



Yukon Legislative Assembly

Number 219

1st Session

33rd Legislature

HANSARD

Wednesday, May 27, 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
---------------------	---------------------------------------

LEGISLATIVE STAFF

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

**Yukon Legislative Assembly
Whitehorse, Yukon
Wednesday, May 27, 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 with the Order Paper. Tributes.

TRIBUTES

In recognition of Destination Imagination

Hon. Mr. Graham: Mr. Speaker, it is indeed a great pleasure for me today to rise in the House to pay tribute on behalf of all members of this Legislature to Destination Imagination.

The Destination Imagination program is in its third year in Yukon, but has been running for more than 30 years in North America. The project-based program takes students of all ages through the creative process from imagination to innovation. The result is that students learn to use diverse approaches in applying their skills and creativity.

This focus on creativity, collaboration, communication and critical thinking matches the four skill areas focused on in Yukon schools' 21st century learning approach. I applaud the vision of Destination Imagination Yukon Society in bringing this non-profit program to Yukon and supporting the educators and students who participate in the annual tournament. This year's tournament, held on February 28, saw 52 students from six schools compete in four different categories. Teams from Christ the King Elementary School, Golden Horn Elementary School, Hidden Valley School, Vanier Catholic Secondary School, Whitehorse Elementary School and Yukon College demonstrated teamwork and problem-solving skills as they tackled scientific, structural, fine arts and community services challenges. I congratulate the winning teams — Joker Dudes & Berries from Christ the King Elementary, K.R.E.B.R. from Vanier Catholic Secondary School, Northern Fiddle Sticks from Hidden Valley School, and Community Saviour from Christ the King Elementary School — on a job very well done. All of the participants are to be commended for their hard work and their enthusiasm. The air practically crackles with excitement and energy during the tournament.

Thank you also to the Destination Imagination Yukon Society board members and the team managers, teachers, staff, volunteers and partners behind the scene who make this event possible. These people worked with the students throughout the year as the teams prepared for this tournament. Destination Imagination is an extra-curricular program. That means the time and effort that students and educators invest in the program is above and beyond their regular school day. The participants and volunteers are there because they are excited to learn, to be challenged and to work together in a fun

environment. It is a program that Yukon Education is proud to support.

Finally, I would like to invite all of my colleagues to join me in congratulating two teams on moving further in the competition. The Northern Fiddle Sticks, a team from Hidden Valley School, was selected to represent the territory in the next round of competition at the B.C. provincial tournament. In Vancouver, the team won the Spirit of Discovery and Imagination Award in recognition of their exceptional spirit, teamwork, volunteerism and sportsmanship. I would like to congratulate Willow Sippel, Donald Halliday, Nia Teramura, Phoebe Petkovich, Taia Zakus and Alex Gray. The K.R.E.B.R. team, the team from Vanier Catholic Secondary School, was selected by the Destination Imagination Yukon Society to represent Yukon at the global finals in Knoxville, Tennessee. This past weekend, the students joined 1,468 teams from 17 different countries in Tennessee.

If any of you heard the students on the radio the other day, they were absolutely excited and totally committed to being in Knoxville and having an excellent learning opportunity. The team held its own in the "Making Waves" scientific challenge against 68 different secondary school teams. In the "Instant Challenge", Yukon students were at the top of the pack in the 84th percentile. I would like to give congratulations to Marika Kitchen, Tasha Elliott, Jack Royle and Molly Brooksbank for their excellent showing in Tennessee. The teams worked very hard to prepare for their competitions and to fundraise to support their travel. On behalf of all of us: congratulations to those two teams.

I would like to take the opportunity to introduce everyone to Johanne Koser, who is the coordinator and has been the strong person behind these teams and this tournament here in the territory. Thank you, Johanne.

Applause

In recognition of World No Tobacco Day

Hon. Mr. Nixon: I rise today on behalf of all members in recognizing May 31 as World No Tobacco Day.

According to the World Health Organization, tobacco use is the single most important preventable cause of death. In a news report issued today, the Canadian Cancer Society stated that smoking still creates a heavy burden on the medical system even though smoking rates have fallen. Not only is smoking a risk factor for lung cancer, it is also a risk for a host of other cancers including those found in the mouth, liver, colon and pancreas. Individuals who smoke also have a higher risk for diseases such as heart disease, stroke, chronic respiratory disease and chronic obstructive pulmonary disease or COPD.

Based on Statistics Canada data, just over 19 percent of Canadians aged 12 and over smoke daily or occasionally. Here in the Yukon, the most recent stats from 2013 show that 25 percent of Yukoners smoke. This is a decrease from the 2012 rates, which showed 29 percent of Yukoners smoking. While we have seen a decrease in smoking rates among Yukoners over the most recent years, we still have work to do to help Yukoners quit the smoking habit and encourage

Yukoners to avoid picking up the smoking habit in the first place.

The Department of Health and Social Services offers support and resources to help Yukoners quit smoking through our cessation program, QuitPath. This program includes coaching, education on the impacts of smoking on our health as well as up to 12 weeks of free nicotine patches.

On the prevention side, Health and Social Services recently launched a new community-based tobacco prevention resource entitled “Kickin’ Ash”, which is aimed at Yukon youth. This resource is designed for youth organizations and schools and will help youth workers and teachers to engage young people in activities that help youth develop tools and knowledge they need to address tobacco use and prevent smoking.

World No Tobacco Day is an opportunity to remind all of us of the devastating effects smoking has on our bodies. In fact, a smoker will die on average 20 years sooner than they would if they didn’t smoke. I encourage all smokers to take the step to think about quitting.

Mr. Speaker, I personally know how difficult it can be to quit smoking. I quit smoking eight years ago now and would encourage those who are trying to quit to be very persistent. It’s never too late to quit smoking and to improve your health in the process.

In recognition of Forum for Young Canadians

Hon. Mr. Graham: Once again, I rise to pay tribute to some inspiring young Yukoners on behalf of all members of the Legislature. These young Yukoners who are with us here today recently returned from a trip to Ottawa for the Forum for Young Canadians.

The Forum for Young Canadians is the flagship program of the foundation for the study of processes of government in Canada. The foundation aims to foster an understanding among young Canadians on the role and function of Canada’s government. It also promotes awareness of the meaning of Canadian citizenship.

The Forum for Young Canadians program was established in 1975 as a bilingual, non-partisan educational experience for Canadian high school and Cégep (Quebec) students. It brings together youth leaders who demonstrate an interest in civic and national affairs. These students come from across the country to Ottawa to learn first-hand about Canada’s democracy.

Participants enjoy an immersive experience in Canadian politics and heritage in the national capital, including: stimulating legislative sessions — although sometimes I wonder about that statement, Mr. Speaker — and debates in the House of Commons and the Senate of Canada in the very seats used by our national members of Parliament and our senators; interacting with politicians on Parliament Hill; visiting the estate and residence of the Governor General at Rideau Hall; and touring exhibits at the national museums like First Peoples Hall at the Canadian Museum of History or the Royal Canadian Legion Hall of Honour at the Canadian War

Museum. Students learn about Canada’s history in politics and how they can influence public policy.

More than 300 students aged 15 to 19 from across Canada are selected to participate each year, based on academic, extracurricular and leadership merits. Since 2010, 43 Yukon students have participated in the Forum for Young Canadians program. Young leaders from seven Yukon schools have travelled to Ottawa over the last five years through this national civics program and the schools include: Del van Gorder School, F.H. Collins Secondary School, the Individual Learning Centre, Porter Creek Secondary School, St. Elias Community School, Tantalus School, and Watson Lake Secondary School. This year, the Department of Education was proud to provide \$5,000 to support the six Yukon students who participated in this engaging experiential program. These students have the opportunity to have a voice among a diverse group of Canadian youth to enrich their leadership skills and understanding of Canadian politics and to create a national network of new friends and peers who share their interest in democracy.

The Yukon participants in 2015 include five students from F.H. Collins Secondary School and one student from Tantalus School in Carmacks. I would like to thank Mrs. Sandra Henderson, who coordinates this program for Yukon students. She is a long-standing board member of the foundation and the Forum for Young Canadians, as well as a retired Yukon school educator.

Speaker: Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Graham: I would like to introduce Sandra Henderson, as well as some of the other young people who are with us here today. I think our page, Ashley Harris, was one of the participants this year. Saba Javen is here with us today, Maira Magsi, Bailey Muir-Cressman, and Arman Sharma — all of who are from F.H. Collins — and unfortunately Jess Cann of Tantalus School could not be with us today. Also accompanying the students is Michael Toews, a teacher and vice-principal at F.H. Collins. The proud parents of Bailey — Lauren Muir-Cressman and Jeff Muir-Cressman — are here with us today as well.

Welcome all of you to the Yukon Legislature and congratulations and thank you very much to the students.

Applause

Ms. White: *[Member spoke in French. Text unavailable.]*

I could not miss this opportunity to thank my grade 1 teacher, Sandra Henderson. I was first in her class when I was six years old.

[Member spoke in French. Text unavailable.]

Speaker: Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Istchenko: I have for tabling the Fish and Wildlife branch highlights, Department of Environment, 2014-15.

Hon. Mr. Kent: I have for tabling a letter dated October 24, 2014 to the Mayor of the City of Whitehorse from me and the former Minister of Education regarding an invitation to the city with respect to the Education Reserve Planning Committee.

Hon. Mr. Cathers: I have for tabling the annual report of the Yukon Judicial Council for the 2014 year.

Hon. Ms. Taylor: I have for tabling the 2014-15 annual report for the Yukon Advisory Council on Women's Issues.

Speaker: Are there any reports of committees? Petitions.

PETITIONS

Petition No. 21 — response

Hon. Mr. Istchenko: I rise today to respond to a petition presented in the Legislature on May 14 by the Member for Takhini-Kopper King, on behalf of Kona's Coalition. The petition called for the Government of Yukon to consult the public and review the *Animal Protection Act* and the *Animal Health Act*.

I would first like to thank the members of Kona's Coalition and other animal welfare groups in the Yukon for the important work that they do in supporting the health and well-being of domestic animals in the Yukon. Recent events have highlighted the importance of having safeguards in place to protect the welfare of animals and to deter animal cruelty.

We share the concern of the public about the deaths of two dogs from poisoning and take seriously the risks to children, pets and wildlife. The RCMP is investigating these acts of animal cruelty under the *Criminal Code* of Canada, and the Animal Health Unit's animal protection services are available to support the RCMP in their investigation.

The Government of Yukon recognizes the importance of a strong legal framework for protecting the health and well-being of animals in the Yukon. The *Animal Protection Act* was amended in 2012 and provides the tools for the Government of Yukon to respond to abuse, neglect, abandonment and the improper care of animals. Penalties for putting animals in distress under this act can range up to \$10,000 in fines and two years in prison.

The *Animal Health Act* was amended in 2014, and regulations are currently under development to support a number of sections of the act. This legislation establishes a system for responding to disease and other hazards and limiting the risks to animal and human health. Other legislation also supports the welfare of animals, including provisions in the *Wildlife Act* to protect wildlife from harassment.

Our strong legislative framework for the health and welfare of animals is supported by programs housed in the Department of Environment. The animal protection program was recently transferred from the Department of Community Services to the Animal Health Unit of the Department of Environment. This move was effective on April 1, 2015 and better supports the work of the Animal Health Unit under the chief veterinary officer in protecting animal health in the Yukon.

My department has recently received the animal protection program. We will be undertaking a review of it. We anticipate this review will be underway over the next year. We will approach this review in a highly inclusive manner, ensuring opportunities for public and stakeholder engagement. This review will include an examination of activities to educate pet owners and address pet overpopulation, including our regular funding of humane societies to promote the humane care of animals. Groups like Kona's Coalition and the Humane Society Yukon play an important role in protecting the welfare of animals and promoting responsible pet ownership. We recognize the value that these organizations can bring to the conversation.

I would like to thank the Member for Takhini-Kopper King for raising this important issue and Kona's Coalition for raising awareness and collecting signatures from the public. I look forward to the continuous involvement of animal protection services in Yukon to keep our community's pets and wildlife safe and healthy.

Speaker: Are there any petitions to be presented?
Are there any bills to be introduced?
Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to work with Yukon First Nation governments and the Yukon tourism industry to develop a wildlife viewing strategy and marketing plan to increase the value of the contribution of wildlife viewing to the Yukon economy.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to reinforce its support for film as an essential medium for the promotion of Yukon's vibrant heritage and culture by reinstating the Yukon Film and Sound Commission to its original role as a subsidiary of the Department of Tourism and Culture.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to support the important role that the MacBride Museum of Yukon History plays in preserving and sharing knowledge about Yukon's history and culture by providing additional funding to the museum in light of unforeseen fiscal setbacks.

Speaker: Is there a statement by a minister?

This then brings us to Question Period.

QUESTION PERIOD

Question re: Mining sector development

Ms. Hanson: The Premier's take on Yukon's mineral industry as reported in a recent interview in *The Gold Report* is so out of touch with reality that one wonders if he is even aware of what's happening in the Yukon. Despite the Premier's alleged efforts to entice industry, we are now left with only one operating mine in the Yukon.

The Premier is quick to point fingers when it comes to explaining this poor track record, but he cannot ignore that on Bill S-6 and the Peel, his confrontational attitude toward First Nations is entirely of his government's making. This Yukon Party government has created the uncertainty that exacerbates the poor investment climate already weakened by low mineral prices.

When will the Premier acknowledge that Yukon's poor mineral development climate is one of the results of this Yukon government's mismanagement of Yukon's intergovernmental relationships?

Hon. Mr. Pasloski: The only person out of touch or the only party out of touch is the NDP. Quite honestly, they still don't understand that mining is in fact a cornerstone of this economy and has been since the creation of this territory back in 1898. It continues to be so today, delivering 20 percent of our gross domestic product. We'll continue to focus on this industry. We'll continue to work together with First Nations.

As I have stated many times, the resource industry is the largest employer of First Nation people in this territory. There's a long, strong, proud history of the resource industry and First Nations will continue to work on all efforts to ensure that this industry remains the cornerstone of this economy to ensure the prosperity of this territory.

Ms. Hanson: Along with the Official Opposition, Yukoners welcome mining in the Yukon. The expectations are simple — follow the rules, employ Yukoners, benefit Yukon businesses and clean up when they leave. It's pretty straightforward.

But when we look at the recent shutdown at Wolverine, we see that this Yukon Party government doesn't agree with Yukoners. Yukon Zinc didn't follow the rules. This government allowed them to miss key security payments. As for Yukon jobs and businesses, three out of four jobs were fly-in and fly-out.

When Yukon Zinc went belly up, they left owing Yukon businesses \$4.3 million. As for cleaning up, they didn't follow their obligations set out in the temporary closure plan — all this under the Yukon Party watch.

Can the Premier explain why the Yukon Party does not agree with the simple principle that mining companies should follow the rules, benefit Yukoners and Yukon businesses and clean up when they're done?

Hon. Mr. Kent: Just to remind the members opposite, the Wolverine mine is in temporary closure. The company is still active on-site doing the necessary care and maintenance,

of course being monitored very diligently by officials in Energy, Mines and Resources.

For the member opposite to suggest that they've packed up and left the territory is again an inaccurate statement by her, building on a number of inaccurate statements that she's made during this Sitting — including the fact that she didn't understand that a mine at Minto owned by Capstone Mining contributed significantly to the local economy through contracting and job opportunities. I believe she said in the House that they contributed nothing, whereas officials from the mine later responded that their procurement practices in the territory were close to \$75 million for the last full year of operation.

Clearly, the Leader of the Official Opposition, the Member for Whitehorse Centre, has demonstrated that she does not understand the value of the mining industry, what it means to the Yukon economy and what it means to the identity of the Yukon. She doesn't understand that exploration and placer mining and development and prospecting are all extremely important aspects of this industry. When it comes to credibility on the mining industry, the Yukon Party government certainly has an awful lot of it. The Leader of the NDP has none.

Ms. Hanson: The minister and the Premier can continue to divert attention from their true track record. The Premier has to recognize that no amount of stop-gap measures will reignite confidence in Yukon's mining sector while he is antagonizing every First Nation government in the territory. This government is now in legal battles with four First Nations over the Peel watershed plan, the entire Ross River area is now closed to staking because this government is unable or unwilling to work with the Kaska, and now they are chomping at the bit to fight with Yukon First Nations over Bill S-6. The Premier chose to ignore the opportunity to work with First Nations provided in the devolution transfer agreement to develop modern successor resource legislation.

When will the Premier stop pushing First Nations to the courts, come to the table and commit to creating the modern successor resource legislation that Yukon so desperately needs?

Hon. Mr. Pasloski: As I have noted in the last couple of days, when it comes to the Peel, this government did approach First Nations. I spoke directly to the chiefs of the affected First Nations, our lawyers talked to their lawyers, and our government staff talked to First Nation staff in an attempt to reach out and come to an out-of-court settlement that everybody could live with. The answer — the reply to that request was a simple no.

