, water flow and wildlife data across Yukon, including in areas with oil and gas development potential or activity, and we make information about the data publicly available on-line.

The Yukon government is a partner in the federal national air pollution surveillance program and operates an ambient air pollution station in downtown Whitehorse to monitor air quality. Yukon air quality data is available on-line through Environment Canada's NAPS website. We will examine options for improving access to baseline data.

The Yukon Water Board and the Department of Energy, Mines and Resources are participating — and again I mentioned this earlier, but I am going to read it in again — in the coordinated on-line information network — or COIN initiative — to make baseline water data and information regarding water use more easily available for oil and gas project assessments.

We will continue to maintain and improve Yukon Water and Waterline, two on-line data catalogues regarding water use.

The fourth recommendation is that the Government of Yukon should respect First Nation final agreements and its

ongoing obligation toward non-settled First Nations in addressing any issue relating to hydraulic fracturing. Again, we agree with this recommendation. As the Yukon government, we will consult affected First Nations on any proposed hydraulic fracturing projects that might arise in their traditional territories and we will continue to incorporate local and traditional knowledge in relation to development of any oil and gas project. Again, that incorporation of local and traditional knowledge also underpins the Yukon environmental and socio-economic assessment process. I think that is an important action to note and I would just add that other bit as an aside. It is not contained in one of our actions, but it is certainly something that the YESA people and the individuals who work there take very seriously when they are conducting their assessments.

Recommendation 5 is that the Government of Yukon conducts a thorough study of the potential economic impacts of developing a hydraulic fracturing industry. The study should include an assessment of potential infrastructure, health and social services and environmental costs related to the industry. The thorough economic analysis should include, but not be limited to, the following: an estimation of marketable oil and gas reserves in each basin — again our focus will be on the Liard Basin with respect to the shale reserves, and continuing unconventional reserve estimates in the other basins as well; an estimation of the necessary capital investment for production in each basin; an estimation of operating and regulatory costs; an estimation of tax revenue and disbursement; the effects on Yukon's gross domestic product; wage and employment analysis, including the economic impact of a fly-in/fly-out industry; and a comparison of the impacts of a hydraulic fracturing industry in contrast to a renewable energy industry.

That concludes the select committee recommendation that we agree with and the actions that will be undertaken with respect to this.

The Department of Economic Development will undertake an economic analysis that assesses the potential economic impact of developing shale oil and gas resources in Yukon. An assessment of shale resources will be conducted to determine the extent of the oil and gas resources in the territory. The Department of Energy, Mines and Resources will continue again to participate in the Energy, Mines and Resources' conference markets and trade working group, which is focusing on shale and tight-resource developments.

The sixth recommendation of the select committee has to do with water — that baseline groundwater and surface water data be collected for an appropriate period of time in order to ensure that comprehensive data is available. In agreeing to this recommendation, our actions include that the government currently collects water quality and quantity data across the Yukon, including areas with oil and gas development potential and makes information about the data publicly available on-line.

In 2014, additional hydrometric stations were established to monitor surface water in the Eagle Plains Basin and Liard Basin. In light of the select committee's recommendations, the

government will be assessing our baseline data inventory, with a view to seeing where additional data collection may be needed and how it is verified. We will then seek expert advice to confirm our baseline information is adequate in comparison to other jurisdictions. We will undertake to fill any gaps in our data.

The Yukon government, through Water Resources, Oil and Gas Resources and the Yukon Geological Survey is collaborating with the University of Calgary on a Natural Sciences and Research Council of Canada, or NSERC project, to develop baseline monitoring techniques to assess potential impacts on groundwater and surface water of oil and gas extraction.

In addition, the Department of Energy, Mines and Resources will consult with land and water boards in the Mackenzie Valley of Northwest Territories regarding the use and effectiveness of their guidelines for the monitoring of surface water and groundwater response to vertical and horizontal hydraulic fracturing operations in the Mackenzie Valley. We continue to examine the Canadian Association of Petroleum Producers' guidelines and to follow developments in other jurisdictions.

The Department of Environment will continue to collect seasonal baseline groundwater data in the Eagle Plains Basin and will also seek to expand the groundwater network in the Eagle Plains Basin and Liard Basin. As well, the Department of Environment will continue with long-term surface water and hydrometric monitoring, including hydrometric stations on the La Biche and Beaver rivers in the Liard Basin.

The seventh recommendation of the committee is that a better understanding of the impacts and interactions of hydraulic fracturing fluids on groundwater be developed. Again, our action in agreeing with this recommendation is that we are collaborating with the University of Calgary on an NSERC project to develop monitoring techniques to assess potential impacts of oil and gas extraction, including hydraulic fracturing on groundwater and surface water. A portion of this project will look at well integrity and the potential transport of hydraulic fracturing fluids and fugitive gas migration into groundwater. Yukon government's association with this project will enhance our government's ability to establish Yukon-based guidelines and standards on oil and gas activities, including hydraulic fracturing.

The *Yukon Water Strategy and Action Plan* was released in June 2014. One of the six priority areas is to better understand and manage Yukon's groundwater, with an emphasis on enhancing and formalizing the existing groundwater program in Yukon and developing a regulatory framework to manage groundwater. A hydrogeologist has been hired to work on groundwater-related issues and lend expertise to existing water programs. We will continue to participate in the advisory group on Canadian Water Network's hydraulic fracturing consortium. The overall goal of this group is to develop a national research consortium for hydraulic fracturing and water, and to advance decisions for hydraulic fracturing and water.

Select committee recommendation 8 is that requirements related to water intensive practices are adhered to, even if non-water options for shale formation fracturing are to be considered. Our actions — again agreeing with this recommendation — are that we will consult with an external advisory group or specialists who will review our regulatory system and identify any necessary improvements. YG will prepare a policy for the regulation of hydraulic fracturing, which would outline the goals of safe hydraulic fracturing and the regulatory approaches to meet the goals. We will continue to work with the National Energy Board as well as the BC Oil and Gas Commission through our services agreements so that we enhance our regulatory approach.

Recommendation 9 is that adequate seasonal thresholds are established to ensure the usage of fresh water does not exceed watershed capacity. The actions that we are taking with respect to this recommendation are that we are aware that other jurisdictions have developed regulatory tools, and we will review tools used in other jurisdictions, such as the Northeast Water Tool used by BC Oil and Gas Commission, to provide guidance on water availability across northeastern British Columbia and support decision-making processes for water use approvals and licences.

The Yukon Water Board and the Department of Energy, Mines and Resources are participating in the COIN initiative to make baseline data regarding water use more easily available for oil and gas project assessments, and we will consult with an external advisory group or specialists who will review our regulatory system and identify any necessary improvements.

There are two more recommendations that have to do with water. Recommendation 10 states that companies be required to make public the chemicals and chemical compounds that would be used, including case numbers, volumes, percentages and concentrations prior to any hydraulic fracturing activity. Of course the government agrees with this.

This is something that I've heard many Yukoners talk about. It's an issue of concern to many who are following this issue and following the debate. In agreeing with that, proponents will be required to publicly disclose information on the fluids used in the hydraulic fracturing operations prior to permitting. YG has made a public commitment to use FracFocus, which is a chemical disclosure registry set up by the BC Oil and Gas Commission. We will continue to consult with an external advisory group or specialists who will review our regulatory system and identify any of the necessary improvements.

Recommendation 11 is that research be conducted to demonstrate whether well integrity can prevent migration of liquids or gases in the long term. Our action in agreeing with this select committee recommendation is that we will monitor the research result and endeavour to collaborate in relevant research whenever possible. I would reference the collaboration with the University of Calgary on the NSERC project to develop monitoring techniques to assess potential impacts of oil and gas extraction, including hydraulic

fracturing, on groundwater and surface water as another action we will take with respect to this recommendation.

When it comes to greenhouse gases and other air emissions, the committee, in recommendation 12, asked that air quality baseline data be collected for an appropriate period of time in order to ensure that comprehensive data is available. Actions that we are proposing in our agreement with this recommendation is that our partner in the federal NAPS, or National Air Pollution Surveillance program, and operates an ambient air pollution station in downtown Whitehorse to monitor air quality. Yukon air quality data is available on-line through Environment Canada's NAPS website.