We continue to work with First Nations on issues such as the mine licensing improvement initiative; such as the mineral development strategy; such as working on class 1 declarations; and working on category B land and the processes around mining and exploration on category B land. This is only a small snippet of the tremendous amount of work that occurs between this government and First Nations on a daily basis. I will look forward to speaking to this in a little more depth later on during private members' debate.

Question re: Legal aid funding

Ms. Moorcroft: For a number of years now, Yukon's Legal Services Society has been asking Yukon government for an increase in core funding so that it can continue to provide its essential legal aid services to some of Yukon's most vulnerable individuals.

In the past few years, this government was forced to provide Legal Aid with interim emergency funding to meet its operating costs. However, Legal Aid was requesting an increase in their core funding so that their operations would not be in such a precarious situation. In August of 2014, this government announced an increase of Legal Aid's core funding to \$2.1 million so that they could carry out their work, but the latest budget for \$1.6 million does not reflect that change.

Mr. Speaker, why did the Yukon Party government promise to increase Legal Aid's budget and then fail to deliver that increase in this year's budget?

Hon. Mr. Cathers: Actually, Mr. Speaker, I don't think the member quite understands the picture. The funding has been committed to Legal Services Society and there will likely be additional amounts required beyond what is in the estimates, but that would be dependent on the volume of cases they have and their actual needs. They actually have cash right now in the bank, which is the reason for the structure and the number found in this year's budget estimates.

The Yukon government remains committed to working with and funding Legal Services Society so they can continue the valuable work they do.

Ms. Moorcroft: Mr. Speaker, actions speak louder than words. The funding has not been provided for Legal Aid to do that important work.

When this issue was last raised, the previous Minister of Justice made a commitment to work with the Yukon Legal Services Society to — quote: "...fund services that improve access to justice for low-income, vulnerable and disadvantaged Yukoners."

The fact that this funding hasn't been put in place says a lot about the importance that this government puts on its commitments.

Mr. Speaker, can the minister explain why the government failed to provide the promised increase in funding for Legal Aid?

Hon. Mr. Cathers: Again, the government is continuing to fund the Legal Services Society. The funding that was provided in 2015-16 includes funding directly from the Yukon government as well as funding from Canada and the access to justice services agreement.

As I noted to the member, there is an accumulated surplus right now within the Legal Aid Society, which is the reason for the number that the member sees in the budget in front of her, but we have recognized the annual amounts that are necessary by Legal Aid of approximately \$2.1 million and are committed to working with them to ensure that between their own resources and the funding from the government, they have — pardon me, between their existing surplus and

funding from the government, they continue to have access to that amount annually.

Again, if there are increased costs, we will work with them to address those cost pressures. The member can expect that once the existing accumulated surplus has been spent down some, the number in next year's budget mains will be a higher number reflecting what we have acknowledged and recognized, and we'll support them on their annual estimated costs of roughly \$2.1 million.

Ms. Moorcroft: This has been going on for years now. In the past, Legal Aid has had to discontinue some services due to a lack of funding. People looking for legal aid don't want the minister's excuses. They want fair and equitable access to the justice system that a Legal Aid lawyer can provide.

The government broke their promise to the Legal Services Society to provide them with \$2.1 million in funding. They made the announcement; the budget only has \$1.6 million.

Can the minister commit to a firm timeline to deliver the promised \$2.1 million in funding that Legal Aid needs to carry out their essential services?

Hon. Mr. Cathers: I know it is difficult for the member, when we actually answer the questions, to figure out what to say next, but again, as I noted to the member, the previous minister acknowledged the estimated annual costs and budgetary needs of Legal Services Society for running Legal Aid of \$2.1 million. This current year's budget includes a lesser amount because they have an accumulated surplus. We have committed to working with them and if they have additional cost pressures they may see additional funding in this year's fall budget, but because of their accumulated surplus at this point in time, the number was set on that basis. We recognize their estimated annual cost of roughly \$2.1 million, but in fact in some years those costs may be higher.

I have met with the board and the president of Legal Services Society. They understand it. It's unfortunate that the Member for Copperbelt South does not.

Question re: Land Titles Act

Mr. Silver: Being in the last week, I wanted to bring up something from a news release. Last fall, the Government of Yukon issued a news release informing Yukoners a new *Land Titles Act* would be up for debate this spring. A consultation document made the same commitment — and I'm quoting from that: "The bill is expected to be introduced during the spring 2015 session."

Why was the bill not on this government's agenda this spring and will it be ready for this fall?

Hon. Mr. Cathers: If the Liberal leader or his staff had been paying attention to debate in this House, they would have noticed that in fact I brought this up during debate on the Department of Justice, as well as, I believe, in debate on the *Condominium Act, 2015*. I noted in fact that we had received a specific request from the stakeholders advisory committee that had been working with Yukon government to allow some additional time for the development of this legislation. So in

response to the specific requests that we received from members of the stakeholders group, we did agree to not rush this bill and agreed to their requests with the expectation that the legislation would be all the stronger for it when it's tabled in the Fall Sitting of 2015.

Mr. Silver: Being mentioned in the Legislative Assembly is not necessarily debate.

A long-standing issue has been the ability or the inability to register First Nation land in Land Titles Office. The First Nations are asking for a new type of land distinction that is not fee simple.

The main problem is the territory's registry is meant to deal with fee simple land only. At the same time, several First Nations have created their own registries. A draft of the new act says First Nations may choose to register category A or category B land settlement with the Land Titles Office. The specific mechanism for doing so and any prerequisite will be outlined in the regulations.

Does this fix the long-standing issue of registering First Nation lots or does it simply put it off to a later date?

Hon. Mr. Cathers: In fact, the issue of registration of First Nation land can be done currently, but the member is correct. Depending on which section of the agreements — I believe it is 5.9 and 5.10 — if aboriginal title is retained, it cannot be registered in the Land Titles Office. There is work being done, specifically with the Kwanlin Dun First Nation on addressing their interests and working in partnership to come up with a model that works for them. As well, the member may be familiar with the fact that there has been funding, I believe — if memory serves — from both CanNor and Yukon government, supporting work that is being done by seven Yukon First Nations that are working together on a registry project to address their specific needs.

The Yukon government remains committed to working with First Nations in that regard. We are also working with them and we have written to the federal government regarding the de-registration of some existing parcels that are currently registered in land titles and that request was made, based on the request from First Nations. Again, there are many parts to this picture and we are working together with First Nations in partnership to address their needs and their interests.

Mr. Silver: I am thankful for the minister's response here today, but I am also concerned that the big issue of how to register First Nation land is still unresolved and the new act isn't necessarily going to fix it either. This is a major roadblock to developing First Nation lots for sale or lease.

One of the Yukon Party platform commitments is no new taxes. However, there was a long section of the consultation document that talked about new fees that will be accompanying this new *Land Titles Act*. A draft of the bill simply says that a schedule fee will be established in the regulations. Fee increases, tax increases — same thing. I am just wondering, as far as numbers here — a simple question for debate: Will users who deal with these land titles offices be paying higher fees when this act comes in, and what revenue is expected from the fee hike?

Hon. Mr. Cathers: I think the member is getting a bit ahead of himself here in terms of anticipating structure and fees under a new land titles model. The development of the computer system has been underway that would accommodate the new electronically based registry. That has also involved the stakeholder working group. In fact, the work that is being done with the drafting advisory committee on the legislation is currently going well, but the structure of this — including fees that would be charged under a new model — has not been set in stone yet. I would encourage the member not to get ahead of himself and not to get ahead of the public and stakeholder consultation that is occurring.

I would note the fundamental importance of the *Land Titles Act* and the registry to Yukoners and to Yukon First Nations and to the Yukon government, as well as municipalities. We are working very carefully and very diligently on this, but recognizing the importance of hearing the input from stakeholders and having a final product of a new *Land Titles Act* and a new registry that meets Yukon's current needs, including the needs of Yukon First Nations. We are working to ensure that we get that project done right, because of its fundamental importance to Yukon citizens and the Yukon economy.

Question re: Chronic condition health care

Ms. Stick: Chronic diseases are among the most common and costly health care problems but they are also the most preventable. The 2011 Auditor General's report revealed that no Yukon chronic conditions support program activities were formally monitored or reported on. Once again, the government failed to properly measure, track and evaluate an essential health program. The 2014 clinical services plan cautioned — and I quote: "Current funding for chronic disease management and the program, itself, are in jeopardy." It also revealed that barriers to the program greatly disadvantaged patients without a family physician and those in our rural communities.

Will the minister pledge to allocate some of the new federal money earmarked for chronic conditions to improve access for rural Yukoners and those without a family physician?

Hon. Mr. Nixon: I thank the member opposite for her question. Certainly, we were able to join MP Ryan Leef just last week with a very important announcement on the territorial funding of \$17 million. That funding is going to be addressing mental health issues and chronic disease issues throughout the territory. We are certainly thankful to the MP and the federal government and that partnership as we provide those services to Yukoners across the territory.

Ms. Stick: Diabetes is one of those chronic conditions that can lead to grave health complications, including kidney failure. In the Yukon, diabetes and chronic kidney failure are among the 10 leading causes of death, even though both are preventable and controllable with proper care. In 2011, the Auditor General found that Health and Social Services does not collect community-based diabetes data, and the clinical

services plan does not distinguish between type 1 diabetes, which is not preventable, and type 2, which is.

What rationale can this minister give for lack of action and progress on both diabetes and kidney disease and kidney failure?

Hon. Mr. Nixon: What the member opposite isn't reflecting is the good work that is being done in the territory. Certainly, there will always be areas in which we can do better, but that is fairly common when you look across jurisdictional scans within our country. We are very interested in access to health care and providing that access to all Yukoners. I think the department and the government are doing a tremendous job.

Again, I thank our MP, Ryan Leef, and the federal government for coming forward with that \$17-million investment in partnership with the Department of Health and Social Services to provide better care around chronic disease and mental illness, not just here in Whitehorse, but across the territory in all communities.

Ms. Stick: That is what I was talking about — doing better. The number of Yukoners living with chronic kidney failure has more than doubled between 2004 and 2011, but this government does not track the number of Yukoners who must leave the Yukon to seek treatment. Patients with access to home-based dialysis have better survival rates and outcomes, and we know that some Yukoners do rely on this form of dialysis, but do not always have access to local specialized support. Hemodialysis patients have to permanently leave the Yukon due to the total absence of needed services. The Yukon has three hospitals, but not a single dialysis unit. The Northwest Territories has three.

Can the minister tell Yukoners why there is no local hemodialysis unit for Yukoners?

Hon. Mr. Nixon: Certainly we work very closely with the Hospital Corporation and the Yukon Medical Association in determining what services we can in fact provide in a cost-effective manner here in the territory.

We realize that we live in a northern jurisdiction and that there will likely always be reasons for which we need to fly to places like Vancouver, Edmonton or Calgary for those types of services, but more important is this government's commitment to access to health care for Yukoners and the work that we're doing across the territory, working with organizations like the Hospital Corporation, the Yukon Medical Association and a number of physicians in the communities like Dawson and Watson Lake.

We will continue to work collaboratively with those organizations and individuals and make those investments in access to health care — those investments that the members opposite continue to vote against.

Question re: Highway safety for motorists and cyclists

Ms. White: As the summer begins in earnest, more Yukoners than ever are taking to the highways to train for the Haines-to-Haines Kluane Chilkat International Bike Relay or commuting to work on their bicycles. Once the snow is off the

ground, Yukon cyclists take to our highways every day. The government has a responsibility to maintain the roads in such a condition that motorists and cyclists can share them safely.

Unfortunately, the government has waited until late in the season to clear gravel from the highway shoulders, forcing cyclists into highway lanes. Without lines painted early enough in the season, those lanes are hard enough to see in the first place.

Why isn't the Yukon Party government making cyclist safety on Yukon's highways a priority?

Hon. Mr. Kent: Of course, we take safety very seriously in the Department of Highways and Public Works, whether it's the motorists who use our highways or those who use them for recreational purposes, such as the cyclists. When it comes to sweeping of the highways or that type of activity, it's very much an operational issue and I'm confident that the individuals in the Department of Highways and Public Works who make those decisions on a day-to-day basis do so with professionalism, keeping safety in mind.

Again, we rely heavily on our officials to make those determinations when it comes to the timing of sweeping and ensuring that our roads are as safe as possible for motorists or those who are using them for recreational purposes, such as those cyclists training for events like the Haines Junction to Haines bike relay.

Ms. White: Last year, we raised the safety concerns of cyclists who cross the Takhini River bridge. The bridge is still a significant hazard for both motor vehicles and cyclists, yet the government has not taken proactive action, such as installing rumble strips or widening the lanes to make this bridge safer for all users. Last week, I sent the minister an e-mail regarding the unsafe railroad tracks on the Alaska Highway near McCrae that protrude from the road to such an extent that some cyclists have crashed while crossing them, sometimes even into the road.

When will the Yukon Party government announce the steps it's taking to make the Takhini River bridge safer, and what do they plan to do to make the railroad tracks on the Alaska Highway at McCrae safe for cyclists to cross?

Hon. Mr. Kent: I believe it was last week or perhaps the week before that I outlined the steps that we're taking with respect to the Takhini River bridge for the travelling public — the installation of reflective strips on the bridge centre-line as well as rumble strips down the centre-line on the northern approach.

In Highways and Public Works debate — I believe it was the Member for Copperbelt South, the Highways and Public Works critic for the opposition, who raised the potential for rumble strips on the south side of the bridge, and that's something that we'll take into consideration as well. We've lowered the speed limit on the northern approach to that bridge and we will also be installing a portable speed sign.

When it comes to the e-mail that the member opposite sent me on Friday of last week with respect to the railway tracks at McCrae — again, it's an operational issue. I forwarded that on to the department and asked that they expedite the response to that. I can follow up with officials

later today. Certainly we don't want to see anybody harmed when they cross those tracks, but I do have the utmost respect for the professionalism of the officials in the Department of Highways and Public Works who make those operational decisions on a day-to-day basis.

Question re: Alaska Highway corridor functional plan

Ms. Moorcroft: At the beginning of the Sitting, the Yukon Party government was enthusiastic about its \$200-million plan for the Alaska Highway corridor in the Whitehorse area.

Criticism of this plan has come from many sources: affected residents, the City of Whitehorse, local businesses, cyclists and engineers. The minister has admitted that he and his caucus colleagues have heard lots of concerns. There is widespread criticism of the \$50-million plan to immediately twin the highway from Robert Service Way to north of Two Mile Hill.

Mr. Speaker, given the feedback received, can the minister confirm if the twinning between Two Mile Hill and Robert Service Way is a done deal or if he will consider other options to improve the Alaska Highway Whitehorse corridor?

Hon. Mr. Kent: Obviously this issue has come up a number of times during the current Sitting and I have reminded members opposite that there are no done deals. The consultation closed on May 15. Department staff are currently preparing a what-we-heard document highlighting the consultation feedback that we received.

I continue to meet with individuals who are concerned about that project, whether they're for the twinning of the highway in that corridor or have concerns with that.

Again, Mr. Speaker, we're anxious to hear from Yukoners. I'm listening to Yukoners when it comes to this important project. It's a project that is important for all Yukoners, not just residents of Whitehorse, but those who live in our communities. It's also important for industrial traffic and our tourism industry, so we're taking it very seriously. The consultation has just concluded. When we are ready to move forward on a plan, I will of course take that to my caucus and Cabinet colleagues and then reveal our plans.

Again, there is nothing that's a done deal with respect to this project. We're continuing to listen to Yukoners as we have throughout this process.

Ms. Moorcroft: Yes, Mr. Speaker, this is very serious.

The most recent data on accidents between 1996 and 2009 shows 14 sites that are the most problematic from a safety perspective, yet the government plans to address just two of these sites in the short term.

When I asked why a \$200-million highway project has such a large gap in accident data, the minister said he didn't have the accident details. The minister has no data on whether the type of over-engineering of raised meridians and curbs as were constructed at Two Mile Hill are improving or reducing safety.

Will the minister admit that, from a safety perspective, the case has not been made for a \$50-million highway

twinning chock full of frontage roads, more intersections and raised meridians?

Hon. Mr. Kent: One of the important aspects of this consultation is, of course, the safety of the travelling public when it comes to the Alaska Highway corridor through the City of Whitehorse.

Again, the Member for Copperbelt South seems to be prejudging the results of the public consultation. It just closed on May 15, as I mentioned. We're awaiting the analysis as well as the what-we-heard document, which will be ready later on this year, at which point we'll be able to make an informed decision based on the concerns of Yukoners — also the technical and engineering expertise that we have at our disposal through the consulting engineer as well as officials in the Department of Highways and Public Works.

The member opposite references questions that she asked me in the Legislative Assembly during HPW debate, at which time I did commit to get back to her with those statistics. I don't have them yet. As soon as I have that information from the Department of Highways and Public Works and the technical officials I will get back to the member opposite.

I would just urge all members of the House to stop trying to scare Yukoners or unnecessarily raising the fear out there saying we have made decisions. We haven't made any decisions with respect to this project. We are waiting to analyze the feedback that we receive from Yukoners, and then we'll be in a position to announce how we are going to proceed with this important project.