This monitoring station is located in Whitehorse, so the government will assess our baseline data inventory with a view to seeing where additional data collection may be needed and how it is verified. We'll seek expert advice, including advice from Environment Canada, to confirm that our baseline information is adequate in comparison to other jurisdictions and undertake to fill any gaps in our data. We have access to over 25 years of Yukon baseline air monitoring data from Environment Canada. The Council of Yukon First Nations is operating an air monitoring station north of Whitehorse at Little Fox Lake.

YG will review monitoring parameters in other natural gas producing areas such as northern B.C. and Alberta to inform what the appropriate monitoring stations and baseline parameters would be for oil and gas development in Yukon. YG will consider establishing two additional full monitoring stations in locations to be determined based on the review findings and input from our experts.

Recommendation 13 is that research be done to develop a method to effectively measure and monitor greenhouse gas emissions over the full lifecycle of natural gas. In our response, we agree with this. The actions that have been undertaken already include the Yukon Energy Corporation and the Yukon Conservation Society jointly commissioning two natural gas lifecycle studies in 2011-12 when investigating the use of liquefied natural gas for power generation. These studies can be found on the Yukon Energy Corporation website. One was authored by the Pembina Institute. I can't recall — and it doesn't reference here I don't think — the authors of the other two, but, looking back in Hansard, that would be made available.

So there were two done by the Energy Corporation and the Yukon Conservation Society, and a third one commissioned by the Energy Corporation when their supply options changed from southern Alberta to southern British Columbia. All these reports are available on the Yukon Energy Corporation website.

Research continues to be undertaken by others, and we will monitor the research result and endeavour to collaborate in relevant research whenever possible.

Recommendation 14 is that research be conducted regarding fluid and gas leakage specific to the unique permafrost conditions in Yukon. Again, in agreeing with this, we've proposed three different actions. Fluid and gas leakage

research continues to be undertaken in areas with permafrost, and government will monitor the research results and endeavour to collaborate in relevant research, whenever possible. YG will continue to monitor wellbore integrity in historic wells in the continuous permafrost of northern Yukon, and we will seek expert advice to review our regulatory system and identify any necessary improvements.

Recommendation 15 is that steps be taken to ensure that volatile organic compounds are not released during development and production. Again, in agreeing to that, the actions we intend to undertake are: regulatory directions that will apply to all oil and gas activities are being developed for flaring, venting and fugitive emissions. YG will continue to monitor mature regulatory regimes to evaluate their effectiveness in managing the release of volatile organic compounds. We will seek expert advice to review our regulatory system and identify any necessary improvements. We will set acceptable levels, based on the research and expert advice.

With respect to land and seismic, select committee recommendation 16 is that baseline data on wildlife and wildlife habitat be collected for an appropriate period of time in order to ensure that comprehensive data is available and that the impacts of hydraulic fracturing on wildlife be studied. In agreeing with this recommendation, we're proposing the following actions. The government currently collects wildlife data across Yukon, including areas with oil and gas development potential, and makes information about the data publicly available on-line. The government will assess its baseline data inventory, with a view to seeing where additional data collection may be needed and how it is verified. We will then consult with an external advisory group or specialist to confirm that our baseline information is adequate in comparison with other jurisdictions, and we will undertake to fill any gaps in our data.

YG will continue to survey and monitor the Porcupine caribou herd. We have deployed a number of cameras on old seismic lines in north Yukon to determine wildlife use along these cut lines. We will continue to study baseline disturbance and recovery of linear features, as required under the *North Yukon Regional Land Use Plan*, to inform our general understanding of impacts.

Recommendation 17 is that baseline data on seismic activity be collected for an appropriate period of time in order to ensure that comprehensive data is available. Again, I mentioned this earlier, but the actions spelled out in our response to the select committee report is that a seismic array comprising 13 seismometers is currently in place in Yukon to measure seismic activity. This is part of a broader array that monitors earthquake activity across western Canada and Alaska. YG is working with a consortium of university researchers to significantly expand this seismic array over the next few years to over 40 instruments. This enhanced network will allow greater resolution on the locations of active faults in Yukon and will provide more baseline information on the magnitude of naturally occurring background seismic activity.

The government will assess our baseline data inventory with a view to seeing where additional data collection may be needed and how it is verified. YG will then consult with an external advisory group of specialists to confirm our baseline information is adequate in comparison to other jurisdictions, and we will undertake to fill any gaps in our data. YG will explore opportunities to link into British Columbia seismicity studies related to oil and gas activities in northeast B.C. near the Liard Basin of southeast Yukon.

We're getting close to the end of the recommendations here, Mr. Speaker, after which I'll wrap up my remarks for the day and turn the floor over to others.

Recommendation 18 is that the impacts of seismic activity in Yukon be studied to evaluate the seismic risks caused by hydraulic fracturing and to avoid the development of flow paths to fresh water. The actions the government is proposing are that we will work on expanding seismic baseline data and obtaining more knowledge on earthquakes in the territory through collaborations with universities and other governments. Research on seismic risks is underway in other jurisdictions with extensive oil and gas activity. We will continue to monitor the research and include important learnings into our regulations, guidelines and practices.

Mr. Speaker, recommendation 19 is that the impacts of hydraulic fracturing on Yukon's permafrost be thoroughly researched. This would include research on the interaction between groundwater and surface water, regional and local scale pathway assessments and evaluation of permafrost degradation at wellheads. The two actions that we are proposing in agreement with this recommendation — the first is that a number of research organizations, including the Yukon government, currently monitor permafrost in Yukon. This data is accessible on-line via the Yukon Permafrost Network. Yukon government will identify opportunities to expand and enhance its monitoring network through collaborations with other researchers, particularly those working in the Liard Basin area. We will monitor the results of permafrost research underway in other jurisdictions, such as N.W.T. and Alaska, and will endeavour to collaborate in relevant research whenever possible.

The final two recommendations, I believe, of the select committee are with respect to human health and social impacts. Recommendation 20 is that health-related baseline data be collected for an appropriate period of time in order to ensure that the data is available. In agreeing with that recommendation, the actions we are proposing are that, in light of the select committee's recommendations, the government will assess its baseline data inventory with a view to seeing where additional data collection may be needed and how it is verified. Of course, we will review the results of the recently released three-year health impact study conducted in northeast British Columbia. That's the document that I referenced earlier during my remarks.

The final recommendation is that Yukon's chief medical officer of health be mandated to conduct a thorough human health risk assessment where hydraulic fracturing development is proposed in Yukon. Our action with that, of

course, is we will work with the Yukon's chief medical officer of health and expert advisors to determine an appropriate approach to assessing potential human health implications.

Mr. Speaker, I thank members of the Legislative Assembly for their indulgence in allowing me to read the recommendations and the responses, because there was an awful lot of work put into that by officials within Energy, Mines and Resources, particularly the Oil and Gas branch and the Yukon Geological Survey. Environment officials, Economic Development officials, officials from Aboriginal Relations in Executive Council Office — among others — put an awful lot of work into preparing this response to the select committee's final report regarding the risks and benefits of hydraulic fracturing.

To conclude my remarks for this afternoon and turn the floor over to others, I will just reiterate that we are accepting and addressing all of the select committee report recommendations and moving forward with the actions that I have outlined on each of them. We are open to applications for potential hydraulic fracturing in one area of the Yukon — the Liard Basin — and that would occur only with the support of affected First Nations.

I have talked about the area in question — the size of that land mass. We have heard from Yukon Geological Survey officials that that area is a world-class basin for this type of development, and we see this as our opportunity to diversify our energy sector and diversify our economy. I have mentioned our resources are owned by Canada, but we manage them, and I think it is our responsibility as Yukoners to manage them in a responsible way and develop them in a responsible way, so that we can contribute to this great country, and not simply rely on the heavy lifting done by residents of British Columbia, Alberta and Saskatchewan, among others. Obviously, when it comes to this type of development, they are carrying the heaviest load for Canadians.

Regarding First Nations' support, we are in reconciliation talks with the Kaska and are also initiating talks with the Acho Dene Koe. Those are the two affected First Nation government groups that have the territory associated with the Liard Basin. The Yukon Party supports all responsibly regulated resource industries and is committed to creating the conditions that bring jobs and opportunities for Yukoners. I think that is a very important point because, with the stances taken by the various major political parties here in the territory, we certainly see opportunities that exist with shale gas development. We feel that oil and gas can play an important role in economic diversification for our territory. To add that industry to other natural resource industries, such as forestry and mining, and complementing that with investments in agriculture and significant investments in tourism and the knowledge economy and other sectors, I think will only help to make the Yukon what we all hope it can be someday, which is a net contributor to the country when it comes to transfers of royalties and income taxes and other things.

With that, Mr. Speaker, I will conclude my remarks with saying that, of course, we won't be supporting this motion. As

you are hopefully able to understand from my remarks, the Yukon government has respected the recommendations of the select committee. We are taking action and addressing those recommendations. The statement in here — that this House condemns the Government of Yukon's decision to proceed with hydraulic fracturing against the will of Yukoners — is a very broad statement. I feel we have seen the Yukon Chamber of Commerce and their members come out in support of our position. There are a number of Yukoners I talk to on a daily basis who will be surprised at how flippantly the member opposite has treated them, as perhaps being non-Yukoners, with respect — just because they support this type of economic activity in our territory.

I think that, through our actions, we will be able to respond to the concerns of the scientific community as well. We will not be supporting this motion, and I look forward to hearing from other members of the New Democrats. For a number of years they have been very outspoken and strong in their passion and their non-support of this type of activity — I would argue the oil and gas industry in particular. I am particularly looking forward to hearing from the Member for Klondike, the Leader of the Liberal Party, as to why he no longer supports oil and gas and shale development opportunities here in the territory. That will be a very interesting point put forward.

Some Hon. Member: (Inaudible)

Hon. Mr. Kent: The Member for Klondike will get his chance to speak. I am just wrapping up my remarks. We still have an hour and a half of debate. With that, I will conclude my remarks for today and I look forward to hearing from the — he may want to take a drink of water. Then I will sit down and we can go from there.

Mr. Silver: I would like to begin by thanking the Member for Copperbelt South for her motion today, and I am happy to stand here and to speak to it today because it is very timely. I will be supporting the motion today. I kind of figured that we were not even going to get the chance to vote on this, but it looks like we might — we'll see.

I was one of the six members of the select committee, and over the course of the last 18 months, I heard from hundreds of Yukoners on the issue of fracking. I was very surprised by how little support I heard for it, both in the formal hearings and on the streets. Combined with many unanswered questions about the effects of fracking in the environment and human health, I concluded that Yukoners do not support fracking.

There is simply no social licence for the process — for hydraulic fracturing. That fact, combined with the Council of Canadian Academies' report on fracking — that the many questions it raised are not enough to put the brakes on the practice. The message received from other jurisdictions where fracking is prevalent — do your homework before, not after you start.

Despite last week's announcement by the government, Yukon is probably still many, many years away from fracking, even under the newly announced Yukon Party

approach. If the government is genuine about following the 21 recommendations of the select committee, that work would take years to complete and would be done by the next government's mandate, if at all. Although I was taken aback by hearing — the Minister of Energy, Mines and Resources went through all of the 21 recommendations and kept on saying "adequate". I don't think there was one person on that committee who wanted an adequate response to these recommendations. I think we want a robust response to these recommendations.

As the members of the committee all know, there are too many unknowns to support fracking in the Yukon. While technologies used in extracting shale gas are understood, more research is needed to explore the environmental, health and water impacts that will result from this process. I am glad to hear that the government has agreed to undertake that research, but I do not know why they have put the conclusion out in front of that work.

A massive effort in targeting science is required to understand all of the health and environmental impacts of shale gas development. Currently, data about environmental, health and water impacts in the Yukon are just not known.

I want to talk a little about social licence. I sat on the select committee on hydraulic fracturing, and it was loud and clear to me that Yukoners do not want fracking at this time. If the Yukon Party has as many fracking supporters as they seem to be implying, then why didn't they come out to the hearings? We do see an awful lot of contentious issues as we debate here in the Legislative Assembly and as we go out into our ridings. This wasn't one of them. It was pretty much unanimous.

This government is taking great creative licence with its reading of the report, suggesting that the committee is implying support for the process of fracking. Last week, we contacted the Liard First Nation to discuss with Chief Morris his views on opening the Liard Basin to fracking. Given the media reports — so have many journalists as well, Mr. Speaker — as the minister had said in Question Period on Monday, it goes beyond just the Liard First Nation and he reiterated that today, but the affected First Nations include the five Kaska nations — three in British Columbia and the two in the Yukon, which are the Ross River Dena Council and the Liard First Nation. So far there has been no word that the Kaska will even support oil and gas development, so I am curious what negotiations, if any, have taken place with regard to an agreement on fracking development with the Kaska. The government has been silent on those efforts — if there are any efforts or if any work has been done. At this time, there is little buy-in or social licence from Yukoners regarding fracking. Gaining social acceptance would be essential before fracking could ever proceed.

I would like to say a few words about conventional oil and gas development in the territory. Conventional gas development would be welcomed by a Liberal government. It would provide Yukoners with jobs and help support our local energy needs.

Just this week, Northern Cross said that fracking would not affect projects at Eagle Plains because it does not need it to proceed. We continue to support the work Northern Cross is doing and even asked questions last fall about roadblocks that this government is throwing up in front of that project.

The government has its own natural gas resources and this government should be promoting the development of this resource. If mines are looking for more power, we could supply it right here in the Yukon instead of getting jobs out of the territory and going to Fort Nelson. Developing LNG is better for the environment than diesel, and I stand by my words. It is good for our business community and it will bring new investment into the Yukon and one day could rival mining as our biggest resource sector.

The development of our conventional oil and gas industry and the accompanying liquefied natural gas industry would provide a huge boost to our economy. As major mines prepare for production, one of the main factors in their decision is the high cost of energy. Currently, these options are limited to diesel and possibly electricity, but with demands for electricity continuing to increase, that may not be an option either. That brings us back to the potential for natural gas.

There is a great deal of work being done in the Eagle Plains area to develop this resource and we wish them well in their explorations.

I still support the potential for an oil and gas industry here in the territory and it does not have to include fracking, as Northern Cross just pointed out this week. I don't know what this Yukon Party government is talking about, as far as a flip-flop on behalf of the Liberals.

On the subject of flip-flop, another interesting fact about the government's announcement last week merits a mention here today. Let's look back to 2012, Mr. Speaker, when the former Minister of Energy, Mines and Resources took away the veto unsigned First Nations had over oil and gas in their traditional territory. Now the government has given it back, and that is very significant. It's also a significant flip-flop on the part of this government.

During the committee's discussions, the Yukon Party argued that First Nations' consent was not required to proceed. I guess the minister disagrees with the amendments his own colleague brought forward in 2012. I'm glad to see the government now believes that consent of First Nations is now required.

I believe that it was Chief Gale from the Fort Nelson First Nation who warned that you cannot crack the door open on this industry and expect to be able to keep ahead of it. Once they're in, they're in.

We also heard from Dr. Chalaturnyk that development permits are as important as regulations. I worry that the Yukon Party is rushing toward an extraction method that, once started, cannot be put back into the box.

There was much deliberation about how we constructed our recommendations in the select committee. We were split 50-50 as to whether or not fracturing could be done safely. This is important to note, as the recommendations are based on this extremely important point. The recommendations that

followed were based only on what we could come to an agreement on, and it followed the logic of, if we are going to move forward, the following would absolutely have to be done beforehand.

The Liberals were the only party that went into this committee without a predisposed position on hydraulic fracturing. We support an oil and gas industry, but we cannot support fracking. The social issues, the traffic, the lack of an economic case, the environmental considerations — the list goes on and on, before we even get to social licence.

If the Yukon Party wants to finally cut the cord from Ottawa, I would suggest that this focus on this extraction method is the wrong focus.