Ms. Moorcroft: What I am saying to the minister is that if he really wanted to improve safety in the corridor, he would pay more attention to improving the most dangerous spots first. I thank him for his commitment to getting back with further information on the accident details.

I have heard from affected businesses, public servants, residents from my riding, people from Hillcrest and Takhini, cyclists — so many people — who think twinning the highway is an over-the-top, expensive proposition that creates more problems than it solves.

Previously, when I asked whether the public will be able to vet any developments before there are shovels in the ground, the minister agreed, but in highways debate, the minister referred to corridor construction requiring YESAB approval and he said that this constitutes public consultation. A YESAB process is not the appropriate place for a consultation on whether the highway should be twinned or not.

Will the minister commit that the public will have a say before the government decides to get shovels in the ground and before it submits a YESAB approval —

Speaker: Order.

Minister of Highways and Public Works, please.

Hon. Mr. Kent: Mr. Speaker, I know that I and a number of my colleagues have heard from a number of Yukoners who are concerned with this project as well. I would encourage the member opposite to perhaps send me a list of those Yukoners she has heard from, if she is comfortable doing so, and their exact concerns. She said she has heard

from a number of constituents, residents and businesses. If she is able to provide me with a list of those individuals and what their concerns are, we will certainly feed those into the public dialogue — unless they took advantage of the public consultation period, which closed May 15. It was a 60-day public consultation period.

What we hear from the New Democrats — on some issues they want us to consult; on other issues, they don't want us to consult. Sometimes they support YESAA; sometimes they don't support YESAA and that process.

Again, when it comes to this important initiative, we listen to Yukoners. That consultation closed May 15. We will analyze the responses that we received and then we'll make a plan to go forward.

We believe this is an important project for the territory and it needs to be given careful consideration. That's exactly what we plan to do.

Speaker: The time for Question Period has now elapsed.

We will now proceed to Orders of the Day.

OPPOSITION PRIVATE MEMBERS' BUSINESS

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Motion No. 320

Clerk: Motion No. 320, 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 improve Internet reliability by working with the private sector and others to construct a second fibre optic Internet connection.

Mr. Silver: I am happy to rise to speak to this motion. It's an issue that I have been asking questions about in the Legislature since the fall of 2012. I also know the Member for Mount Lorne-Southern Lakes has spoken in favour of this project in the House as well. It is a motion that the government can also support if it is so inclined; it is written that way.

A common issue that is often expressed by Yukoners and Yukon businesses is that our Internet is both expensive and unreliable. For many years, this has been seen as a small price to pay to be able to live in such a spectacular place. Unfortunately, as we have built greater and greater reliance on Internet connectivity and other jurisdictions have made it faster and more affordable, we are losing a very important competitive edge.

There has been much talk over the past few years about how in a digital world the north and its colder climates can capitalize in the tech world. Finland, for example, markets itself as one of the best locations in the world to host a cloud — on-line storage — with cheap, renewable energy and with a reliable connection to Europe and the ability to recoup expenses by selling server-farm heat to other districts for heating. Iceland, as well, is working to join in this new boom

of economic activity with geothermal power to fuel the servers. Getting a second fibre optic line built would provide options for economic diversification and create security for existing businesses, and in the economic climate we are in right now, they would relish these opportunities.

The Planetworks' *Feasibility Study for Alternative Yukon Fibre Optic Link* report on this issue outlined effectively some of the background on this issue. I would just like to review a little of that for you today, Mr. Speaker: "The Information and Communications Technology (ICT) sector is a key component of Yukon economy in providing high paying stable jobs as well as supporting industries that rely on ICT services. The telecommunications sector also provides Yukoners with access to the internet and the wealth of information and possibilities that it provides.

"A major inhibitor to realizing the potential of the ICT sector has been identified as the single fibre optic link that connects Yukon to southern Canada. Also, Yukon prices for enterprise data and internet services are higher than in southern Canada while innovation and the introduction of new services lags behind.

"The realization of an alternative fibre link by an independent service provider would improve the reliability of communications services and enable competition and innovation in the telecommunications sector thus reducing prices and improving service levels.

"Studies conducted by the Government of Yukon suggest that an alternate fibre link will result in: (a) the emergence of competitive services which will: Lower prices; Increase innovation; Provide additional employment, and (b) improved reliability of services which will: Reduce lost productivity due to data and internet outages; Reduce lost revenue due to point-of-sale outages; Enable new businesses that provide application level services to emerge; Improve the ability of businesses and organizations to utilize cloud based services."

Yukoners have unfortunately been growing used to turning on their devices only to find no Internet services available. Some of these outages are minor and can be fixed within minutes, and others are far more serious and can last for hours and cost businesses and restaurants a lot of money. We often take for granted how often we swipe our credit cards and that the Internet is just going to work. If our sole fibre optic link to the outside world is damaged, customers pay the price and it happens regularly.

In the 2012-13 budget speech, the government acknowledged the problems that Yukoners face. The Premier said at that time — and I quote: "However, broadband capacity could be improved and there is no redundancy" — of course, redundancy meaning that second line, Mr. Speaker.

While the speech did actually acknowledge the problem, the 2012-13 budget provided no funding to actually fix it. The government's long-term capital plan makes no mention of any money, either. The speech went on to say — and I quote: "There may be opportunities to address the redundancy issue. One option would be for a fibre optic cable to run from Carcross to Skagway, connecting with Juneau and Seattle. There may also be opportunities to work with Northwestel and

the Canadian Space Agency to extend a fibre optic cable up the Dempster Highway to Eagle Plains to set up a system that retrieves information from foreign satellites.”

Since the government started looking at this issue, there have been several important developments outside of the border as well to add to this. Both options to ensure that we have a second connection have literally gotten shorter. To the east, the Government of the Northwest Territories has recently announced that it will proceed with an \$80-million fibre optic cable to Inuvik. In the west, the Alaskans have recently announced that their existing cable will be extended all the way to Skagway, coming from the south.

I think we have all been in restaurants and stores when the Internet goes down. A lot of people don't carry cash any more — they rely on credit or debit to pay. It is a major inconvenience for customers and is a loss of revenue for businesses, as we see them scrambling for — I don't even know what they call it. I think they call it a cha-ching machine.

Let's go back to the 2012 budget speech where the government said — and I quote: “This is a problem and we should work with others to fix it.” In the fall 2012, the former Minister of Economic Development said — and I quote: “Of course when it comes to these things, we recognize that the government will have a role to play, but there has to be the private sector there too.” I will come back to this quote later.

Yukoners want to know that their Internet is going to work when they need it, when they depend upon it. We need a second fibre optic cable. It is going to require a capital investment from this government to get this project off the ground to start. Over the last few years, the government has done some work on this project, but the heavy lifting will almost certainly be left to the next government. We know a report from a Vancouver company recommended a \$12-million investment by the government in the project and a 10-year commitment to buy bandwidth after this is completed. We know that there is a second report that confirms the government is planning — and I quote: “to make an investment in broadband communications infrastructure.” This same report puts the price of a line from Skagway to Juneau at \$26 million. The Dempster route is a new Canadian fibre optic route between Whitehorse and Inuvik, Northwest Territories, and it can be constructed in two seasons at an estimated cost of \$54 million. Again, this is according to the Stantec report.

Both options have their advantages. The Juneau link will likely cost less and could create competition in the Yukon telecommunications market. The Dempster option is likely to be more expensive but would provide much-needed redundancy for communities beyond Whitehorse, which the Skagway route will not do, and it will also be an all-Canadian option.

For the record, the Liberal caucus supports a second fibre optic link, obviously. We are also prepared to support public investment in seeing that link established. What we're not prepared to see and what we're not prepared to support is the government picking winners or losers and funneling money

directly to one company or another in its endeavour without any competition — something to be watching for.

To put things into perspective, the Yukon government is looking to spend \$200 million to double the Alaska Highway corridor through Whitehorse. The required cost to YTG for a second fibre optic is a fraction of that cost and would have far greater economic advantages than the four minutes or so that the highway expansion would save the drive across Whitehorse.

There is a cost to the project, absolutely, but there is a much higher cost if we do nothing or stall. The uncertainty hurts businesses and consumers, and the lack of a second option is stifling our IT sector. We know the government is still looking at all of these options. We know the Ernst & Young is doing a value money assessment right now and that Stantec is still working on a second part, or part 2, of their study, but basically what it comes down to today — and I hope that the debate gets some questions answered here — is that there are some outstanding questions as we want to move forward as quickly as possible to provide the redundancy that our ICT sector so much desires and needs.

I'll put some questions out on the floor as I finish up my comments for this motion, and I hope the minister responsible can answer a few of these questions and move forward.

One major question is: Will any government investment be given directly to one company, or will there be a level playing field in which everyone interested is allowed to bid? I'm sure that companies like Ice Wireless would love to hear answers to this question — or Northwestel as well. How much has been spent to date on this project? Who will operate the cable once it is constructed?

Are we any closer to selecting a route now than we were two and a half years ago? We have been talking about this for awhile, Mr. Speaker.

Will the Government of Yukon be a customer when this project is completed? Will we actually be buying a 10-year commitment to buy bandwidth? What happens after those 10 years?

Will this be built and run by a Crown corporation? If so, which one? Would we build a new Crown corporation to run this? We know that there has been some discussion about running this through a Crown corporation but, from other statements that we've heard, this seems to come at odds to previous statements from the private sector about involving the private sector from this government. It would be nice to get that cleared up as well.

These are just a few of the many unanswered questions. I think this is a great debate to end the session on. This government has talked mostly in general terms about how important this project is, but there has been very little detail about what this project might actually look like or how it can be structured, constructed, et cetera.

I look forward to hearing from the minister and also some other members of this House on this debate, and hopefully we can get a unanimous consent for this motion.

Hon. Mr. Hassard: I would like to begin by thanking the Member for Klondike for bringing forward this motion. I am pleased to speak to Motion No. 320, regarding the construction of a second fibre optic Internet connection here in the Yukon.

Access to fast, affordable and reliable telecommunications infrastructure is a priority for Yukon businesses and Yukon citizens alike. The Department of Economic Development has a mandate to increase the benefit Yukoners, businesses, First Nations, and communities receive from economic projects and activities. In an effort to meet its objectives, the Department of Economic Development is undertaking the Yukon diverse fibre link or the YDFL project. The YDFL project supports the development of telecommunications infrastructure that provides connectivity service in Yukon comparable to that of southern Canada. The YDFL project will enable economic development by providing Yukon businesses with the necessary infrastructure to be competitive on a local, national and global scale.

Mr. Speaker, as members of the Legislative Assembly will be aware, Yukon is presently served by a single fibre optic line to the south with no diverse or alternate route for telecommunications and data transmission. The existing fibre route from Whitehorse to Fort Nelson, B.C. is susceptible to physical damage caused by climatic conditions, construction work, and other activities undertaken by a variety of agencies within the existing fibre right-of-way.

As such, residences, businesses and governments in Yukon are subject to an increased likelihood of Internet outages. While we have fortunately not experienced any recently, fibre interruptions have significant impacts on Yukoners. They prevent Yukoners and visitors from access to the Internet and this disrupts the operations of ATMs and credit card machines as the member opposite mentioned earlier. Of course many of these breaks occur during the summer construction season and that of course is the time that is most important to many Yukon small businesses that rely on tourism.

Due to Yukon's small population, relative isolation and an historic lack of competition, Yukon prices for communications, enterprise data and Internet services can be higher than southern Canada, while innovation and the introduction of new services tends to lag behind the south. To improve the current network conditions, the Government of Yukon is considering a significant investment into telecommunications infrastructure in the form of the YDFL project.

The Government of Yukon is currently exploring opportunities to construct a new diverse fibre optic link along one of two proposed routes. One route option includes building a fibre link to the British Columbia-Alaska border to connect Skagway and Juneau, Alaska, and on to Seattle, Washington. This is referred to as the "Juneau fibre link." The other route option involves constructing a link up the Dempster Highway to Inuvik, Northwest Territories, and connecting the Government of the Northwest Territories' Mackenzie Valley fibre link, which is currently under

construction. This option, Mr. Speaker, is referred to as the "Dempster Highway route."

Before providing a description of the two proposed route options and the ongoing work being undertaken by the Department of Economic Development, I would like to provide a little bit of history on the project.

Over the past two years, the Department of Economic Development has moved very quickly in a number of areas related to telecommunications development and information and communications technology — or the ICT sector. Responding to recommendations from the *Yukon ICT Sector Strategic Plan* and the *Telecommunication Development Final Report*, the Government of Yukon established the Technology and Telecommunications Development Directorate — more commonly referred to as T2D2. This was to support the ICT sector and telecommunications infrastructure development. The T2D2, as it is known in the ICT community, has been operating since 2013. T2D2 started with a two-year mandate to explore options on how to best implement recommendations in the *Yukon ICT Sector Strategic Plan* and the *Yukon Telecommunication Development Final Report*.

The directorate is focused on improving Yukon's telecommunications environment. The mandate was recently extended to include the 2015-16 and 2016-17 fiscal years. Through this directorate, the Government of Yukon is supporting and working with major contributors to the evolution of Yukon's ICT environment. These contributors include the Cold Climate Innovation centre, Yukon Information Technology and Industry Society — or YITIS — and the Yukon Technology Innovation Centre, YuKonstruct and the Northern Communications and Information Systems Working Group.

On that note, Mr. Speaker, I would just like to mention that yesterday I had the privilege of going across the street from the Legislature building and attending a boot camp for coding. If you are somewhat computer-challenged like me, coding might not mean a whole lot to you, but it was very interesting to go over and see six young people who are taking part in a pilot project that the Department of Economic Development is working on, in collaboration with an outfit from Vancouver called Lighthouse Labs. These young Yukoners are logging 70 hours a week of lectures, labs and assignments as they train to enter the information and communications technology sector.

In February, I also had the pleasure of touring the Lighthouse Labs in Vancouver. I just wanted to put in a little plug for them and thank them for joining with us and taking the time to take these young Yukoners to Vancouver to work in their lab as well as sending an instructor here to Whitehorse to work with them some more. It has been really neat to see the progress that they are making in just a few weeks.

The ICT sector is a key component of Yukon's economy. In addition to generating high-paying, stable jobs for Yukon citizens, the ICT sector provides critical infrastructure and support services to all other industries. The ICT sector provides Yukoners with access to the Internet and the wealth of information and service possibilities that Yukon consumers

use in their daily lives and that Yukon businesses depend on to remain competitive locally, nationally and globally.

To further illustrate this point, I would like to reference the 2013 Northern Development Ministers Forum, or the NDMF, working group on ICT development and the pan-northern minimum broadband standard.

The NDMF working group report states that: “Canadians are becoming more reliant on information communication technology (ICT) in every aspect of their lives. In this modern context, all Canadians including, governments and businesses require access to reliable, affordable ICT infrastructure to fully realize 21st century opportunities. In many places in Canada, this is a reality. As technology evolves, the North, however, struggles to keep pace and the current situation reflects an ever increasing ICT service gap between urban centres in southern Canada and many rural and Northern communities.

“By and large, ICT networks in southern Canada were developed by the private sector, given the large population bases and profit potential. In the North, however, small populations and a lack of basic infrastructure mean that potential profits are low and the cost of development and maintenance of such networks are high. These barriers are disincentives to private sector investment. ICT infrastructure in the North remains underdeveloped — services tend to be unreliable, expensive for the consumer and the quality of service is often inferior to similar offerings in southern Canada.

“This North-South service gap has very real consequences for Northerners. Harsh climatic conditions combined with the remote characteristics of northern communities underscores the importance that connectivity to the outside world has on the region’s ability to attract and retain a diverse, productive work force. Restricted access to ICT also increases the cost of providing government services and stunts business growth and innovation in a number of other areas. These limitations constrain potential growth in strategic northern industries such as mining, tourism and the knowledge sector which in turn impacts the Canadian economy as a whole.

“As these impacts become increasingly apparent, governments are acknowledging that, in the medium to long term, the economic cost of limited ICT access in the North is ultimately higher than the cost of development. Access to a basic level of ICT infrastructure is now perceived as an essential service. This may require government support and regulation to ensure services are available.”

I would like to acknowledge the work of the Department of Economic Development officials in leading the development of this important pan-northern discussion paper.

In the Yukon there is significant interest by the marketplace, First Nations, businesses and investors in improved telecommunication services. As in the rest of the world, growth of demand for bandwidth is increasing in Yukon at an exponential rate. The current costs for telecommunications incurred by both Yukoners and Yukon

businesses impede the growth and diversification of our economy.

Private sector economic growth and the diversification of Yukon’s economy are the top priorities of this government. To support economic growth and diversification, the Government of Yukon invests in the research, innovation and commercialization, or the RIC sector, to enhance Yukon’s overall economic diversification and grow the knowledge sector.

The lack of telecommunications network reliability has been clearly identified by the knowledge sector as a key inhibitor to economic growth, diversification and innovation. If Yukon is to compete nationally and globally, it is important that the Government of Yukon invests in economic infrastructure such as diverse fibre to provide reliable access to the information highway. In order for Yukon to truly be the best place to live, work and invest, we need to strengthen our telecommunications service provision. Investing in the construction of a diverse fibre optic link out of the Yukon will provide fast, affordable and reliable broadband service and maximize benefits to Yukoners by providing opportunities for investment and jobs, which in turn will improve Yukon’s social and economic prosperity.

Mr. Speaker, before discussing the current work being undertaken by T2D2 and the Department of Economic Development, I would like to provide a little more history on the YDFL project.

During the 2013-14 fiscal year, a bankable feasibility study on building a diverse fibre optic system to increase access in and out of Yukon was completed by the Dempster Energy Services. Dempster Energy is a First Nation development consortium. The results of the report provided private investors and public sector decision-makers with the information necessary to proceed with the YDFL project. The study concluded that the project to diversify the fibre optic transmission system in Yukon is technically feasible. However, the Yukon telecommunications market is probably too small to support such a large private sector project. The report determined that some public funding would be required to make the project economically feasible and the project also recommended a route, outlined the business case and made recommendations on the potential for a public subsidy.

The results of this study were utilized to move to phase 2 on the YDFL project. The Department of Economic Development then engaged Stantec Architecture Ltd. to provide business development support for the YDFL project. The first key task of phase 2 was an analysis and recommendation on the investment model for the potential Juneau fibre link. While the Juneau link was identified as the recommended route in the phase 1 feasibility study, the alternate Dempster Highway link was also included in Stantec’s phase 2 analysis. Phase 2 work includes a technical analysis of both the Juneau link and the Dempster link and an environmental scan of similar projects in Canada, including the Mackenzie Valley fibre link project and Alberta SuperNet.

Phase 2 work also includes discussions with potential participants, including a cross-section of industry, investors

and First Nation development corporations. The YDFL project is well underway, but with much planning and analysis still required in the coming months. The project team expects to recommend a procurement option, develop budget estimates and timelines and focus on the development of the YDFL project business case. Going forward, the project will naturally go through permitting, procurement and construction.

The Government of Yukon has a strong history of working with local telecommunications providers to improve service to Yukoners. For some time now, the Government of Yukon has been exploring sustainable, long-term strategies to expand 4G wireless coverage to more communities across the Yukon. I have to say, Mr. Speaker, not too many days go by between the Member for Vuntut Gwitchin reminding me how happy the citizens of Old Crow are with this new service.

As part of Northwestel's modernization plan, the department and Bell Mobility are implementing a plan to expand 4G mobile service in Yukon to ensure Yukoners have mobile access that is comparable to the rest of Canada. As part of the current proposed plan, two existing cell sites in Pelly Crossing and Burwash Landing were recently upgraded to support current generation cell services.

The Government of Yukon has committed to providing \$760,000 in funding between 2014 and 2018 to assist with the cost of providing 4G services to the remaining communities and additional locations.

In December 2014, RuralCom Networks announced its intention to provide cellular service hotspots along the Alaska Highway between Fort St. John, British Columbia and Beaver Creek. The government is encouraged by the increased interest and investment by the private sector in this important industry. Yukon and Alaska signed a memorandum of understanding for a Yukon to southeast Alaska economic corridor development project for electrical generation, transmission and telecommunications. That was on October 11, 2013, just down the road in Skagway, Alaska.

The MOU facilitates a joint study into the exploration and identification of potentially developing such a corridor between Yukon and Alaska. A study was conducted to assess the viability of this corridor. Results of this study are expected to be released sometime this spring.

The Government of Yukon, like a number of other jurisdictions, is aware of the importance of supporting the ICT sector and recognizes its importance as an economic contributor. Take, for example, the Alberta SuperNet. The genesis for the Alberta SuperNet came from the Alberta Science and Research Authority, or ASRA, which was set up in 1998 to advise the province on matters of science and technology as a pathway to the global economy. ASRA's 1998 ICT strategy report consolidated and synthesized the thinking of 65 ICT educators and business people, in conjunction with previous studies, to establish a bold vision for the government to use technology leadership to drive prosperity.

To take advantage of market opportunities, the strategy was based on government boosting investment in education,

new investment in research and development, and creating an ubiquitous, affordable, high-speed communications infrastructure for urban centres and rural Alberta. SuperNet now connects more than 4,700 public service facilities, including hospitals, schools, libraries, municipal government offices and provincial courts throughout Alberta. Private sector Internet service providers also use the SuperNet infrastructure to provide high-speed, high-capacity Internet services in rural Alberta communities.

A number of enabling factors must be in place for the Yukon economy to thrive: marketing and investment promotion; research and innovation; capacity and workforce development; planning, policy, regulations; and economic infrastructure. In order for Yukon businesses to sell their products and services to the world, Yukon will need to invest in economic infrastructure, including transportation, energy, and telecommunications. Improvements to infrastructure include: roads, energy, ports, and fibre optic connectivity. This will make Yukoners more competitive.

Mr. Speaker, Yukon is well-positioned to build on the gains of the last decade. This fibre infrastructure will serve a variety of users and sectors and is an enabling factor in the development of Yukon's economy. Our skilled and creative citizens provide the capacity to further support growth. Self-governing First Nations have emerged as key investors in, and drivers of, business start-ups and joint ventures. The culture of research and innovation will facilitate the entry of larger projects to the territory and support the local economy.

Mr. Speaker, since I have recently just talked about all of the good things that this government is doing in this regard, I think it would be an opportune time to put forward an amendment to this motion — a friendly amendment.

Amendment proposed

Hon. Mr. Hassard: I move:

THAT Motion No. 320 be amended by adding the phrase "continue to" prior to the phrase "improve Internet reliability".

Speaker: The amendment is in order. It is moved by the Minister of Economic Development:

THAT Motion No. 320 be amended by adding the phrase "continue to" prior to the phrase "improve Internet reliability".

Hon. Mr. Hassard: I think the amendment just builds on the fact that the department is already doing great work in this regard. It just emphasizes the fact that we are continuing to do this work, not starting out from the start, because I believe that we've done a lot of work already and will continue.

The Yukon is home to vibrant and well-established traditional-knowledge and creative-based industries that diversify the economy, generate revenues for citizens and raise the profile of Yukon to the outside world as a world-class destination in which to live, work and invest. The Yukon

diverse fibre link project is just one component that will add to Yukon's competitive advantages.

I would just like to sit down now and let any others say their piece. Hopefully everyone will be in favour of this amendment and the motion, as amended.

Mr. Silver: I thought I was going to get one through here with great language without amendment, but I guess that would be out of character. I don't have a lot of problems with the amendment. I really don't.

I do want to basically add a story. We are getting 4G and we're moving forward in Internet connections right across the Yukon. This is an extremely important issue. I know that's not lost on any party here, but I just wanted to say a story about the 4G in Dawson. With new reliable connections and redundancies for all of the Yukon, we could have businesses not only shine in the Yukon, in the backdoors of the Klondike, but we could also have companies shine right across the country.

There's a company out of Callison up in Dawson right now. I'm not going to mention who they are. We all know who they are. They just won awards for innovation. Their forefather has made it to *Time* magazine. We have a company here that basically is revolutionizing the mining industry out of Callison. They get blocked calls on a regular, daily basis when they talk internationally. When we start moving forward with Internet connectivity and with redundancy, we allow small companies like this to shine on an international stage. I'm not going to sit here and play politics over the wording of a motion when such companies are going to prosper so much from this government really starting to dig their heels in on this important issue.

The ICT section is extremely important, Mr. Speaker. As we increase our redundancy, we also increase our capacity. As we increase our redundancy, Dawson is no longer relying on 4G connection through satellite and microwave towers and the such. We have been talking about this since we began our legislative session and we still don't know which connection this government is going to go with. That's a long time to be out there still wondering how far we are moving forward with this.

So if the phrase that we're adding here is "continue to" — if I had time, I would put another friendly amendment in there and put some more words in there as well, like "fast" or "quicker", but I won't. Seeing as we will hopefully have unanimous consent because we do have an amendment to the motion, then hopefully this will spur on the government to work more in partnerships.

I would like to have some answers to those questions. I guess we are going to wait for another day to have some answers to the questions I asked on my motion. Maybe the government will enlighten us as we move past the amendment.

With that, Mr. Speaker, on the amendment, I have little problem with the amendment — little enough that I will be in agreement with it.

Speaker: Are you prepared for the question?
Amendment to Motion No. 320 agreed to

Speaker: Is there any further discussion on the motion as amended?

Ms. Hanson: I thank the Member for Klondike for bringing forward this motion, as amended by the Minister of Economic Development. I think both the Member for Klondike and the minister have laid out — the minister, more extensively — the history of this matter in terms of urging the Government of Yukon to continue to improve Internet reliability by working with the private sector and others to construct a second fibre optic Internet connection.

The Yukon New Democratic Party Official Opposition supports the principle of information and communication technology sector diversification and the potential benefits for both consumers and investors — the broad range of industries, including the knowledge-based sector.

We do, however, want to ensure that we have a careful and robust analysis of all fibre optic route options and we want to ensure that all Yukoners see direct benefits from this substantial financial investment in our public infrastructure. Both the delivery model, ultimately chosen, and the decision-making process will require public support and will need to be clear, value-driven and objective.

We have heard a little bit about some of the work that has gone on to date. We are aware that the Yukon government commissioned a feasibility study done by Planetworks on the alternative fibre optic link, released in February 2014. In that report it was clearly identified — and I quote: "There is a clear consensus among public sector entities, businesses and the general public in Yukon that major improvements in the reliability, speeds and pricing of internet and other data services are required. It is not possible to provide acceptable service reliability with a single fibre route connecting Yukon to the rest of the world, and highly unlikely that internet speeds and pricing will improve as long as there is only one service provider that must maximize benefits to its shareholders. It is also recognized that the small telecommunications market in Yukon cannot provide sufficient revenues to support the cost of a second fibre route and that a large public subsidy will be required."

This is really why we are having this debate here today — what form and how that large public subsidy will be put into effect. The Planetworks study recommended a privately owned company be established to implement — they called it Newco, I think — a Whitehorse-Alaska fibre optic with connections to Seattle. That report also stated that the company would require a one-time grant of about \$12.8 million to cover half the capital costs, with a 10-year commitment from the Yukon to purchase significant connection capacity. According to this report, substantial government investment would be required to secure the second fibre optic link.

Last spring, the former Minister of Economic Development told this Assembly — and I quote: "That particular vision, as articulated in that feasibility study, may

be an option, but it is not one that we have prioritized.” He also said that the government is focused on moving forward with a Whitehorse-Juneau route on a second fibre optic link, although we are not quite clear what evidence this preference is based upon. It hasn’t been made clear to this Assembly.

A second report, as referenced by both the minister and — I believe — the Member for Klondike, was the Stantec study that the government commissioned for \$600,000 to assist with the development of a diverse fibre optic project to improve Internet service in the Yukon. The route options include linking with Inuvik, Juneau or both. To date, the government has mandated Stantec to analyze investment-delivery models for the Whitehorse-Juneau route only. The Stantec report identified a number of investment-delivery models, and I think it is going to be absolutely critical as we move forward that a thorough study be looked at — at the options and the analysis that will be developed on those delivery models. They included the Crown corporation and agency model, as referenced by the Member for Klondike, public/private partnerships and a private ownership investment delivery model.

The report went on to identify and do some analysis with respect to the advantages and disadvantages of each model. However, in Stantec’s investment delivery model summary report, they recommended a public/private partnership model or a P3 investment delivery model. I’ll come back to that in a few minutes.

Stantec’s investment delivery model summary report estimated that the Juneau route will cost \$26 million. The Dempster route through Inuvik would be \$54 million, or a combined one, because there was some discussion about that in the reports. The Juneau-Dempster would be about \$80 million. However — and this was confirmed during the briefing that we had with officials during the budget preparation — a total cost of service analysis that includes full life-cycle costs for the project — any of these projects — has yet to be completed.

Meanwhile, the Stantec report itself notes that a value-for-money assessment may still determine that Crown delivery is more cost-effective than P3 delivery. In fact, when they did a comparative analysis — one of the tables in that report — in fact, the Crown corporation model had the least pursued costs. It was yes, in terms of being acceptable in terms of design innovation, quickest in terms of implementation schedule and project reliability.

It’s going to be an interesting dynamic as we look, going forward. As has been noted, since these reports were commissioned, the Government of Northwest Territories signalled the go-ahead with its Mackenzie Valley fibre link, which may change important factors of an all-Canadian link, such as cost and reliability.

There are, as we go forward, a number of major areas to address. One of the key things is, when we’re looking at developing a public infrastructure with public resources being invested, that there are direct public benefits for all. The former Minister of Economic Development said — and I quote: “... we provided \$600,000 in the budget for the

development of a business plan for the creation of a second fibre link to the south. That is what we plan to do. That is what we are committed to, and we believe that there is a role for the public purse to invest in infrastructure of this nature.” Mr. Speaker, we do agree that we believe there’s a role for the public purse to invest in infrastructure of this nature. What we don’t necessarily believe is that the selected model or the selected link to the south is the only one that should be considered.

The Whitehorse-Juneau route might not provide much-needed redundancy to remote Yukon communities with significantly poor connectivity and reliability issues. These issues still would leave hanging the issues of health, safety and security services — they could be down in communities like Dawson when there is a service failure down the line.

The all-Canadian option of the lateral fibre line from Dawson to Inuvik, for example, could improve network backbone in northern rural communities that would not see direct redundancy and connectivity benefits from the proposed Whitehorse-Juneau link. If we are sinking large amounts of public money into public telecom infrastructure, we will want to ensure that all Yukoners see direct benefits if possible. It does look like it might be possible through the Canadian diverse fibre link option. What we’re simply saying is that we shouldn’t preclude — when we’re doing the analysis and coming up with the assessment of where public money should be put, they should not exclude any viable options.

The former Minister of Economic Development’s preferred option of the southern route through Skagway, Juneau and on, possibly, to Seattle does raise a number of other issues in terms of privacy and security. The international route going through Juneau raises serious questions about individual privacy and security, as well as the privacy and security of our government departments and the IT service industry. Specifically, as this government’s 2014 data centre market analysis report states, U.S. surveillance of undersea fibre optic cables is “...more wide-reaching than previously thought...”

The same report notes that one in four surveyed Canadian and U.K. IT decision-makers are planning to move their company data outside the U.S. for this very reason.

We wonder why or how this government is evaluating the impacts of the possible Whitehorse-Juneau link on Yukon residents, government departments and prospective IT investors, given what we do know about undersea U.S. cable surveillance. What comparative risk assessments are done, have been done or will be performed on U.S. versus Canadian routes for a second fibre optic link, and will it include both security risks — that is, data security, and geographic risk, such as earthquakes, forest fires et cetera?

There are other issues with respect to as we go forward and the government makes decisions — this government or future governments — in terms of the investment models and estimated costs.

As I mentioned earlier, in the first report that was done, Planetworks recommended a privately owned company to be established to implement a Whitehorse-Alaska fibre optic link

with connections to Seattle and that, at that time, it would have required a one-time grant of roughly \$12.8 million to cover half the capital costs and a 10-year commitment from the government to purchase significant connection capacity. One of the chief reasons appears to be that without this significant government investment the fibre project won't be seen as feasible or worthwhile by private companies.

That second report, as I mentioned, from Stantec, analyzed investment delivery models for the Whitehorse-Juneau route. Based on this analysis, it recommends a public/private partnership model, or P3 investment delivery model, for the international route. It did not do an investment delivery model analysis for connection with the Northwest Territories or both N.W.T. and Juneau.

The Stantec report identified that there are risks, on page 15, with the public/private partnership delivery model. One risk is that a P3 project delivery will not provide value for money compared to a Crown corporation delivery model. They point out that that risk could be mitigated by completing a value-for-money assessment. As the minister made reference to it, a value-for-money assessment is currently being performed. Stantec, in their final recommendation, talked about doing a value-for-money assessment to provide a quantitative analysis of the costs of a Crown corporation agency model compared with the costs of a public/private partnership model. I will come back to that in a minute, Mr. Speaker.

It is really important that when we look at this, we should not blindly assume that public/private partnerships are the most effective or the most cost-effective and economical approach, because, as we are well aware, the Ontario Auditor General's 2014 report on infrastructure in Ontario determined that there was no evidence or empirical data to support the notion that P3s transfer risk from the government to the private sector. She found that, in fact, risks are rarely transferred, as the ultimate risk for public infrastructure lies with the government. In the end, P3s often cost the public more, and, in the case of Ontario, 74 projects studied by the Ontario Auditor General cost the citizens of Ontario \$8 billion more.

Independent economists and policy analysts have long said that there are risks that P3s can cost more and they can deliver less. In the whole notion of risk transfer and value for money, the Auditor General said in 2014 that achieving value for money would be possible if contracts for public sector projects had strong provisions to manage risk and provide incentives to contractors to complete the project on time and on budget, if there is a willingness and an ability on the part of the public sector to manage the contractor relationship and enforce provisions when needed. Total costs, she said, for these projects could be lower than under a P3 and no risk premium would need to be paid.