My concern with the latest developments on this issue is that the government is planning to disregard the work done by the select committee over the last year and a half, and ignore what we heard from Yukoners. A massive effort in targeting science is required to understand all the health and environmental impacts of shale gas development. Currently, data about environment, health and water impacts are neither sufficient nor conclusive.

The Yukon Party government is making it clear that they intend to go forward with hydraulic fracturing, despite what Yukoners told the select committee. I am disappointed by this decision, but I'm not surprised. As with the Peel, the Yukon Party went through the motions and is now doing, through the courts, what they wanted to do from the beginning.

Yukoners made it clear that there was no social licence to move forward on fracking. A Liberal government would not issue permits for fracking, given what I've heard from academic experts, from Yukoners and from First Nation governments.

Thank you, Mr. Speaker, and I would like to thank my colleague from Copperbelt South for this motion today. I am in support of it.

Mr. Tredger: I too was on the hydraulic fracturing committee and I thank the government for allowing me to be there. I was humbled and honoured to be a part of the Yukon community to listen to citizens who came forward who didn't normally want to come forward, but felt that they had to.

The citizens were knowledgeable, they were informed and they were very concerned. Some of them spoke from experiences that they'd had in Alberta. Some of them spoke from research that they'd done. They all expressed a desire to be responsible stewards for our land and almost universally they said "We do not want fracking in the Yukon".

The committee heard from First Nations — First Nation governments, First Nation elders and First Nation citizens. Their presentations were well-researched, they were based in science and traditional knowledge and they were based in a deep understanding of our interaction between the water, the land, our economy and our life. Their world view included not just the current age, but future generations.

Many of the presenters expressed a concern that the committee would not be heard and that the recommendations would not be followed. This decision by the Yukon

government — the Yukon Party government — to go ahead with fracking shows that their concern was justified. Despite the best efforts of all committee members, they are going to ignore the recommendations — the 21 recommendations put forward, agreed to by all of us, and agreed that they must be addressed before contemplating hydraulic fracturing. What we heard again, and again, and again from other jurisdictions is “do not rush into this”, yet we’re going to rush ahead and get the evidence as we go.

Hydraulic fracturing has become a grand experiment. It’s experimental. Will it really provide economic benefit and, if so, who for? It’s an experiment in which we’re going to take millions of gallons of water out of circulation, contaminate it, pump it down the Earth and hope that it stays there forever. It’s an experiment in which we’re going to industrialize our landscape, change our way of life. It’s an experiment, and we don’t know what effect it is going to have on the animals, the birds, the water systems and our land.

We heard from many experts, and again and again, their comment was, we’re not sure. We know there are harms. We think we can mitigate most of them. We also know there are harms that we cannot mitigate. Some of the activities are irreversible in our lifetime. We don’t even know enough to know what they might be.

You know, sometimes — over the last week or two — I thought the Yukon Party government was acting more like an ad agency for the oil and gas industry than a government committed to stewardship of our land and responsible development of our resources.

The Council of Canadian Academies stressed that the lessons provided by history of science and technology concerning all major energy sources and many other industrial initiatives show that its substantial environmental impacts were not anticipated. We cannot mitigate what we can’t measure, what we can’t expect. We don’t know many of the consequences. Each day, we’re hearing more and more from established areas — jurisdictions that have had fracking for five, 10, 15, 20 years — and they are scrambling, trying to mitigate the risks, trying to assess what the risks are and trying to determine who has been harmed, who has benefitted and what we are doing to our environment, and for what purpose?

There is a lot of material out there. As I said, being on the committee, I was humbled. I only hope that, in speaking about fracking, I can convey a small part of the knowledge that was shared with me, a small part of the understanding of our relationship to our land and our water. One way I can do that is to share some of the stories that I heard, both as a committee member and as an individual.

The committee spent much time and identified many potential harms. They are noted there. Many of them, as I said earlier, have no way of being mitigated. The engagement of local citizens is necessary, not only to inform local citizens of local development, but also to identify what aspect of quality of life and well-being residents value most.

My fear is that, in the headlong rush to pursue hydraulic fracturing in the Yukon, we are going to irrevocably damage our relationships one to another. It will be extremely divisive,

because the Yukon Party government does not want to take the time to follow the recommendations — does not want to take the time to work with people, to find out what really matters, how they want to develop the resources and where we go.

Water — there were a few ah-ha moments when I was on the committee, and one of them was that, despite all we hear about oil companies or gas companies working to reduce the amount of water and recycle water, somewhere between 80 and 40 percent of it stays in the ground. It contaminates millions of gallons, and 40 to 80 percent remains in the ground, where it is capped and sealed and out of circulation, hopefully forever. Despite what we hear, the usage of water in the Horn River Basin and in all other basins is growing exponentially. Again — the Council of Canadian Academies — not enough is known about the fate of chemicals in the flowback water to understand potential impacts to human life, health, the environment, or to develop appropriate remediation.

Mr. Speaker, there are many ways for wells to leak, for gas and water to escape. There are many pathways to contamination — some known, some yet to be known; some can be mitigated and others cannot.

I heard an elder in Fort Nelson describe how they used to go out berry picking, and they used to go along and there would be water coming up, and they knew the pathways. They would stop and use the water to make tea. She said they can’t do it any more. The water is unsafe to drink.

We heard from hunters, both First Nation and non-First Nation, in northeastern B.C. who can’t hunt near Fort Nelson any longer. They have to go 300 or 400 miles to get a moose because the moose are contaminated. They have lesions and sores. I had an opportunity to visit a farmer near Cochrane who had expressed concern about fracking on his land. He took me and he showed me his water tank. He said, “Look at that water.” I said, “Wow, it’s clear.” He said, “Yeah, that’s the problem. There’s no algae growing in it. It won’t sustain life.” That same farmer’s cattle were experiencing a severe drop in fertility rates. Many of the calves were being stillborn. I asked him, “How can this happen?” He explained to me about confidentiality agreements, and it meshed with what we were hearing from scientists — very hard to get verifiable data from the industry.

What he said is that there wasn’t a farmer in the nearby area whose water was good any more, but they didn’t complain because the regulator had suggested they work it out with the industry. The industry had had them sign a confidentiality agreement and agreed to provide them with water.

A friend of mine in northwestern Alberta, in the Peace River area, grew up there. When he was young, some of the wells were good, some of the wells were bad, and everybody knew which farms had good water and which ones didn’t. He said it’s now all the same, and everybody drinks bottled water and has special water for their cattle.

The Toobally Lakes area of southeastern Yukon is rich and diverse. It’s a major flyway. It’s a staging ground for

migratory birds — undiscovered potential in many ways. It's a traditionally rich area. We have much to learn from the traditional knowledge of the Kaska, as well as current data, before we can even consider the uses of the land and taking land out of circulation.

The land and the environment will change with fracking. Conventional oil and gas is much like mining. They go to one area and, in the case of the Kotaneelee fields, produce for many, many years.

In fracking, it's a continuous process. This has implications for royalties. It also has implications for the necessary infrastructure.

Another story I heard — somebody drove south. We're talking about impacts on the land. They said that from well this side of Fort Nelson, all the way through to Fox Creek, the highway was covered with mud — mud that was dragged out from our wetlands, from our bogs, caught on trucks and vehicles. One can only imagine what the backcountry looked like if that much mud had been dragged onto the road. What did it do to the habitat? What did it do to our stream crossings? What is going on with that much mud?

I want to talk a little bit about boom-bust. I'm running out of time too. I grew up in northeastern Alberta when the oil industry was coming there. We were going through the same questions — the excitement of potential jobs, the opportunities provided. What I saw was industry — especially in new areas, like the Yukon will be — came in waves. So the town of Bonnyville couldn't keep up one year, and the next year it was empty because there had been a drop.

A businessman one year was encouraged to buy a new truck to keep up with the outside people coming in so that he could supply the rigs in the area. So he borrowed the money and invested. When the inevitable bust came, he was left with a lot of debt.

A lot of people talk about jobs. The majority of jobs will be in camps. Watson Lake thinks that there will be jobs in Watson Lake, but access to the Kotaneelee fields is via the Liard loop, very close to Fort Nelson. That's where the service industry will be located. If Yukoners want jobs in the Kotaneelee, either they will have to move to Fort Nelson or they will have to go to fly-in camps. Are those the jobs we're talking about? There are more people living in camps outside of Fort McMurray than the 100,000 living in Fort McMurray. This is a transient industry.

I will go to my final page. I apologize — there's a lot that I want to say. There are a lot of things I would like to talk about. Right now, the First Ministers are talking about climate change and how to lessen our dependence on oil. The world is awash in oil and gas. We don't need more oil and gas. We need less. We cannot continue to burn oil and gas at the rate we have.

Two-thirds of the known resources must stay in the ground and yet, for some strange reason, instead of looking for alternatives, we are proposing that we develop a novel source, the last thing this world needs at this time.

Speaker: Order please. Minister of Economic Development, please.

Hon. Mr. Hassard: I would like to begin by thanking the Member for Copperbelt South for bringing this motion forward today. As well, I would like to thank all of the MLAs who took the time to sit on the all-party committee and travel throughout the Yukon, collecting comments from all the territory's residents.

I believe that this can be a very passionate conversation, but I would prefer to just try to stick to the facts.

It was this government that recommended the all-party committee to look into the risks and benefits of hydraulic fracturing, and this government has also accepted all 21 recommendations of that select committee. We understand the importance of all of the recommendations. We agree that the affected First Nations need to be in agreement, as well as considering options for continuing an informed public dialogue among Yukoners.

We agree that the Government of Yukon should make all relevant environmental data open, transparent and available to the public. We also agree that we need to respect First Nation final agreements and ongoing obligations toward non-settled First Nations.

The fifth recommendation put forward speaks to economic impacts and, as the minister responsible for Economic Development here in the Yukon, as well as a former business person, this recommendation hits a little closer to home for me. It reads — and I quote: "THAT the Government of Yukon conduct a thorough study of the potential economic impacts of developing a hydraulic fracturing industry. The study should include an assessment of potential infrastructure, health and social services and environmental costs related to the industry. The thorough economic analysis should include but not be limited to: an estimation of marketable oil and gas reserves in each basin, an estimation of the necessary capital investment for production in each basin; an estimation of operating and regulatory costs, an estimation of tax revenue and disbursement, the effects on Yukon's gross domestic product (GDP), wage and employment analysis including the economic impact of a fly-in, fly-out industry, and a comparison of the impacts of a hydraulic fracturing industry in contrast to a renewable energy industry."

The next six recommendations pertain to an equally important subject: water. Data collection of ground and surface water, a better understanding of the impacts and interactions of frack fluid on groundwater, that requirements related to water-intensive practices are adhered to, that companies be required to make public the chemical and chemical compounds that would be used, that adequate seasonal threshold must be established to ensure the usage of freshwater does not exceed watershed capacity, and finally, that research be conducted to demonstrate whether well integrity can prevent migration of fluids or gases in the long term.

Four recommendations pertain to greenhouse gases and other air emissions — data be collected on air quality, research be done to develop a method to effectively measure and monitor greenhouse gases, and that research can be conducted regarding fluid and gas leakage specific to the unique permafrost conditions found here in the Yukon. As well, steps need to be taken to ensure that volatile organic compounds are not released, ever.

Land and seismic issues were taken under the next four recommendations: collection of data on wildlife and wildlife habitat; collection of data on seismic activity and the impacts of seismic activity to be studied to evaluate the seismic risks caused by fracking. As well, the impacts of hydraulic fracturing on permafrost need to be thoroughly researched, including the interaction between groundwater and surface water.

Finally, recommendation 20 was that health-related baseline data be collected, and recommendation 21 is that the Yukon's chief medical officer of health be mandated to conduct a thorough human health risk assessment anywhere that fracking development is proposed.

We are open to applications for potential hydraulic fracturing in the Liard Basin, and a core principle guiding this Yukon Party government since the 2011 election has been to develop the Yukon's economic strength so that our economy can stand on its own. Who knows? Maybe someday we can contribute to the general wealth of Canada.

Since 2003, the Yukon has been managing the territory's land and resources, while the Government of Canada retains ownership. This means that any major resource development in the Yukon will benefit Canada the most. The oil and gas industry holds a huge potential for making Yukon a net contributor to Canada. As you know, I have spoken on more than one occasion in this House about the importance to me personally of allowing Yukoners the opportunity to work here at home. So many Yukoners have to travel outside of the Yukon, especially in the winter, to find work. Most of those travel to northern B.C. and Alberta. Wouldn't it be neat if maybe some of those workers — many who are young — could stay home and work here in the Yukon? This is a very real possibility, if we can kick the oil and gas industry into gear.

This government supports all responsible, regulated resource industries and is committed to creating the conditions that bring jobs for Yukoners here at home.

In closing, Mr. Speaker, I would just like to thank the Member for Copperbelt-South again; however, I will not be voting in favour of Motion No. 912.

Mr. Barr: I would also first like to express my thanks to the Member for Copperbelt South for bringing forward this motion today. I will be supporting this motion, along with those we have heard so far today.

Today we are debating an extremely important motion that highlights one of the government's most arrogant policy decisions to date. We are debating the question of why the Yukon Party government is bringing fracking to Yukon

despite the opposition of Yukon First Nation governments, the scientific community and Yukoners themselves.

This House has not yet explored the significant question of whether Yukon's emergency preparedness infrastructure is prepared to deal with some of the significant public health challenges that could arise from hydraulic fracturing incident.

When fracking projects are underway, we need to understand that water, sand and potentially dangerous chemicals are being injected under the Earth's surface in a bid to dislodge and fracture shale rock formations. An act of fracking projects chemicals like carbon monoxide, hydrogen sulphide, sulphur dioxide and other particulate matter into the air and it can be carried for miles. The potential health impacts are substantial and they are real.

We have heard of air quality concerns today and how the Yukon Party government says they are going to be addressing these issues. One comment I recall is "fugitive leaks", which was one term used. It made me think of that TV show, *The Fugitive* — the one-armed man. They were always after the fugitive. Only he was actually a good guy, but here the fugitive leaks we are talking about are not good guys.

I would like to cite an experience of an Ohio woman who was exposed to a hydrogen sulphide gas leak that was not properly contained — and I quote: "It was only when I woke the next morning that I realized something had changed. I had unexplained muscle spasms and terrible neck pain. I saw three doctors and spent four months recovering. Then a neighbour told me about the 3:00 a.m. hydrogen sulphide gas leak from a nearby fracking operation that sent her whole family to the emergency room with aches and pains the same day I got sick." Is this the kind of reality to which we want to subject the communities of the Liard Basin? Should Yukoners in local communities like Watson Lake and Lower Post have to worry about being able to sleep safely at night with this kind of risk in their backyards?

I keep hearing some of the quotes that: "Well, this is only two percent of the Yukon's whole area." I read an anecdotal message just recently about that announcement that the Yukon Party states that it is only two percent. The response from the person was: "Well, that is very interesting, but it is 100 percent of where I live." Let's put that into perspective and maybe the Minister for Energy, Mines and Resources would like to move down there in the two percent and raise his family, as this person objects to doing. I certainly wouldn't wish that on anyone myself, or expect that the collateral damage of anybody's health or well-being or the animals or what-have-you is something that is okay. Where do we draw the line?

I will just continue on. Fracking just isn't safe. The scientific evidence that forms an important pillar, if you will, of the fracking committee's final report tells us there is no safe way to frack. What about our first responders, Mr. Speaker? What is to be said about the Yukoners who will be on the front-line of a hydrogen sulphide leak? A leak of hydrogen sulphide from a fracking project, for example, is a significant public health crisis that requires immediate emergency response using specialized equipment and trained

personnel. At present, the Yukon would not have the capacity to respond to a hydrogen sulphide leak. Our first responders are strong and capable individuals, many of whom, in my riding, are neighbours and friends. It would be doing their bravery and their sacrifice a disservice to implement fracking at a time when the personal safety equipment and the specialized training needed to safely deal with a leak are not in place in our territory. I would hope that we don't have to go there to begin with. Nobody was able to provide the Legislature's special committee with the evidence that this can be done safely or that regulations can resolve the scientific community's criticism — no one.