There are a number of issues that have been identified with respect to P3s. Simply assuming that is the preferred model would raise some concerns on this side. It is essential to note that the total cost-of-service analysis that includes the full-cycle costs for each of the route options has not been

completed. The current numbers that we have in front of us in terms of Members of the Legislative Assembly are, in fact, incomplete because they don't reflect the Northwest Territories/Mackenzie Valley fibre link that might make an all-Canadian route less costly.

It is also unclear whether or not the original cost estimates included the long-term O&M costs for each of the fibre link options. It is not clear whether or not routing through the U.S. and/or Canada will incur leasing costs to use other networks. We will need to update these numbers and estimates and then carry out a similar investment model analysis for each of the route options. We want to see equal treatment and evaluation and analysis for the possible routes.

We've seen and we've heard that this government does seem to be predisposed toward the Juneau link and to a P3 model of project financing and delivery. I think it's important that we ensure that public investment and public infrastructure is centred on public interest and priorities. We want to make sure — and I think it's going to be very important that this government is transparent — that their decision-making process in this is not going to be swayed by the possibility of gaining federal financing if that means we are not prioritizing what is best for Yukoners, local Yukon businesses, industry and services. We know that the federal government's Building Canada fund offers funding to qualified projects. Its P3 screen for Building Canada is \$100 million and over, but we also know that P3 Canada offers some funding to projects under \$50 million that have considerable O&M costs and, according to the P3 website, that would lend themselves to P3.

Mr. Speaker, the Official Opposition does, as I have indicated, support the need to continue to improve the ICT sector. What will be key as we move forward is that the decision-making process is transparent and that Yukon, in its enthusiasm for attracting federal dollars from P3 Canada, doesn't jump to conclusions and that any value-for-money assessment is carried out in a thorough manner so as to avoid the demonstrated pitfalls and the significant cost to citizens in other jurisdictions across Canada.

I'm thankful to the Member for Klondike for bringing forward this motion. We look forward to the work that is going to be necessary to address a number of the concerns we've raised as we bolster and build on this necessary sector of our economy.

Mr. Tredger: I will be brief. I just wanted to thank the Member for Klondike for bringing this forward and those who spoke to this issue.

As has been mentioned, Internet connectivity is important for a number of reasons. It's important that we have reliable communication in our communities. It's important that we rely on these as two-way services. I recognize the need for government to support Internet connections into the Yukon.

I do wish to bring a number of issues forward that have been affecting our communities and those living in rural areas. I would encourage that this motion and the intent of this motion be expanded to include our rural communities and rural areas.

When the fibre optic line was laid down through our communities and they received 4G cell service, many of the areas that were previously covered by cell on the fringes of the communities are no longer able to receive that same service, and that has quite an effect on those who have come to depend on it. I see people are laughing at that and saying it's an either/or situation, but this is what rural people are facing.

Some of the consequences of that are — for instance, in one of my communities, the person who is responsible for answering fire calls depends on his cell. It doesn't work at his home, which is in a subdivision across the river. It also doesn't work in many other areas of the community and that has a direct effect on the safety of residents of that community. It is not a laughing matter. It is very serious.

Some Hon. Member: (Inaudible)

Mr. Tredger: Excuse me? I'm sorry — I can't talk to two people at once, Mr. Speaker.

Speaker: Order please. You're not supposed to be talking to two people. You talk to and through me.

Mr. Tredger: I have a hard time when I'm being interrupted by hecklers from across the way.

Speaker: Order. While their heckling is distracting, it's not overpowering your speech. I can hear you quite clearly, so please carry on, sir. Member for Mayo-Tatchun, carry on please.

Mr. Tredger: It's important that our communities have reliable, affordable and equitable service. What has happened with going to 4G — and I'm not blaming anybody. I'm not trying to make an argument of this. I'm trying to put forth concerns of my residents.

When they cannot receive that service that they have become dependent on, it does them a disservice and it creates a safety issue and a communication issue. Much like we heard for the entire Yukon when the Yukon Territory isn't receiving the Internet service that people in the south are, we are putting our community members at a disadvantage in today's world. To interact with the federal government, the territorial government and various other agencies, we need access to reliable Internet. What is happening in the edge of our areas — the only access to the Internet they're getting is through cell service and it is not always reliable.

The second part of that is that many of our industries in rural Yukon are not situated within communities. Trappers, placer miners, mining companies and tourism operators are often away from the community. They have to pay or get their own satellite Internet service, putting them at a disadvantage. My hope is that the government will, as it expands Internet service, consider that people in rural areas don't have access to the fibre optics. Maybe there's a way that the government can support those placer miners and those people who are living on the land in their efforts to get reliable satellite Internet — making it equitable and reliable.

It wasn't that long ago that the majority of rural Yukon was served by radio phone. That important link has been phased out. Those areas that are no longer served by radio phone either have to go the expense of a satellite phone or, in

many instances, get their own Internet services via satellite. That's an expense. If we're talking about equitable service, let's make it equitable across the Yukon.

A third area — and this is something to consider in terms of IT advance — is that high-speed Internet is important and we are recognizing that. I would suggest that places like our international airport and places like our downtown centres have access — through private and public — and municipal or territorial governments provide wireless Internet access to these areas, so that when our tourists, businessmen and others arrive in our territory, they are able to hear that bing — they can access, they can find out where hotels are, they can find out where services are, they can connect with a modern communication system — making Whitehorse and Yukon a place to come and work in. These are the kinds of things that are offered in other jurisdictions, that we have the potential to offer, and that I would encourage, as an expansion on this motion — and our move to develop reliable and dependable and equitable Internet access to all Yukoners. Those are some of things that I would ask the government consider.

In closing, I would like to thank the Member for Klondike for bringing this forward. I am looking forward to supporting this motion, as amended. I congratulate the government for also supporting it.

Speaker: Does any other member wish to be heard?

Motion No. 320, as amended, agreed to

Motion No. 974

Clerk: Motion No. 974, 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 recognize that its inability to work with Yukon First Nation governments on mineral development is having a negative impact on Yukon's GDP.

Mr. Silver: In my motion today, I will highlight how the contentious relationship between the Yukon government and First Nation governments has led to instability in our economy.

For many years, the Yukon Party insisted that the upturn in our economy was due to — in great part — its management of the territory. This was particularly true of the mining industry. I have asked a number of questions over the last week about their economic strategies. We are now in a made-in-Yukon recession and the Yukon government has finally recognized that world mineral prices are not in their realm of policy decisions. We saw this government take credit during the good times but they are unwilling, however, to accept any of the responsibility in the current economic slowdown that we're now in.

In April, there was a report from Statistics Canada showing that our economic growth has stalled under this government. For the second year in a row, our economy actually shrunk. In 2014, it shrunk by 1.2 percent. Most economists say that two quarters of decreasing economic

activity means a recession; two years would mean we are seeing eight quarters of negative growth. We are only one of two places in Canada to go backwards last year and, in fact, Yukon is the only place in Canada to record two consecutive years of negative GDP growth for both 2013 and 2014.

It wasn't that long ago that the Yukon Party was promising 8.8-percent economic growth for 2014 in one of its forecasts. The minister stood in this House and said in 2014 — and I quote: "So you generally see a positive outlook and a positive trend going forward." Then we had learned that the real GDP number numbers — the real growth numbers for 2014 — was minus 1.2 percent, so the government was off by 10 percent.

Now in 2013, the government said this about the forecast — and I quote: "... what they do point to is a direction — direction of growth and what we hope to be further prosperity for this territory." Instead, this government has delivered a stalled economy and a recession.

The prospects for 2015 look no better with uncertainty hanging over the mining sectors, thanks to this government's ongoing court battles with our Yukon First Nations. Just the other week another Yukon First Nation was added to the list of those in court with this government.

Mineral prices may be bigger than the Yukon, but government does have a role to play when creating a climate for investment. For the duration of the good times the Yukon Party continued to take credit for the Yukon strong economy. One former minister went as far as to say — and I quote: "... Yukon's climb to the top of the rankings has absolutely nothing to do with world mineral prices; it has everything to do with us — this government — making the changes necessary to restore investor confidence in Yukon".

It only stands to reason that if the government wants to congratulate itself, then it should also share the responsibility of the decline in our economic growth, especially when their actions are causing the loss of investor confidence. I'll get back to that.

On the other hand, GDP growth in British Columbia, Northwest Territories and Nunavut in 2014 — all increased. The Premier blamed the downturn on mining. Let's look at our neighbours and mining. Northwest Territories GDP grew 6.8 percent and mining was up 21 percent; Nunavut GDP grew 6.2 percent in 2014, mining increased 9.9 percent; British Columbia GDP grows 2.6 percent — nickel, lead, zinc and ore mining all rose by 27 percent, mainly because of a new mine. Our neighbours are seeing economic growth and their mining sectors are performing well in 2014. They were slower, but they still contributed positively to the GDP growth.

Now as I've highlighted in Question Period, despite the same mineral prices, there has been GDP growth in the other territories and mining has been part of that. Despite our huge exploration boom in 2010-11, which was known as the largest geochemistry project in North America, we have fewer operating mines now than we did when this government came into power. There is only one left, other than placer mining obviously, Mr. Speaker. The opportunity of that period of

huge exploration spending has now passed us and we are left hoping for a rebound. Here's what the owner of Eagle Gold property near Mayo said this winter — and I quote: "Everybody is a bit uneasy about the Yukon these days." He went on to say that the mining industry is uneasy because the Yukon government's effort to streamline the permitting process has been met with so much opposition. He also said 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. We are in a made-in-Yukon recession. All around us, our neighbours are seeing economic growth and there is good success in mining in British Columbia and Northwest Territories, Nunavut — all in 2014, according to Statistics Canada. Our mining industry, on the other hand, is in decline because of this government's inability to get along with First Nations and huge regulatory problems that this government has yet to fix. Two mines have also closed since this government has come to office. At the same time, there has been little attention paid to diversifying our economy over the last decade.

Mr. Speaker, this year, Yukon continued to slide down in the Fraser Institute's rankings of good places to do mining business. Yukon has dropped from eighth in 2012-13 to 19th in 2013 to 26th in 2014 on the institute's policy perception index. This indicates a decline in our relative attractiveness as a place to do business. The Fraser Institute also lets everybody know that we have the minerals; we have the resources; we lead North America — we lead Canada in that pursuit — yet we are definitely dragging behind in investor confidence. The lower score reflects a decrease in the percentage of respondents who perceive that the following policy factors encourage investment — for example, our legal system is down 12 percent from the policy perception index; regulatory duplication, down eight points; and the administration of regulations, down eight points.

Now, unlike the Premier who blames low mineral prices, the Fraser Institute doesn't even mention this. It doesn't even mention lower mineral prices, but instead points the finger squarely at his government and its regulatory and legal problems. Yukoners know that this government holds the Fraser Institute survey in high regard. When Yukon was moving up the rankings, it was mentioned a lot. When I asked about this in Question Period, the government refused to accept the responsibility for our lower ranking. In response to our poor showing, the government reminded Yukoners that it is working on a new mine licensing improvement initiative. Now we wish this government luck and we wish that they had started this when they came to office instead of waiting three and a half years to get it started. Let's hope the mine licensing improvement initiative goes smoother than this government's botched attempts to amend YESAB.

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

For many years, the Yukon Party government tried to take credit for a strong economy. The reality was: our economy performed well because mineral prices reached record highs.

In 2013, we had the second-worst GDP growth of anywhere in Canada and the Keno mine closed. In 2014, we saw more economic contraction; 2015 began with the closing of Wolverine mine. We are certainly in a bust period, and it has happened while the Yukon Party was in charge.

We are hearing in the briefing notes quite a bit now about “factors we can control” from the Yukon Party government. It is interesting that that phrase, “factors we can control”, has now made it to the briefing notes. We have heard this a few times in this session. The origin of that phrase actually came from Bill Lupien when he was invited by the mining community to come up and talk at the Geoscience Forum back in 2012. If you do a quick Google search of Bill Lupien, you will see phrases like: “market legend” and “innovator”, who built a solid reputation with unique investment strategies. He was up here in 2012 for Geoscience and conducted a forum. His whole presentation was based upon the variables a government can control. The Premier and the minister responsible for Energy, Mines and Resources at that time should have stuck around to hear the brilliant presentation that he did at that time. It would have been great information at that time, but, instead, they came in, gave speeches about how everything is fine and then they left.

Part of these “factors that we can control” that Mr. Lupien mentioned would be relationships with First Nation governments. The Premier has made no secret of his support for changes to Bill S-6 — changes to YESAA legislation. This is despite the fact that First Nation governments have openly stated that they will take this government to court over these changes. Industry understands this. We have heard from one mining executive during the Parliamentary committee on Bill S-6 — and I quote: “...because court cases create assessment and regulatory uncertainty in addition to extraordinary delay, all of which erodes investor confidence.”

This year, I went down to the annual mineral Roundup in Vancouver. The event serves as an excellent opportunity for government officials to meet with Canadian mining industry and to promote the jurisdiction as a good place to do business. The message I received loud and clear from industry was that the Yukon Party’s strained relationship with First Nations was going to have an impact on investment decisions this year and beyond. Coupled with the regulatory problems this government has let fester, we are no longer an attractive place to do business. The Yukon Party has to answer for that.

I am in favour of a clear and consistent regulatory regime, and there are definitely areas and things that need to be improved to make permitting more effective. This is an area where government can control what it does. Unfortunately, the government’s approach has once again put it at odds with First Nation governments and it is going to create uncertainty in the mining industry. We have heard from Yukon First Nations that they will take the government to court over it. In speaking to several chiefs about these changes, I know that they are not

opposed to mining in the territory — they’re not. It can be a very strong economic driver for many of Yukon’s rural communities.

I’ve had conversations with the Kaska. I’ve had conversations with the Tr’ondëk Hwëch’in and with other First Nations all across the Yukon. I don’t think there’s a Yukon First Nation government that doesn’t present a strong opinion of the industry and the responsible forward progression for, as they would say, the next seven generations.

I know they’re not opposed to mining in the territory. It can be a very strong economic driver for many of Yukon’s rural communities. They also have no problem with over 70 amendments that they did have a chance to debate, but First Nations are not going to allow the federal government to make amendments — changes to legislation — that so blatantly fly in the face of the *Umbrella Final Agreement* — amendments that were not consulted upon.

Again, if you have levels of government that are pro-industry and want to see this industry flourish, it would beg the question of why, Mr. Speaker, wouldn’t we be presenting a united front on any changes and all amendments?

One of the largest mining companies in the Yukon has also spoken out against this government’s approach, saying it is having — and I quote: “a negative impact on the territory’s mining industry”. Private sector investment is slowing down, forcing the government to inject more government money into exploration. Mining incentives money is great but will mean very little when projects get locked up in legal court battles, which is what is happening with this government’s approach to making changes to YESAA.

A Yukon mining industry will never succeed in an environment where we pit it against First Nation interests and their legal rights under the *Umbrella Final Agreement*. The Yukon Party spent seven years consulting with Yukoners but ultimately ignored their own process. The mining industry needs market certainty and Bill S-6 will not create that. As I was told by industry, the industry doesn’t necessarily have emotions. They need clarity. They’re either in or they’re out, based on clarity, not emotions.

Changes to YESAA may address some of the problems that the mining industry has been having in getting projects off the ground, but the way the Yukon Party government has approached the changes will lead to even bigger issues for the mining industry in the long run, with strong opposition from First Nation governments.

I’ll move on to the Peel, Mr. Speaker. In December, the Yukon Supreme Court informed this government why its approach to the Peel was such a mistake. The Yukon government’s plan for the Peel contravened the land use planning process set out in the final agreements with First Nations. Since 2012 — and really, even before that — the Yukon Party government has had a number of warnings from lawyers, First Nation governments, and even the Yukon Land Use Planning Council itself, about the way it has approached the regional planning process. Ultimately, the majority of these issues resulted from this government’s lack of respect

for the consultation process and contentious approach to First Nation relations.

The Yukon Party spent the duration of the 2011 election campaign hiding its cards from Yukoners on the Peel watershed. It even refused to be clear with the planning commission about what it wanted, and that it was one of the reasons for the motion today.

The Yukon Supreme Court has come out against the way they have approached the consultation process and the Yukon government has decided to spend even more money appealing the decision. For almost a year — January 2014 to January 2015 — the staking ban in the Peel watershed was lifted. As the minister told this House on May 12, no one staked a claim in the Peel during that period. This government was unhappy with the Peel watershed plan because of the limits it would place on the area. It wouldn't be open to resource development, but now we're seeing the whole region is off limits to mining because of this government.

The minister is no doubt going to stand up and note that the Yukon Liberal Party was in favour of the Yukon land planning council's plan and claim that we oppose development. I will remind him that we accepted the plan, as it was developed democratically with stakeholders, and that the plan would have opened up 20 percent to mining this year — a substantial amount more than zero percent, which the Yukon Party currently has made available.

As the Yukon Supreme Court pointed out, this government should have stated its preference at the negotiation table instead of acting in bad faith. That was the time. If this government didn't like 80:20 — which really is 45:55 when you look at future considerations — that was their time to come in and to start talking. That was their time to reject, modify or accept.

Just this week we learned that the Vuntut Gwitchin First Nation and the Gwich'in Tribal Council will be joining the appeal as intervenors, bringing the total to four First Nations in just one lawsuit. This opposition from First Nations is going to ensure that the Peel is 100-percent untouched by mining companies for years to come.

I want to move on to the Ross River staking ban. In 2013, as a result of another legal battle with Yukon First Nation governments, this government was under a court order to work with the Ross River Dena Council on what land would be available for staking in their traditional territory. I asked the minister in November 2013 if he would be forced into planning a staking moratorium in Ross River traditional territory due to this court order. We didn't hear an answer in the House. However, only a few days after the legislative session concluded, we found out that the government was unable to reach an agreement with Ross River. Without a deal in place, the entire 63,000 square kilometres were taken off the table for staking.

Last fall, the minister said that a deal would be done by the deadline — the latest deadline of January 2015 — and I quote: "... the staking ban is due to come off in January of this year and we look forward to that very mineral-rich area

being opened up to staking and additional resource development as early as this next exploration season."

Instead, since we last met, the government has extended the amount of time that this land will be off limits to another two years. The land amounts to 13 percent of the Yukon off limit for staking. We have been told by other levels of government and industry that a plan was proposed, but it was drafted in a silo and proposed, so I would love to hear how that proposal went, what that proposal was and why was it met with a rejection from both the First Nations involved and industry as well.

The Ross River Dena Council is in full support of this moratorium, of course, because the government has not addressed their concerns — not because they are anti-mining. It is not lost on the chief that mining is important for his First Nation, but they are in full support of this moratorium because the government is not addressing their concerns. Instead of blaming mineral prices for the slump in our mining sector, maybe the government should pay more attention to resolving issues between itself and Yukon First Nations.

I will move on to the most recent YMAB report. Two weeks ago, the 2014 Yukon Minerals Advisory Board annual report was released and it opens with the board confirming the worst-kept secret in the Yukon — that there is no investor confidence right now. The report goes downhill from there.

In recent months, the Yukon Party government pinned the recession on lower mineral prices, but there is no mention of low mineral prices in this report either. The board laid the blame squarely on this government and laments the fact that the Yukon is now — and I quote: "predominantly an exploration jurisdiction" — and not a mining jurisdiction. The report voices many of the same concerns that I have been raising this session about this government's inability to work with First Nations, regulatory uncertainty and our poor performance in the last Fraser Institute report on mining.

Another criticism from YMAB is of this government's refusal to provide the Water Board with adequate resources so that it can reasonably meet timelines in processing mining applications. It cites this as cause for delay for First Nations in reviewing and approving the project for mining industry on their traditional territory. First Nation governments need to be meaningfully included in this process if we are ever to be successful in bringing any exploration projects into production.

It is not lost on a member from Klondike how important mining is to our local economy.

Some Hon. Member: (Inaudible)

Mr. Silver: If the Minister of Education wants to comment, he can have his time. If he disagrees, I would love to hear what his comments are.

Low mineral prices have not helped our situation, Mr. Speaker. If we are to once again be a strong mining jurisdiction, then steps need to be taken to restore that investor confidence in the Yukon. I am not going to go on much further here, to the chagrin of the Minister of Energy, Mines and Resources, I'm sure. The poor relationships between this government and First Nations are having an effect on our

economy and our GDP. We have all been hearing how investors are increasingly concerned about the state of Yukon's mineral sector and they are staying away. This is what I heard at Roundup — not just this year. This is what was said in the Bill S-6 debate, and this is what was published in the YMAB report and in the Fraser Institute report as well.

Between the Peel watershed, the Ross River Dena Council and staking bans, this government has successfully managed to close 27 percent of the Yukon off to mineral exploration this summer. Over a quarter of the territory is no longer accessible for exploration. Both of these moratoriums are the result of lawsuits with First Nation governments. This government should stop advertising itself as pro-mining until it figures this out.

Our GDP is dropping and, instead of encouraging business, this government is closing up large swaths of land to development and continuing to battle Yukon First Nations in court. Industry is speaking out about this government's inability to manage the mining industry, First Nations do not trust this government, and all the Yukon Party has to offer up is that world prices are to blame for our GDP. This government's relationship with First Nations does make a difference.

I am looking forward to hearing from everybody else here today as to their opinions on why we have the worst GDP in Canada for two years running.

Hon. Mr. Pasloski: We had quite a diatribe from the Leader of the Liberal Party. It will be interesting on a go-forward basis to begin to have a full discussion on some of the contrary views that the Liberal leader has and to point out to those people listening and to Yukoners as to the fact that, simply, the Liberals have no vision or plan. Quite simply, depending on which group the Liberal leader is talking to — when he is talking to miners, he is pro-mining; when he talks to the conservationists, he is pro-conservation. That is leadership.

I think that, for the record, we need to clarify some of the things that the member opposite spoke about, and then I would like to talk a little bit about some of the good work that the government is doing today and every day with First Nations. Certainly, I will talk about the fact that a global downturn in commodities and in mineral prices has a significant effect on —

Some Hon. Member: (Inaudible)

INTRODUCTION OF VISITORS

Ms. Hanson: I would like the House to join me in welcoming a member of the Minister of Environment's constituency, Mr. David Weir.

Applause

Hon. Mr. Pasloski: What we see is that, when you have gold prices that have been reduced by approximately 35 percent, when you see silver prices that have been reduced by more than 50 percent, that is substantive. I know that perhaps the Liberal leader doesn't understand the significance of those

drops. Mining companies have to turn a profit; otherwise, they are not going to do the work. They may, in fact, have to choose to go into temporary closure. The good news is that, as those prices do return, we will see them come back and, before they come back, we will continue to do the work that we can do, that we have control over, to ensure that, as this economy and the resource industry come back, we are in better shape. That is why we are making record investments in infrastructure, with a record investment in capital, and we can do that simply because of the fact that we have the money in the bank. We don't have to mortgage our children's future to make investments for today.

We have also had discussions of the fact that, sadly, the other two parties had to borrow money just to pay everyday bills, whereas this government continues to make investments today that will benefit not only Yukoners today, but for generations to come. That's why we're investing in roads, bridges and airports; that's why we're investing in energy; that's why we're investing in telecommunications; that's why we're investing in training, the creation of the Centre for Northern Innovation in Mining; that's why we're investing in mobile trades trailers that have been in his riding — have been in Ross River, I believe, and in Pelly Crossing to date. That's why we're working on regulatory and permitting changes to straighten the pathway — to straighten the road out through the assessment and permitting and regulatory processes. That's why this government does support the *Yukon Environmental and Socio-economic Assessment Act* amendments through Bill S-6. That's why we are working with First Nations, working with the Water Board, working with YESAB and working with industry in advancing mine licensing improvement initiatives. That's why we're working on a mineral development strategy, with the goal of seeing that we really become the jurisdiction in this world when it comes to mining, which is appropriate for a jurisdiction that has been recognized as having the best mineral potential — the best mineral geology — in the world.

We're combining that, of course, with other things that we're doing, like supporting the federal government's Canadian exploration expense, which will now be able to include environmental studies and community consultation to obtain exploration permits as a tax deduction. We also support the mineral exploration tax credit for investors in flow-through shares being extended. These are things that we are doing. We continue, as I mentioned, to work with First Nations on mine licensing improvement and are financially supporting them to have their participation in that process.

Mr. Speaker, he made some assertions surrounding jurisdictions around us, and we should just talk briefly about some of that. Certainly when I talk about the global downturn, that's a message that was delivered very clearly at the same conference that the Leader of the Liberal Party talked about, which was at the Roundup in Vancouver, and also articulated at PDAC in Toronto — that we are certainly in a global downturn, and it has an effect on this industry.

On January 27, 2015, in an article in the *Vancouver Sun*, the B.C. government announced that the industry downturn

has resulted in a 29-percent drop in exploration spending in that province and that the mining revenue for the 2014-15 fiscal year is estimated at only \$95 million — less than half of the original forecast of \$201 million.

On March 9, 2015, a news release from the Northwest Territories and Nunavut chambers of mines highlighted Natural Resources Canada's 2015 exploration projections at a 54-percent decrease in Northwest Territories. We believe Yukon government's strategic investments are having an impact, as the same news release predicted an 18-percent increase in Yukon this year. That release also indicated Northwest Territories' exploration was predominantly in diamonds, a market that has not fluctuated as significantly as other mineral markets. Nunavut and Yukon rely on precious metal exploration, which is dependent upon the price of gold. As I have mentioned, gold prices have been reduced by approximately 35 percent since their peak, only back in 2012. As I've articulated, it was not long ago when silver was at \$40 an ounce and has, for a long time, been trading under \$20 an ounce. That's the reality of the situation.

I know the member opposite is trying to be selective in terms of the numbers he chooses to use, but Yukon's real-dollar contributions from mining and exploration certainly remain higher than places like Nunavut. In Yukon, a larger portion of the mineral-related employment goes to mineral support services than both Northwest Territories and Nunavut. What does that mean? It means that there are more local jobs and more business opportunities for local business.

Yukon's percentage of mineral-related GDP that goes to exploration is the highest and that bodes very well for future growth of the mining industry here in the territory, because we are looking at the long-term success of this territory. We don't have our blinders on; we're not just looking at tomorrow, Mr. Speaker. We continue to focus on the long-term success of this territory.

The Leader of the Liberal Party talks about a botched attempt to change YESAA — that was his quote. I'll have to remind him again — I don't know how many times — Bill S-6 is federal legislation; it's not Yukon legislation. They're not our amendments; it's not our legislation. This is federal legislation, on which we were consulted and we provided our comments and recommendations, not only to the federal government, but to all the First Nations as well. That goes back all the way to the beginning of the five-year review, where there was a trilateral table. That began in 2008 and concluded in 2012. It was in 2012 that the federal government continued on with further consultations on improving the northern regulatory regimes. Since that point in 2012, we have continued to fully disclose all of our comments to First Nations.

He speaks about the conflicts with the UFA. I challenge him, for the record, to show us, to articulate, where the amendments to Bill S-6 interfere, conflict or are inconsistent with the UFA. I look forward to his response. I know the federal minister asked that question of the First Nations. They have yet to respond to that question, because there is a section in YESAA — not in Bill S-6, but in the original legislation —

that will not change and which says, very clearly, to quote: "In the event of an inconsistency or conflict between a final agreement and this Act, the agreement prevails to the extent of the inconsistency or conflict."

I will look forward to the Leader of the Liberal Party's description of where Bill S-6 contravenes the *Umbrella Final Agreement*. I'm looking forward to the answer to that question.

He spoke about the Peel as well and of his decision. Again, the Liberal Party was standing up before there was a final recommended plan, supporting that final recommended plan. They weren't waiting for it to actually be disclosed. Whatever the committee did — a committee that is appointed; a committee that is not accountable to the people — before they made the recommendations, they were blindly going to support those recommendations. That is not leadership.

Quite simply, we said since 2011 that closing off 80 percent of an area that is 68,000 square kilometres was not acceptable. That was not balance and that was what this party was looking for. That was what this party was looking for prior to a final recommended plan. When the Leader of the Liberal Party wants to talk about his support of the resource industry and also talk about how he would essentially create an indirect expropriation of between 8,000 and 9,000 mining claims — close off that amount of tract of land — and then stands up and says how he supports the mining industry — he can explain that to the mining industry.

We believe that there is an opportunity to continue to have a pristine wilderness and also have opportunities for economic development. That is what we stand for, as I have stated clearly. We did approach the First Nations. Our lawyers spoke to their lawyers and our officials spoke to the First Nation officials regarding the Peel plan, looking for an opportunity for an out-of-court settlement that everybody could live with. That was flatly denied each and every time. The situation that we are in today is that we will appeal this decision and, fundamentally, we are looking for clarity on the land use planning process and we also feel very strongly that publicly elected governments — democratic governments — should have final say on public land, plain and simple.

We also need to talk about the fact and recognize that this great territory of ours already has, to date, the second-highest percentage of our land mass protected. It has the second-highest in the country of protected areas, as a percentage of our total land mass, which is only exceeded at this point by British Columbia.

When it comes to the Ross River Dena Council and the Kaska, we continue to work on some preliminary talks with the Kaska, including Ross River, on reconciliation. This is a process that we have begun. We are excited to be meeting with their officials. We are looking forward to progress. As I have mentioned, I have communicated as far back as just this week with the chief of the Ross River Dena Council. We continue to have strong dialogue and we will continue to do that, Mr. Speaker. We will find a path forward. We will take the time to get this right, because in the end it will benefit all people of this territory.

The member opposite mentioned YMAB. I will point out that YMAB — this is the only legislatively appointed board in this country that has a responsibility to provide a report directly to the minister and also indirectly to the minister responsible for the Water Board as well, being me. There is no other jurisdiction in this country that has established such a board, and that speaks to the commitment this government has to ensure that the mining industry remains a cornerstone of our economy, so we will continue to do the work.

I think the member opposite forgot to point out that some of the recommendations that have come from YMAB in the previous year were supporting the amendments to Bill S-6 as well. Certainly that is a point for the record as well.

I don't want to spend all day on this, because I do believe that there is certainly some very important matters that still need to be discussed, but I want to take a few minutes to talk a bit about Yukon First Nations and just a few of the things that we continue to work on. It wasn't that long ago that I stood in this House and gave another small snapshot of some of the work that's happening on a department-by-department basis. It was probably about two hours long and that truly just touched the surface of the work that's being done every day.

I've just chosen a few areas that I would like to just make brief comment on with regard to working with First Nations. If you want to talk first just about the general consultations with First Nations, this government regularly consults with First Nations on a range of issues and for many different reasons and purposes.

In addition to consulting on policy issues, the government believes that it meets its legal obligations to consult all self-governing, non-settled and transboundary First Nations and Inuvialuit. We review our procedures on a regular basis to ensure that they are consistent with our obligations, as may be required by legislation, as may be required by the final agreements, and as may be required by common law or for other reasons.

We can talk about intergovernmental accords with First Nations. Yukon government is willing to enter into intergovernmental accords with Yukon First Nations that wish to do so. The objective of these accords is to provide framework for governments to work together on identified common priorities.

Yukon government has recently an intergovernmental accord with the Carcross-Tagish First Nation. Highlights of this accord include a \$2.7-million financial contribution to support the construction of a learning centre in Carcross; the negotiation of a 17.7 education agreement — which occurred with the Tr'ondëk Hwëch'in and now almost all of the other self-governments have asked for that same education agreement — and support for training focused on mental health and substance abuse.

Discussions are ongoing with the Champagne and Aishihik First Nations to enter into a renewed intergovernmental accord; also Kwanlin Dun First Nation, the First Nation of Na Cho Nyäk Dun, Ta'an Kwäch'an Council, Tr'ondëk Hwëch'in and the Teslin Tlingit Council regarding new or renewed accords.

In 2013, the accord process was revised to broaden its purpose to be more effectively engaging with individual First Nations on priority matters. The process now includes developing joint action plans and incorporating timelines with lead contacts.

In the summer of 2013, accords were signed with Kluane First Nation and Vuntut Gwitchin First Nation. In September of 2014, Aboriginal Relations met with Kwanlin Dun First Nation regarding the development of an accord. The two parties are currently discussing joint priorities for inclusion in the accord.

The proposed amendment of *Kwanlin Dun First Nation Self-Government Agreement* to allow registration of interests in settlement land — we heard a bit about this today, Mr. Speaker.

The Yukon government has been working with Kwanlin Dun First Nation and Canada to address the complex issue of including interest in settlement land in our land title system. At this stage, Kwanlin Dun First Nation and the Yukon government have made significant progress and are working with the federal government to determine how to best enable registration of interest in settlement land in Yukon's land title system.

Yukon government is proceeding with amendments to the *Land Titles Act* to allow for registration of interest in settlement land in anticipation of amendments to the *Kwanlin Dun First Nation Self-Government Agreement*. Yukon government supports partnership with Yukon First Nations that encourages the sustainable growth and development of Yukon communities and makes land available to Yukoners.

Yukon Forum, intergovernmental forums and meetings in First Nation chiefs — in the spring of 2013, Yukon government and CYFN agreed to augment the Yukon and intergovernmental forums with a series of informal government-to-government meetings involving me, the Grand Chief and Yukon First Nations. In May of 2013, a letter of understanding on the holding of informal government-to-government meetings was signed by YG, CYFN and Yukon First Nation chiefs. This letter of understanding includes how the parties will work together to increase collaboration and strengthen their working relationships through respectful, informal discussions on a broad range of common issues and mutually-agreed-to criteria to create and foster a meeting environment that allows for straightforward and mutually respective discussions.

In accordance with the letter of understanding, these meetings are in-camera and the topics discussed in this venue are not to be openly discussed without the consent of all parties. Since the beginning of May 2013, we have had a number of these informal meetings with the chiefs. In fact, I met with them earlier this day today.