I also have heard some of the members opposite stand up and state that the Member for Mount Lorne-Southern Lakes has been out front, singing songs — *Hit the Road Jack* was one of them actually — along with that, there were several hundred in that demonstration — and that I have a predetermined agenda of someone who has made my mind up. I would like to recall when the Whitehorse Trough was first coming forward with the threat of hydraulic fracturing in the early part of this mandate in 2011.

Some Hon. Member: (Inaudible)

Mr. Barr: Sorry, 2012 — and it was the people of Tagish who held the first meeting and the room was full. Since then, the meeting room was full of Yukoners who were just getting to hear even the word “fracking”. From that time on — over about the next year and a half — I attended every meeting. I spoke with people about what this might do. What is this fracking? After listening over the next year and a half, yes, I was out front, saying and singing, “Hit the road, frack”, with hundreds of people behind me. I will continue to do so and I will not be behind any doors singing songs and then singing a different song when I come out.

No, I will not. I would represent the people in my riding who, I believe — if I thought about it, there would be probably 95 percent of all the meetings I was at, all the meetings on the street in my riding. I'm elected to represent those people, so my song will continue to be what it is, reflecting the wishes of my constituents. As it has progressed over the last few years, the Yukon New Democratic Party does not support hydraulic fracturing. That's great, because that does align with where I stand now and I am proud to say that. I am here standing today saying that this is about future generations, and we are hearing about other solutions to economy, which involve renewable energy infrastructure that we do not hear from the member's opposite. We hear about, “Let's continue with fossil fuels and let's continue destroying our environment” — and not moving forward in a way that I hear people wanting in this territory. You don't have to go very far to hear somebody say, “Well, what about geothermal, what about solar, what about wind?” Why are we not doing this? This is what people want. They do not want hydraulic fracturing.

Thank you for listening.

Speaker's statement

Speaker: Order please. The member in his statement earlier made reference to the minister moving to a particular area. This is a direct personalized comment and is in fact out of order. I didn't stop you at the time. You only did it once but you are in fact out of order. I would like to remind all members to take this into consideration. Use generalities and do not direct it to a specific person or member in identification.

Hon. Mr. Istchenko: It is a great honour for me to get up here and speak today as the Minister of Environment and talk about this.

I, first of all, would really like to — and I'll keep it shorter than most. I do want to thank the Member for Copperbelt South for bringing this forward and I will agree with the Minister of Economic Development that this topic can get very heated throughout the Yukon.

I had the opportunity to go to one of the meetings in my community, and I think the members who were on the all-party committee should be commended for their hard work that they did on this. I will note again that this government will be accepting all the recommendations from this select committee and, of course, anything moving forward with the support of the First Nations.

The select committee's final report includes a number of recommendations that are relevant to my department. Specifically it recommends that more baseline data be collected on water, air emissions and wildlife. The department shares the select committee's interest for baseline data.

We currently collect water, wildlife and air quality for general monitoring purposes and also to ensure we have background data, should specific development projects be proposed. Baseline data is collected across the Yukon, including in areas with oil and gas development potential. For example, in 2013-14, additional water quality monitoring stations were established in the Eagle Plains and Liard Basin areas.

In light of the select committee's recommendations, we will further be assessing our baseline data inventory — making it, of course, public — to determine where additional data collection may be needed. We will also seek expert advice to help us understand this baseline information.

The Yukon *Environment Act* was amended and updated in 2014 to help ensure it continues to support sustainable development while recognizing the importance of a healthy, natural environment. The act provides Yukon with authority to regulate in the areas of air, waste, spills and contamination. This is consistent with what our neighbouring jurisdictions regulate as well.

The *Waters Act* provides Yukon with the authority to manage the use of or unauthorized deposits of waste into the water. Water licences are issued by the Yukon Water Board; however, the terms and conditions of these licences are inspected by the Yukon government — EMR for mines, and Environment for everything else. We are confident we have the regulatory tools required to manage the possible range of

impacts that are identified by the select committee. As part of our response to the select committee, we have said that we will seek the advice of a third party — credible, external expert — to help us understand how we can best apply our existing tools and to help us determine the appropriate amount of baseline data to collect, prior to development.

There are two prospective basins where unconventional oil and gas extraction could be considered. I think we have heard it many times in the House today — Liard Basin and Eagle Plains Basin. Only Liard Basin has been identified for an area for potential shale gas development opportunities and, of course, the Department of Environment has collected baseline data in both areas as follows. When it comes to the air quality, the Department of Environment collects ambient air quality for the Yukon and makes it available through our Environment Canada National Air Pollution Surveillance website. Permittees regulated under the air emissions regulations can be required to conduct their own monitoring, and air dispersion modelling activities determine whether they exceed Yukon ambient air quality standards or other recognized national standards.

Both the *Oil and Gas Act* and the *Quartz Mining Act* provide regulators with the ability to require monitoring and reporting of air pollutants in their approvals. The department is reviewing the monitoring parameters in other natural gas producing areas such as northern B.C. and Alberta, taking into consideration existing impacts to local air sheds and to inform what the appropriate monitoring stations and baseline parameters would be for oil and gas development in the Yukon.

When it comes to water, surface water samples are collected at three locations for water quality. Samples are analyzed for numerous chemical and physical properties, metals, hydrocarbons, and nutrients. Samples are also sent to the University of Calgary for baseline chemical and isotopic analysis of water, gases and other potential constituents related to oil and gas development. Two hydrometric stations were installed in the Kotaneelee area that will collect ongoing water level and stream flow data.

I do want to talk a little bit about the Yukon government and our investing \$3.35 million over the next three years to deliver on actions identified in our Yukon water strategy. Some of the examples of the work underway are: the installment of six new hydrometric stations in 2014 and 19 are planned for 2015-16; installment of the two water quality monitoring stations in 2014 and three are planned for 2015-16; adding new wells to the groundwater network; collecting baseline data; and developing a comprehensive groundwater program.

We are holding a Yukon water forum on a regular basis for water managers across the territory — from municipalities and First Nations — and working with our communities to develop more community-based water monitoring programs.

In closing, the Premier just came back from the climate change summit. The effects of climate change are perhaps most profound in the north, as we northerners deal with this reality every day. We are a small jurisdiction — less than

40,000 people — about the size of a single neighbourhood in many of the large cities across Canada. The Yukon accounts for less than one percent of Canada's greenhouse gas emissions. Canada is, I think, 1.6 percent of the world's emissions. For us in the Yukon, consuming carbon is not a luxury; it is a necessity. It heats our homes and transports essential goods and services to feed and support our families.

We as northerners are focusing on adaptation and mitigation efforts: permafrost research, microgeneration, independent power producers policy and energy rebates. We are all for this — you just have to look — almost 100 percent of our electricity comes from hydro power.

Looking at CO₂ emissions and climate change, this building is going to undergo a complete skinning, and that is going to help work us toward that. We are always pleased to take part in the national discussions and have an opportunity to demonstrate leadership and contribute our knowledge and experience to adaptation efforts. While there are many perspectives to be considered when it comes to this, we are not going to condone a course of action that leads to an increased cost of living for northerners. I believe the pan-territorial approach to climate change recognizes this. I think it is key for us. Also, I think it is key if we have an industry in the Yukon that will help support us, so we are not contributing CO₂ emissions from the transportation of services and supplies from the south — I think that will actually help reduce our CO₂ emissions.

I want to commend the Department of Environment for their hard work on this file and many other files. I do want to thank the Member for Copperbelt South for bringing this motion forward, and I thank everyone for the opportunity to speak in the House today.

Ms. Stick: I would like to rise to speak in support of Motion No. 912 and would like to thank my colleague for Copperbelt South for bringing this motion forward and to thank her for her work on the select committee, along with the other members. I know how hard individuals worked on this and how much time was put into it, and I thank them for that.

I would like to speak to the health impacts of hydraulic fracturing. As a critic, it is important and it should be important to all Yukoners. When I talk about health impacts of hydraulic fracturing, I am speaking about the direct and the indirect impacts this form of development has on environmental public health. Now, environmental public health is the branch of public health that looks at all aspects of natural and human-built environments that may affect human health. As Yukoners, we know our environmental public health is closely linked with the protection and the preservation of our environment. This government knows this and has said so in their own research.

I would like to quote from this government's very own document, entitled *Pathways to Wellness: a Background Paper*. This report was released in June 2012 and it says — and I quote: “A healthy environment begins with clean, safe water, air and land — we are fortunate that there is little pollution and few contaminants in the Yukon. Our ability to

interact with nature on a daily basis gives us a clear advantage over most other Canadians. The natural environment and our connections to the land, water, animals and plants are a fundamental component of building and sustaining good health.”

It's important, Mr. Speaker, and the research that this government has done speaks to the importance of environmental public health. This understanding of the connection between our environment and health — it's there — yet this holistic approach to environmental health is missing. It's not to be seen from the Yukon Party government's response to the select committee.

Environmental public health is defined by the World Health Organization as those aspects of human health and disease that are determined by factors in the natural and in the built environment. As recently as 2015, it states — and I quote: “Environmental health addresses all the physical, chemical, and biological factors external to a person, and all the related factors impacting behaviours.” It talks about assessment and control of environmental factors and how it could potentially affect health.

Environmental health concerns include, but are not limited to: air quality, safe drinking water, climate change and its effect on health, hazardous materials management — including hazardous waste management, contaminated site remediation, the prevention of leaks from underground storage tanks and the prevention of hazardous materials released into the environment. It talks about liquid waste disposal, noise pollution, occupational health, industrial hygiene, radiological health, solid waste management and toxic chemical exposure in workplaces and in the air, the water and the soil.

We know that hydraulic fracturing will have serious implications for environmental public health here in the Yukon. But because comprehensive and longitudinal studies on the health impacts of hydraulic fracturing across all of these areas is either non-existent or in its early days, we simply do not know for certain what impact hydraulic fracturing activities in the Liard Basin will have on the health and well-being of Yukoners. We do not know for certain, Mr. Speaker.

The largely unknown health effects of hydraulic fracturing are a barrier facing many jurisdictions — those that are already into fracking, those considering it or ending it.

One of the most recent and robust analyses of these unknown health impacts was released in December 2014 by the New York State Department of Health in their public health review of high-volume hydraulic fracturing for shale gas development. This review is a result of over 4,500 hours of combined effort by more than 20 Department of Health senior research scientists, public health specialists and radiological health specialists.

In this study, they said it is unlikely that we will know all the negative and positive — if there are any — impacts of high-volume hydraulic fracturing. The overall weight of evidence from the cumulative body of information contained in the public health review demonstrated that there were significant uncertainties. It's a new field. Many talk about

how long fracking has been going on, but the health impacts have not been studied. It's a new science.

The Physicians, Scientists and Engineers for Health Energy committee undertook a review of a small body of empirical research. They said that really this research hadn't started until approximately 2009, so they reviewed between 2009 and 2014 — what the data was saying. Thirteen of 15 of the original research studies indicated potential public health risks or actual adverse health outcomes. Forty-five of 47 papers they reviewed indicated potential public health risk — sorry, I just said that. Twenty-one out of 30 of the original research studies indicated potential association or actual incidences of water contamination. Twenty-one out of 22 research studies on air quality indicated elevated air pollutant emissions. It indicated that there were many gaps and many unknowns. Do we really want to go forward without that knowledge?

I had the opportunity to travel with the select committee to Alberta on their tour of fracking facilities and communities, and I had the opportunity to listen to a wide variety of industry representatives, government officials, health officials and more. At the end of that trip, I was glad I was not on that committee because I understood what they were facing ahead. But for me the most memorable part of that trip was listening and talking to citizens directly impacted by fracking near their homes and their communities.

There was a range of health concerns including: unexplained loss of hair; mental health concerns brought on by constant noise pollution; light pollution; air pollution from constant flaring; high amounts of truck traffic at all times of the day and night; and the stress of living in a previously quiet rural setting and suddenly having fracking on their land.

We heard from parents concerned about their children's health and the things that they were seeing in their own family and the impacts of this industry on them. There are just too many unknowns, too many uncertainties, too many potential risks and possible adverse outcomes on human health associated with hydraulic fracturing.

The Yukon *Final Report of the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing* acknowledges that additional research is needed to gain a better understanding of the health and social impacts of hydraulic fracturing and the related costs. This is acknowledged and backed by two specific recommendations. Recommendation 20 states: “THAT health related baseline data be collected for an appropriate period of time, in order to ensure that data is available.” Recommendation 21 states: “THAT Yukon's Chief Medical Officer of Health be mandated to conduct a thorough human health risk assessment where hydraulic fracturing development is proposed in Yukon.”

I have spoken briefly on the vast array of public health concerns surrounding the unconventional, the controversial, the intensive and the relatively brand-new method of natural gas extraction.

Yet the Yukon Party government's response to these is off-target. The response to the select committee's final report

downgrades those recommendations. The response indicates a possible deviation from the collection of specifically Yukon health-related data related to hydraulic fracturing to a simple assessment of what is currently available and possibly even an ad hoc approach to fill in the missing data. It is my understanding that it would take four to five years for a government to be able to collect the appropriate data, to manage that data, to store it and use it appropriately.

Perhaps, in view of this absence of appropriate Yukon baseline data collection, the government's response also includes a reference to reviewing the results of the recently released three-year health impact study conducted in northeast B.C. It is not surprising the minister selected this study, as it concludes there is a low probability of adverse health effects from exposure to contaminants associated with oil and gas. However, this study looked primarily at the long-term inhalation exposures to chemicals of potential concern that can be released from gas processing plants, compressor stations and storage tanks. It has received a lot of criticism for concluding a low probability of adverse health effects, even as it acknowledges that there was a lack of baseline data for groundwater in the region and, as such, failed to address questions about the impact of water pollution on human health.

We've heard over and over about the incredible amounts of water that are used for fracking and then left in the ground. Yukoners deserve to have health impacts studied across the full range of environmental health factors — not just one or two or even three. The potential risk to human health of not doing so is simply too great, and we don't know. The absence of a clear link between fracking and adverse health outcomes, due to a lack of information, does not equal evidence there will be no adverse effects.

Mr. Speaker, as the NDP critic for Health and Social Services, I am very concerned by the government's twisting of recommendations 20 and 21 that doesn't meet what the recommendations say. I'm alarmed by this government's apparent commitment to proceed with fracking in the Liard Basin before we can properly and unequivocally ensure the health and well-being of all Yukoners.

I support this motion. I support what Yukoners have said about their concerns — how they do not want fracking in the Yukon. Social licence, what Yukoners say, needs to be listened to. I will support this motion. Again, I thank the Member for Copperbelt South for bringing this forward and speaking so eloquently to it.

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

Ms. Moorcroft: I would like to thank all members for their contributions to the debate today. I appreciate that the tone this afternoon has been respectful even though, as we have heard, hydraulic fracturing is a politically divisive issue, and I think that's understating it.

I also want to repeat that a vast majority of Yukoners who presented to the committee — and Yukon First Nations — have all expressed their opposition to hydraulic fracturing.

I want to thank all of the members of the committee. I intended to do that in my opening remarks. First, the Member for Vuntut Gwitchin was the only member of the committee with previous experience on an all-party select committee. His contributions were valuable, particularly when the committee, of necessity, had to deal with the challenge of taking on duties that no select committee had entered into before.

I want to thank the Chair, the MLA for Watson Lake, and the MLA for Copperbelt North, who were the two other government members on the committee. The MLA for Klondike and my colleague, the MLA for Mayo-Tatchun, were the other two opposition members of the committee, and I appreciate that the government established a committee with equal representation from the government side and the opposition.

I appreciated the opportunity to travel in Yukon with the MLAs and get to spend some time with colleagues. I know that we all learned a lot. I also wanted to thank Ms. Lloyd, Ms. Kolody and Ms. Brown, who did great service supporting the committee in their duties as legislative clerks and in administration.

As I said in my opening speech, the committee was unable to reach agreements on the fundamental questions of whether or not hydraulic fracturing could be done safely, if properly regulated. The government and the opposition were deadlocked, but thanks to the hard work of all committee members, we did agree to disagree on whether hydraulic fracturing could be done safely and we did agree on 21 recommendations that were carefully crafted.