First Nation engagement related to the mining industry — Yukon government regularly engages First Nations on a range of mining issues. Recent examples of such engagement include the mine licensing improvement initiative, the development of the mineral development strategy, and the

resource royalty-sharing agreement negotiated with settled First Nations.

Yukon First Nation chiefs and I have met to discuss various ongoing mining-related initiatives that are priorities for both the Yukon government and for First Nations, and to direct our respective officials to work together on those initiatives. For six years, the Yukon government, along with Aboriginal Affairs and Northern Development Canada and the Council of Yukon First Nations, has successfully co-hosted the First Nation Governance and Capacity Development Conference. The most recent one took place in February of 2014. Past conference evaluations had indicated an interest in having more focused single-topic workshops.

In lieu of that conference, Aboriginal Relations has supported the following capacity-building initiatives: a series of training workshops and presentations for Yukon government, First Nation and Government of Canada employees focused on the jointly developed capacity assessment tool; through Yukon College, developed and hosted workshops based on the First Nation governance and public administration curriculum; the provision of \$20,000 toward Yukon First Nation Emerging Leaders Gathering, which brought over 100 youth together to build and develop leadership skills and enhance their understanding of land claims; and the provision of \$250,000 toward the Carcross Tagish Management Corporation and the Kwanlin Dun First Nation's tiny buildings, big future pilot project to develop capacity for Yukon aboriginal youth. In fact, I have made a couple of visits to that project. I was there just last week again to see how well this project has gone forward.

Certainly, discussions I had with the youth who were there and involved, working under the mentorship of a red seal journeyman, were tremendous. They have certainly learned a lot, have seen a path forward and an opportunity for them to move down a path that will, in the end, be a long-term, successful career for them and, hopefully, as well, as they move forward and have families, will be much more better suited and ready to be able to support those families.

The Yukon government is open to a range of approaches to reconciliation with First Nations, including the negotiation of reconciliation agreements with non-settled First Nations. The *Umbrella Final Agreement* process remains the Yukon government's preferred path, as I have stated many times, to reconciliation with all Yukon First Nations. However, it is likely that comprehensive land claims agreements with non-settled First Nations are, at best, many years off. In the meantime, Yukon government is open to negotiating reconciliation agreements that are intended to reset the government-to-government relationships with the non-settled First Nations, allowing us to address matters of mutual concerns, such as consultation processes, capacity building, collaborative resource management and resource revenue-sharing. These agreements will allow us to move forward together in a positive way, balancing societal and First Nation interests. Preliminary discussions with the White River First Nation were successfully concluded last year, and we have now begun substantive negotiations. As a result, there is a

request in the budget for \$250,000 to facilitate the First Nation's participation in those negotiations. Meetings with White River First Nation have taken place in Whitehorse and involved the chief as well as members of their negotiating team. We anticipate substantial progress or completion of an agreement within one year.

To date, reconciliation agreement discussions with the Kaska Dena Council, Liard First Nation and Ross River Dena Council have been exploratory. Meetings began in March of this year and have taken place in Vancouver at the request of the First Nations. However, substantive negotiation meetings will be held, hopefully, in the Yukon communities. Dave Porter is the negotiator for the Kaska Dena Council, Allen Edzerza is for the Liard First Nation and Gerry Kerr is for the Ross River Dena Council.

The government remains committed to royalty sharing agreements negotiated in 2012 with 11 self-governing First Nations. These agreements provide increased sharing of royalties outside, over and above chapter 23 of the final agreements. Yukon government has signed the new agreement to amend the Yukon Northern Affairs program devolution transfer agreement and the Canada-Yukon only gas accord with Canada on August 21, 2012.

I just wanted to spend a couple of minutes to talk about some specific projects that we continue to support and work together with First Nations. In March of 2015, Yukon government and Carcross-Tagish First Nation signed an intergovernmental accord. Highlights include a \$2.7-million financial contribution to support the construction of a learning centre, the negotiation of provision 17.7 in the education agreement and support for training focused on mental health and substance abuse.

On February 27, 2015, national aboriginal organizations hosted a national round table on missing and murdered indigenous women and girls in Ottawa. Yukon government supported a delegation of 10, including me, chiefs and aboriginal leaders and an affected family member to attend this meeting.

In July of last year, the Yukon government and the Vuntut Gwitchin signed a multi-year \$2.7 million transfer agreement to support the construction of a new community and recreation centre in Old Crow. This new facility will be used to provide a number of important services to that community.

Mr. Speaker, the Yukon government continues to negotiate Yukon asset construction agreements with Kwanlin Dun and Carcross-Tagish First Nation. To date, there have been 18 projects negotiated with Kwanlin Dun First Nation and three with the Carcross-Tagish First Nation. Two additional projects are currently being negotiated. A new gas tax administrative agreement was signed between Canada and Yukon on July 24, 2014. Yukon First Nations will see a further \$38.22-million allocation in funding from 2014 to 2024 for projects that contribute to revitalizing and building public infrastructure.

The Yukon government continues to support community-based fish and wildlife workplan development and

implementation, which include activities relating to fish, wildlife and habitat management priorities in Little Salmon Carmacks, Vuntut Gwitchin, Champagne and Aishihik and Na Cho Nyäk Dun traditional territories. Between 2014 and 2017, Skookum Jim Friendship Centre will receive \$935,925 to run a youth employment centre and a community outreach service to provide youth from 16 to 30 with skills, knowledge and work experience to participate in the workforce. The program is funded by the youth at risk and employment services and supports program. We know that they have also provided a youth shelter for the last two or three years as well.

Mr. Speaker, in 2013, a memorandum of understanding on education partnership was signed by Canada, Yukon and the Council of Yukon First Nations, focused on improving learning outcomes for First Nation students. The education partnership initiatives include a student achievement strategy, literacy framework, and pilot project in community consultations.

In August of 2014, Yukon government provided \$20,000 to support Yukon First Nations Emerging Leaders Gathering. This three-day event brought together over 100 youth from across the territory to build and develop leadership skills, enhance their understanding of land claims and self-government agreements, and gain a better understanding of substance abuse prevention, healthy living and positive lifestyles. The Deputy Premier was also in attendance at that meeting and had the chance to speak to the entire group and also talked to many of them as well on a one-to-one basis.

The Yukon government continues to collaborate with Yukon First Nations and Yukon College to provide the First Nation governance and public administration program through Yukon College. Work is underway toward incorporating the program into a bachelor of policy studies in indigenous governance degree at Yukon College beginning in 2017, the first made-in-Yukon degree program.

Carmacks Development Corporation, owned by Little Salmon Carmacks First Nation, was awarded \$1.16 million toward its \$2.3-million project from the northern housing trust to support the construction of a six-unit, two-bedroom affordable rental housing complex within the Village of Carmacks.

The museums contribution program provides partial funding support for the annual management and operations of Yukon First Nation cultural centres in the amount of \$514,000.

We provided this year \$1.2 million for the First Nation health program at Whitehorse General Hospital. The Yukon government's contribution provides funding to support First Nation health-related activities including the First Nation health liaison worker program, child life worker for pediatrics, traditional medicine, traditional diet, employment equity, and a training program.

We provided \$520,000 this year for First Nation participation in the *Child and Family Services Act*. Yukon government's contribution is used to fund liaison or family-support positions with seven First Nations. \$1 million for the Jackson Lake healing program — Yukon government's

contribution is to support this land-based treatment program available to all Yukon First Nations and Yukoners — a million dollars over three years for a program that we are very proud to support. It was part of our platform commitment and I believe there were additional monies toward Jackson Lake as a result of a YACA agreement as well.

We have \$1.035 million for the Northern Cultural Expressions Society. Yukon is contributing \$345,000 per year for three years to support this carving program. There is \$450,000 for the Yukon Aboriginal Women's Summit II — the funding is being used to implement the six recommendations from the summit involving justice, suicide prevention, life skills, leadership programming and violence prevention. This is just a small snapshot of some of the incredible work that is going on.

At this point, I would like to acknowledge all of those officials — not only from the government side, but First Nation officials as well — who work on a day-to-day basis to ensure that we continue to build capacity, to ensure that we continue to move forward in a very small economy where we know that, for long-term success, we need to have all hands on deck. We are working toward that.

I would like to mention that I see that today — private members' day — the NDP did not put any motions forward. As you know, Mr. Speaker, last week we decided to forego our private members' day because the priority for this government is to continue the debate on the budget. It becomes obvious that everybody here but I would say the Liberal Leader wants to continue the important debate on this budget.

I know that we would be very excited to move forward to have this debate continue again, as we see some of the improvements and the benefits that will occur as a result of the work that we are doing with First Nations, with the Water Board, with YESAA, with industry when it comes to improving the mine licensing process here in the territory. I know that will be a very good debate, as we continue to move ourselves into position to ensure that, as we come out of a downturn in the cycle — a cycle that has seen gold prices drop 35 percent, a cycle that has seen silver prices drop by more than 50 percent — those are very attributable to where we are today. They also speak to the importance — to connect the dots for people as to really how important the mining industry is to this territory — so goes mining, so goes the Yukon.

We will continue to work, as we have seen a 20-percent increase in population in the past 12 years. I know that the Leader of the NDP is pained when you say such an expression — that mining is so important to this economy.

The reality is that, when you contribute 20 percent to the GDP, not only does a downturn in this economy affect people who are directly related to the mining industry, it affects many people, and that's why we are so committed to that industry. We are so committed. Through the growth and prosperity of the mining industry, we see growth in our population that allows future diversification and continuing diversification in our economy, which will help us reduce some of those dips

we see that occur in the economy during a mining economic downturn.

I think there is some great work being done. We continue to position ourselves to be able to meet those expectations that exist when you are, from a geological perspective, the best place in the world.

With that, Mr. Speaker, I move that debate be now adjourned.

Speaker: It has been moved by the Hon. Premier that debate be now adjourned.

Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Pasloski: Agree.

Mr. Elias: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Hon. Mr. Hassard: Agree.

Hon. Mr. Cathers: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Ms. Hanson: Disagree.

Ms. Stick: Disagree.

Ms. Moorcroft: Disagree.

Ms. White: Disagree.

Mr. Tredger: Disagree.

Mr. Barr: Disagree.

Mr. Silver: Disagree.

Clerk: Mr. Speaker, the results are 10 yeas, seven nays.

Speaker: The yeas have it. I declare the motion carried.
Motion to adjourn debate on Motion No. 974 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. McLeod): Committee of the Whole will now come to order. The matter before the Committee is Vote 51, Department of Community Services, in Bill No. 18, entitled *First Appropriation Act, 2015-16*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 18: *First Appropriation Act, 2015-16* — continued

Chair: The matter before the Committee is Vote 51, Department of Community Services, in Bill No. 18, entitled *First Appropriation Act, 2015-16*.

We are resuming discussion of the line item, Emergency Medical Services, under Protective Services.

Department of Community Services — continued

On Protective Services — continued

On Emergency Medical Services — continued

Mr. Barr: Pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all remaining lines in Vote 51, Department of Community Services, cleared or carried, as required.

Unanimous consent re deeming all remaining lines in Vote 51, Department of Community Services, cleared or carried

Chair: Mr. Barr has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all remaining lines in Vote 51, Department of Community Services, cleared or carried, as required.

All Hon. Members: Agreed.

Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures

Total Operation and Maintenance Expenditures in the amount of \$84,552,000 agreed to

On Capital Expenditures

Total Capital Expenditures in the amount of \$54,339,000 agreed to

Total Expenditures in the amount of \$138,891,000 agreed to

Department of Community Services agreed to

Chair: We are going to move on to Vote 55, Highways and Public Works.

Committee of the Whole will recess for five minutes.

Recess

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

The matter before the Committee is Vote 55, Highways and Public Works. We are continuing general debate.

Highways and Public Works — continued

Hon. Mr. Kent: I would just like to take the opportunity to welcome back Paul Murchison from our

Transportation Engineering branch to provide support to me today and also welcome Sheila Stockton from Property Management Division, who will be providing advice on any questions related to that aspect of Highways and Public Works.

I'm not going to take very much time in my opening remarks here. I believe I was in debate with the Member for Klondike, I think, with respect to questions that he was asking at that time when we adjourned the last time Highways and Public Works was up.

Just a couple of issues that came up in Question Period since that time — and department officials are still working on providing the responses that were promised the last time we were up, so we will be as diligent as possible and get those done as quickly as possible for members opposite.

I should put on the record — as we were leaving the building that day, I believe the Member for Copperbelt South, the NDP critic, asked for a breakdown of FTEs in HPW. We provided that information during debate, but then she asked for a Whitehorse versus rural breakdown — I believe that is what she asked for. I just wanted to put that on record so that officials in HPW can also work on providing that information to the member opposite. It slipped my mind to pass that on to the deputy in the meantime, but it came back to me as I stood on my feet here today.

A couple of things — the Member for Takhini-Kopper King raised earlier today in Question Period questions about the railroad crossing at or near McCrae here in Whitehorse and the effect it was having on cyclists. She brought that to my attention on Friday afternoon with an e-mail that arrived just shortly before 4 p.m. I was able to reach out to my deputy minister and he had other officials work on that, and I believe initial repairs were completed on Saturday.

I received a note from the Member for Takhini-Kopper King today, saying that there had been another incident there last night, so we can pass that on to officials in Highways and Public Works and I would assume somebody from the Transportation Maintenance branch would be attending to that area just to make sure that the repairs are sufficient.

Again, a big thank you to the officials for reacting very quickly to something that was of concern, not only to the Member for Takhini-Kopper King and the Member for Copperbelt South, but also to me. As I mentioned earlier in Question Period, we want to ensure that our highways and our roads are as safe as possible for motorists and cyclists and other recreational users who access that part of our infrastructure. Again, I would ask cyclists and motorists who are in the highway right-of-way to be careful and also be mindful of road conditions. As good a job as HPW officials do in sweeping the roads and ensuring that they are as safe as possible, there can often be some aspects of the roads that aren't safe, so I will just remind everyone to be careful, for motorists to slow down when they are approaching cyclists. It is a very busy time as people get ready for the Haines Junction to Haines, Alaska bike relay, so please be careful and respect the rules of the road — and for motorists just to slow down when they are approaching cyclists, and for everybody to be

careful when using the highways. We want to ensure they are as safe as possible and we don't want any accidents or mishaps to happen.

Just one other item I would like to address is with respect to F.H. Collins. I know we talked about the workforce there, and I was able to highlight in Question Period the number of local subcontractors as well as local suppliers that have been utilized on that project. The information that I was able to provide to members at that time was current as of the middle of April. The briefing note that I had was updated on April 13, 2015. I will be looking to the contractor and working with Highways and Public Works, obviously, for them to provide a project overview upon completion of the project.

Again, we are on track to have the project completed in August of this year, and that will be followed by the normal procedures of inspections and then beyond that education. Then we will turn the facility over to the Department of Education for commissioning and furniture installation and that type of thing but again as of —

Some Hon. Member: (Inaudible)

INTRODUCTION OF VISITORS

Ms. White: I apologize to the minister. I was trying to wait until I could get in there.

I would like to ask the Assembly to join me in welcoming two very dear friends in the back row. We have Craig Jackson from Teslin who is here to say hello today and my friend Chris Howard. Welcome gentlemen; it's so nice to have you here.

Applause

Hon. Mr. Kent: Welcome to the Legislature. It's always a pleasure when we have Yukon citizens come and watch us at work on a daily basis.

Just stepping back quickly to the F.H. Collins replacement projects — since construction began, an average of 75 percent of the workforce on-site, including both tradespeople and supervisors, has been local, so those are some tremendous numbers. I've had two tours of the facility as it has made its way through construction. The first time was with the former Minister of Highways and Public Works and the second with the Minister of Education and the Premier and some representatives of local business community. I had an opportunity to visit the facility and monitoring the progress. I think the general contractor and all the subs are doing a tremendous job on-site. I know the Member for Copperbelt South referenced that there a number of B.C. licence plates in the parking lot, so I'm assuming that when she visited the site she checked in at the construction office, which is obviously a requirement of visiting a worksite of that nature. Had she done that, she would have been able to talk to the gentleman who is in charge of that project. I know that on any given day they have a sheet on the wall, for both times I visited, that has the number of individuals who have come on to the site and off of the site and where they're from.

The last day that I visited, I think the numbers — over 80 percent of the individuals who were either working or visiting

the site that day were Yukon residents. I think again these types of projects that are bid on by Outside firms and when Outside firms are successful, they obviously try to maximize the local workforce. It makes good business sense for them and, wherever they can, they will use locals as necessary.

I know I met recently with a new Whitehorse company that has been very successful, Wildstone Construction and Engineering. The president of the company was here to visit and has just hired a long-time local individual — I think a born-and-raised Yukoner would be my understanding — to be the new Whitehorse general manager. They're a company that has offices nation-wide, I believe — in western Canada anyway — but again, making tremendous strides. What he informed me and my deputy is that it only makes good sense to hire local and to maximize the local workforce as best you can.

So with that, I will turn the floor back over, I believe, to the Member for Klondike, who was asking questions. I will look forward to answering more questions through general debate and hopefully get into line-by-line debate before the end of business today.