We said, about those recommendations, that all recommendations should be addressed before hydraulic fracturing is considered, but the Yukon Party government approach is to go ahead with hydraulic fracturing in the Liard Basin before doing the necessary research. There are too many uncertainties about the damage hydraulic fracturing may cause to the environment, the air, the water, the soil and the permafrost. There are too many uncertainties about the effects on human health and the costs to the health and social services systems. There are too many uncertainties about the costs of operations and regulatory oversight.

There are too many unknowns about potential infrastructure and capital investment costs. The oil and gas corporations that have been operating in British Columbia and Alberta have been receiving massive government subsidies, both directly and indirectly. Infrastructure costs associated with the practice of hydraulic fracturing are high, and there are no examples of oil and gas companies internalizing the harmful and expensive environmental degradation and remediation costs. In fact, as I have said, scientists have advised Yukon legislators against investing in those infrastructure costs. Industry needs to bear the full cost.

We know with this government that there will not be an adequate royalty regime in place to ensure that some of the benefits make it into the hands of Yukoners. We saw most

recently the massive money sink that was the Wolverine mine. I don't want to think what would happen with a brand-new fracking industry in Yukon under this government.

There is no evidence that fracking produces long-term employment for the local economy. There are questions about whether the Yukon would see significant job creation, as the access road to Kotaneelee starts in Fort Nelson and, as other members have said — and the Member for Mayo-Tatchun focused on — the boom-bust economy is one that defines the oil and gas industry.

Industry and government have also failed to account for the impact the practice has on other more sustainable industries like tourism, outfitting and agriculture. There is no reason to think that this government would give those impacts any thought, either.

With hydraulic fracturing, we will not see a diversification of our economy. We will still be tied to a fly-in/fly-out industry that is subject to the whims of global commodity prices. We are seeing in Alberta what the effects of a reliance on those industries can be.

The government has said that it will only proceed with First Nations' support, and in the Liard Basin, there are the five Kaska nations as well as the Acho Dene Koe in the Northwest Territories.

I wonder how the government will gauge support of affected First Nations. Will there be a requirement for a referendum? Will all First Nations that claim parts of the Liard Basin need to express their support — the Ross River Dena Council, the Liard First Nation, the three Kaska First Nations in B.C. as well as the Acho Dene Koe in Northwest Territories? This government's decision to allow fracking in one basin brings into play trade agreements and NAFTA, the North American Free Trade Agreement. As an example, Quebec, like Yukon, had a de facto moratorium on fracking. When Quebec decided to put in force a ban on fracking along the St. Lawrence Seaway, but at the same time it determined that it could occur on Anticosti Island, the Quebec government was sued by Lone Pine Resources under chapter 11 of NAFTA. The lawsuit is for \$250 million. Having part of the Yukon open to hydraulic fracturing and other parts not could well trigger similar lawsuits — for example, by Northern Cross (Yukon), CNOOC.

Mr. Speaker, for energy needs, we in the Official Opposition have been talking about the need to invest in renewables. We have spoken about the need to diversify the economy and the hazards of going into a boom-and-bust fracking economy.

I would like to close by once again expressing what an honour it was to travel around the Yukon and to hear from hundreds of people who gave thoughtful, considered and informed presentations. I think the one that meant the most to me was when Vuntut Gwitchin Elder Fanny Charlie spoke at the Old Crow public hearing as translated by Robert Bruce. What she said — and I quote: "...what she heard is going on here ... she agrees with what everybody was saying. She doesn't want any involvement with development and fracking and stuff like that. This is for future generations, for the

younger people. She's happy with what she heard mostly young people talking, and that's for their future. She just wishes if this Committee could take in what the young people are talking about, that there be no fracking, no development and oil and gas. That was her comment."

We're familiar, in learning with First Nations and interacting with First Nations, with the great respect that they have for the elders, and to see the elder demonstrating that respect for the youth as way of showing just how deep the commitment is to all life and to future generations of human life will be something that I will always remember, and I think those words should guide our decision. I ask members to support the motion before us.

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: Disagree.

Mr. Elias: Disagree.

Hon. Ms. Taylor: Disagree.

Hon. Mr. Graham: Disagree.

Hon. Mr. Kent: Disagree.

Hon. Mr. Istchenko: Disagree.

Hon. Mr. Dixon: Disagree.

Hon. Mr. Hassard: Disagree.

Hon. Mr. Cathers: Disagree.

Hon. Mr. Nixon: Disagree.

Ms. McLeod: Disagree.

Ms. Hanson: Agree.

Ms. Stick: Agree.

Ms. Moorcroft: Agree.

Ms. White: Agree.

Mr. Tredger: Agree.

Mr. Barr: Agree.

Mr. Silver: Agree.

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

Speaker: The nays have it. I declare the motion defeated.

Motion No. 912 negatived

Motion No. 893

Clerk: Motion No. 893, standing in the name of Mr. Silver.

Speaker: It is moved by the Leader of the Third Party:

THAT this House urges the Government of Yukon to follow through on its commitment to develop a mental health strategy.

Mr. Silver: I don't have a lot of time here, but I might as well start.

On April 2, I raised the issue of mental health services, a topic that I have been hearing a great deal about in the

community. Way back in 2011, the Premier committed to spend new federal money designing a mental health plan. In 2012, a former Yukon Party health minister told a local radio station the government was planning a mental health strategy. In 2014, the former minister told Yukoners — and I quote: “We’re working on a mental health strategy and when it’s available I will be only too happy to present it to this Legislature.”

As the clock strikes 2015, Yukoners have a new Minister of Health and Social Services but still await a mental health strategy. We are only one of two jurisdictions in Canada without such a strategy, which shows where mental health lies on this government’s priority list.

In 2013, the government released a needs assessment for the newly built hospitals in Dawson City and Watson Lake. The report said — and I quote: “That the implementation of a territorial mental health prevention and treatment strategy be a priority that includes local support workers who maintain contact with those in need...”

A full 18 months after receiving that report, the recommendations have not been acted on. Just over a year ago, the government released a report called *A Clinical Services Plan for Yukon Territory*. One of the Yukon’s key findings was quite blunt — and I quote: “Mental health services are in a significant deficit outside of Whitehorse.”

The report warned — and I quote again: “Not addressing...mental health services in Yukon...risks failure for a clinical services plan.

“Central to a clinical services plan of value to the residents of Yukon Territory is the expanded resourcing of ADS and mental health services, especially in the communities. There is no greater need.”

Finally, the report went on to say — and I quote again: “No provider or service interview conducted during the study was silent on the enormity of the problem with, and impact of, the management and challenges of mental health services in Yukon Territory.

“The full spectrum of mental health issues is prevalent and generates a huge burden on available resources and family members.”

“...not a single interview during this study was silent on the critical need for expanded and re-tooled MHS to be central in service planning.”

Mr. Speaker, there has been no response from the government in the year since it received this \$200,000 report on how it plans to address this lack of mental health services in rural Yukon. The overwhelming message from the government’s own report is that things need to change.

Unfortunately, the new Minister of Health and Social Services stood in this House last week and continued to defend the status quo. “We are doing a good job,” he said, and refused to acknowledge that more needs to be done.

I want to spend some time speaking about the rural communities.

Speaker: Order please. The hour being 5:30 p.m., this House now stands adjourned until 1:00 p.m. tomorrow.

Debate on Motion No. 893 accordingly adjourned

The House adjourned at 5:30 p.m.

The following sessional papers were tabled April 15, 2015:

33-1-158

Yukon Law Foundation Annual Report — November 1, 2013 to October 31, 2014 (Cathers)

33-1-159

Standing Committee on Appointments to Major Government Boards and Committees — Fifteenth Report (April 14, 2015) (Hassard)

The following document was filed April 15, 2015:

33-1-110

Workers’ Advocate Office — 2014 Annual Report (Cathers)

33-1-111

Integration of Inspection Services, letter (dated June 4, 2009) from Hon. Brad Cathers, Minister of Energy, Mines and Resources, to Raymond Mah, Chief Operating Officer, Yukon Zinc Corporation (Tredger)