Mr. Silver: I might as well stick with F.H. Collins.

Last week, the minister put a dollar figure on the new F.H. Collins build and I think it was \$46.2 million as of April 21, 2015.

What we weren't sure of after looking back over Hansard: Does that include the previous design and the underground work that was done for the previous footprint? I am looking for the total numbers spent since the government announced that it was moving ahead with replacing F.H. Collins.

Hon. Mr. Kent: That figure that I put on the record last week was \$46,023,047, or an approximate price per square metre of \$5,742. What that included was design costs to completion. The original design that came in — just to remind members — the price for that came in just shy of \$48 million, which was \$10 million over the construction budget. We decided to proceed with a different design at that time. It does include those design costs, site upgrading — phases 1 and 2, which is the ground infrastructure. I believe we were able to take advantage of some of that underground infrastructure that was put in place and use that for the new facility. There are phase 3 site upgrades of \$1.5 million. The original design came in at just under \$48 million for construction. The new facility — the current one that is being built — came in at \$31.13 million or \$31.14 million, as a rounding-up exercise. There have been some approved change orders to date of just over \$200,000 — \$209,058, which is a fairly reasonable number, I would assume, for a project of this size.

We had to build a new track and field because of the location of the new school. That was done on the lower field behind the current school at a cost of \$750,000. The demolition of the old school, which would have had to be done regardless of which design we picked, came in at \$2.5 million. The technology wing — that is estimated at \$3.151 million, but bidding has not yet closed on that aspect, so we won't know what the price is, obviously, until we get the bids in and the contract is awarded. That total should be just

slightly over \$46 million, which is the number that I brought forward in debate last week.

Mr. Silver: Thanks to the minister for clarifying that. Forgive me if I am wrong, but I don't think we had mentioned the demolition of the gym or the heating system that has to be installed for the technology and trades. I am not sure if those are involved in that number or not. Can the minister clarify?

Hon. Mr. Kent: Part of that \$3.15-million estimate for the technology wing that hasn't been tendered yet includes the heating system that will have to be provided for that.

I should mention as well, obviously, the demolition of the old school has not been tendered yet either so that \$2.5 million that we've included there is also an estimate at this point, but once the tender closes and the contract is awarded, we'll be able to provide the firm number on demolition as well as the tech wing.

Mr. Silver: Thanks to the minister for the clarification.

We talked a lot about widening the highway corridor. A lot of these are just clarification questions from the last day when we got to speak at Committee of the Whole. I'm just wondering about certain monies being set aside. I know the minister has confirmed that we're still in a preliminary stage of this, but it was a major project that was announced by this government — probably a good thing to keep people busy, especially with Shawkak money drying up. Was there money set aside in individual packages for anything right now — for example, local businesses to purchase land? Have there been any specific conversations as far as parcels of money? Also, just basically, can the minister confirm that some money has been set aside for any of these purposes?

Hon. Mr. Kent: Again, I won't get into the details. Obviously everyone knows where this project is occurring and where we're at in the process.

To date, approximately \$750,000 has been spent on planning and preliminary engineering work for this project. The work has been completed by eight engineering and geotechnical investigation companies since 2010-11. In the 2014-15 fiscal year, approximately \$135,000 was spent on the project, with another \$242,000 committed for the consultation phase that just wrapped up on May 15. Again, the functional plan considers all modes of transportation and road user types and is designed to accommodate traffic volumes that can be expected over the next 20 to 30 years. I won't get into the three phases. I think we have talked at length in Question Period and in debate about that.

Just to provide the member opposite with an update on what we're debating in the current budget and what those dollars are for, the 2015-16 budget for the Whitehorse corridor is \$1.3 million, and that's broken down as follows: there is \$600,000 for detailed design work, \$200,000 for preliminary engineering, and \$500,000 for construction. That construction is taking place at Azure Road. It's included in that amount but is not part of the functional plan. It is work that is being done within the Whitehorse corridor of the Alaska Highway. There is some realignment work, I believe, that has to be done at Azure Road. For those not familiar with it, I believe that is

close to the Crestview subdivision here in the Whitehorse area.

Mr. Silver: Thanks for the clarification. Moving on to the Dawson runway, we've debated in the Legislative Assembly this session that there were a couple of motions put forth from members of the Yukon Party urging the minister to pave the runway.

We heard that there were safety concerns, and that's where we are right now. When the minister spoke to why this was being pushed back a bit, we were told there were some concerns as far as maintenance. In 2013, Highways and Public Works commissioned an infrastructure needs assessment on the Dawson City Airport. In that report, it was estimated that it would cost \$8.25 million to pave the runway, but it also stated that there would be increased winter maintenance costs. I believe the minister referenced this as well in his response to my Question Period question on this particular subject.

Can the minister tell us what these additional costs will total annually, and if he could break them down as to what they are specifically?

Hon. Mr. Kent: When we did speak about this in Question Period, there were a few things going on at that time. I sent an e-mail to the Member for Klondike, as well as the Mayor of Dawson City and the Chief of the Tr'ondëk Hwëch'in. I'm sure Dawson is like many other smaller communities, including Whitehorse, where, if things start happening or if the runway closed, there would have been a lot of rumours, so I wanted to make sure they had the information in case some of their constituents were asking them on that maintenance work.

The runway was shut down in Dawson City and the maintenance work was completed. Just stepping back, sorry — the runway at the Dawson Airport had undergone some essential maintenance throughout the summer and, working in consultation with the major carriers, they used the runway to minimize the impact. This was from 3:00 p.m. on Friday, May 8, to 8:00 a.m. on Sunday, May 10, that the runway will be rebuilt and unavailable for use. Smaller aircraft will be accommodated on the grass strip alongside the runway, but the major carriers won't be able to use the airport during this time. Medevac flights would be able to use the runway in an emergency. Patients requiring treatment were to be treated at Dawson hospital while the runway is prepared, and the medevac flight should be able to depart within three hours.

I was very happy that work was completed ahead of schedule. It didn't take until 8:00 a.m. on Sunday. I believe it was completed sometime on the Saturday. My understanding from department officials is that there were no issues at the airport during that time. That's just a bit of an update on that.

When it comes to what is happening at the Dawson Airport, I mentioned to the member that we are still awaiting a response from Transport Canada with respect to the approach slope. They were doing a review and were going to confirm that the approach slope was sufficient to accommodate the Boeing 737 service that Air North currently operates on a charter basis between Fairbanks and Dawson City.

We're working with Transport Canada on getting that done, and we are also working with Air North. We've been engaged with them. My understanding is that the ADM of Transportation for the Department of Highways and Public Works has met recently with representatives of Air North to ensure they are kept apprised of the situation and that we work with them.

I know how important this is to Dawson City and the tourism industry in the Yukon as a whole. It is something that I believe started in 2014. It was done in support of Holland America with daily flights between Fairbanks and Dawson City. As I mentioned, they have started up again. Already this year I saw some photos on social media from one of the individuals who works for Air North who provides support to this project.

Perhaps it would be useful right now for me to outline what the capital cost estimates are for the paving, as well as the capital cost estimates for the maintenance facility and equipment, and then an O&M budget comparison to what is currently there, versus what a proposed O&M budget for Dawson would be should the runway be paved. That will hopefully provide a little more information. If members can bear with me, I will go through this in detail, so that we have everything on the record.

The capital cost estimates for the paving: to supply and install asphalt pavement, \$3.15 million; concrete turn buttons, \$1 million; runway lighting upgrade, \$500,000; permitting geotechnical design inspection, \$350,000; runway marking designs, survey and painting, \$30,000; and obstacle limitations survey, \$25,000. The total capital for the paving is \$5.055 million. Upgrade of the existing gravel base to a suitable standard will be required before application of a minimum of 100 millimetres of asphalt overlay. The increase in runway height will necessitate changes in the lighting obviously. A detailed geotechnical investigation will be required to determine if permafrost is present and, if present, what the extent of permafrost is where paving would occur. The presence of permafrost could have a significant impact on the above estimate.

Some Hon. Member: (Inaudible)

INTRODUCTION OF VISITORS

Hon. Mr. Dixon: I would like to ask members to join me in welcoming two individuals to the gallery — Mr. Richard Li and Maurice Albert from Selwyn Chihong — who have joined us in the gallery today.

Applause

Hon. Mr. Kent: Thank you to the Minister of Community Services for pointing out Mr. Albert and Mr. Li. It is always a pleasure to see them.

Again, the presence of permafrost could have a significant impact on the above estimate and there are also potential cost implications due to new regulations expected to be approved by Transport Canada in 2015. It is TP312, 5th edition, just for your information in case you are going to look it up — for those of you listening at home.

There are also capital costs associated with the maintenance facility and equipment: \$4 million for a maintenance facility in a compound — to outfit the maintenance facility would be an additional \$150,000; two airport plow trucks, \$500,000; two airport sweepers, \$500,000; one loader, \$200,000; a sander for \$50,000; chemical trailer, \$100,000; medium-capacity snow blower, \$220,000; some monitoring equipment, \$60,000; tar kettle compressor, \$150,000; as well as a half-ton pickup and some additional equipment associated with that for \$70,000. The total capital costs for a maintenance facility and equipment are \$6 million.

Current equipment at the Dawson Airport is not suitable for maintenance of a paved runway in the winter months. A garage-type facility and sand/salt storage facility would also be required. It is assumed that the larger equipment identified in the table above will be placed in the revolving fund. However, some third party rentals will be required on an ongoing basis. The ad hoc need of the third party equipment does not warrant purchase and inclusion in the revolving fund at this time. The total estimated cost for paving and the equipment is approximately \$11 million.

When it comes to O&M and the cost projection, the estimated O&M costs of operating Dawson with a paved runway is \$805,000, an increase of \$436,000 annually over the current budget of \$369,000. I can provide a comparison of the budget breakdown in a moment. Dawson currently has 1.4 FTEs approved, but is considered to be understaffed by 1.6 FTEs to meet requirements for continuous runway surface condition monitoring and an on-scene controller. As a certified gravel airport, Dawson should have a total of three FTEs. Paving the runway increases the workload due to the need to maintain the surface in a bare, black and dry condition. It is recommended that a minimum of four FTEs in total be allocated to Dawson if the runway is paved. This would be an increase of 2.6 over the current 1.4 allocated. The additional employee costs are estimated to be 2.6 times \$90,000, or an increase of \$234,000 annually.

The cost of operating maintenance equipment will depend on what new and additional equipment can be acquired through the revolving fund versus the need to rent local third party equipment. The O&M budget does not include additional annual funding that Property Management might require to maintain the maintenance and sand storage facility that would have to be constructed.

Just quickly through a few of the highlights that make up that additional O&M costs — I have talked about the wages. There is additional travel of \$4,000. Contract work has actually decreased from \$37,000 to \$10,000. Repairs are down, given the new condition, from \$93,000 to \$60,000. Equipment rental — this is an estimate of course; all these are estimates — increase from \$30,000 to \$120,000. Materials such as sand, de-icing chemicals and brushes would increase from \$7,000 to \$120,000. The air terminal building would remain constant. Fuel for rentals goes from \$3,000 to \$15,000. The heating of the maintenance garage is estimated at approximately \$22,000. The electricity for the air terminal

building is the same, obviously. Electricity for the garage represents an increase of \$6,000. Communications is the same. Additional training is \$15,000. Those numbers add up to a net annual increase of \$436,000.

There are some paving time and service impacts with the Dawson Airport as part of this. A similar overlay of the parallel runway at Whitehorse International Airport required approximately 14 days of paving with direct impacts to potential aircraft usage. An additional combined total of 28 days is expected prior to and after the paving for any prep or finishing work required. At times during construction, the runway will either be closed or restricted to small aircraft — nothing larger than Air North's current scheduled equipment that goes in there — the Hawker that they run. Paving would likely proceed on half of the runway at a time allowing the open half to accept aircraft as required with construction equipment pulling off the runway. This may significantly impact passenger and commercial operations. Jet operations will not be possible during the main paving period of the project. Wildland fire operations may also be impacted during paving.

The nearest airstrip to the Dawson Airport is an unmaintained strip located at McQuesten, approximately 100 kilometres south of Dawson at kilometre post 590 of the Klondike Highway, and the nearest airstrip capable of serving medevac flights, wildfire fighting and larger aircraft is located in Mayo, which everyone knows is southeast of Dawson — approximately 213 kilometres southeast of Dawson.

I thank the members for bearing with me on that and hopefully that provided a good overview of the situation at Dawson. The thing that we're waiting for before we make a decision on how to proceed is Transport Canada's assessment of the approach slope, and we are working with them as requested on that. Once we have an answer on that, we will be able to move forward with a decision, but there are significant — not only fiscal and operational implications, but we'll want to work with Air North and Holland America to ensure that the tourists who are currently coming in from Fairbanks to the Klondike region and Dawson City are still able to do so on a regular basis.

Mr. Silver: Thank you for that elaborate breakdown of the expenses.

It does beg a couple of questions. How is Air North allowed to fly now with these issues outstanding for their aircraft if this approach slope analysis is one of those things that we're trying to find? If it's a regulation issue, then the same planes are landing now on the gravel run strip — if the minister can answer that question first.

Secondary to that, we know very well that those motions put forth from the Yukon Party government urging itself to pave the runway — we know that if you build it they will come. The minister spoke of the expenses. Yes, it is an expensive undertaking but, at the same time — as he started off in the beginning of his response — given how important the tourism industry is to Dawson and to the Yukon in general, I would argue that building it is — think about the costs of not building on to this infrastructure. I guess that

question is: Once the approach slope analysis comes back, is the minister prepared to tell us that this, which is what we're told is the holdup — if it comes back positive, do we get a paved runway?

Hon. Mr. Kent: Perhaps I will be able to provide a little bit more detail in a written response or if we hear back from some of the folks at our Transportation branch, but my understanding is that Transport Canada has previously — and with the former minister — agreed that the approach slope was sufficient but they've decided to take another look at recessing the approach slope. As I mentioned, we're working with them as well as partners such as Air North on that as requested.

The big challenge, I think, is the 737s and the gravel kit that they have, and that will affect the equipment opportunities for Air North to continue to land on the gravel strip.

As I said, we've been meeting with officials of Air North in anticipation of what we hope is a positive result from the Transport Canada work on the approach slope at the Dawson Airport. Of course, they are the ones who are in charge. It's obviously in all of our best interests to ensure the safety of the passengers and others who are using the equipment, so we defer to Transport Canada on that and they're allowing the service to proceed while they're doing the assessment of that slope. As I mentioned, we will continue to work with them as requested on that.

Once we do have a result from there, I think we'll be in a decent position to make a determination on how to move forward. I don't think that this project would necessarily be considered if it weren't for the importance of not only the tourism industry there, but also the potential for enhanced mining in that area and the transport of workers. As I mentioned, I think, during EMR debate, we want to ensure that as many individuals as possible can live in the community, but the reality is that there will be some who are travelling in from outside of the Yukon to work in some of these exciting projects that are on the horizon in the Klondike region.

I think we have to consider more than just the tourism opportunities with respect to paving the runway. Once we get that information from Transport Canada, I'll be in a better position to go to my colleagues in caucus, Cabinet and Management Board. I also work very closely with the Minister of Tourism and Culture on this and work with my officials in Energy, Mines and Resources to enhance the business case and get a solid understanding of what types of opportunities are associated with the paving of the runway.

Right now we're waiting for Transport Canada to report back, but we're being proactive with Air North. I know the Minister of Tourism and Culture has also had some meetings, I believe, with Holland America on a number of issues, so I'm assuming that this is one of them. Again, I'll be able to hopefully give a better response and a more accurate response on timing and our approach once we get this Transport Canada information — once they provide the information we're waiting for.

Mr. Silver: I guess that wasn't necessarily an answer of yes or no. I know it's a complicated issue, but I guess the only other follow-up question to that is: Is this the only hangup? This approach situation — is this it or is there more? It would be great to know if there are other issues of concern. Is it that the Yukon Party does not want to necessarily pave this runway? Maybe they want to look at another option for the airport itself. If the minister can allow us to know if this is the one and only hangup that we're waiting on — or are there other extenuating circumstances that are being considered?

In the interest of time — because I know the Member for Copperbelt South also has some follow-up questions — I'm going to just get one other question on the Hansard here about the 300-bed facility. At the budget briefing, department officials provided numbers on the cost estimates of the new continuing care facility, both for 150 beds and for 300 beds.

Now I asked the minister this last week; he said he didn't have the numbers at that time so I'm sure he will have the numbers with him today. If the minister could put those estimates on the record and respond to my question about other extenuating circumstances on the Dawson Airport.

Hon. Mr. Kent: As I mentioned, when we started today, a number of the questions that I committed to get back to members opposite on — I still don't have that information from the department and that includes the questions asked by the Member for Klondike, so those numbers that he requested with respect to Whistle Bend, I haven't seen yet or had the chance to review, but as soon as I do, I'll get back to him and I'll get back to him in writing.

As I mentioned during remarks with respect to the Dawson Airport, permafrost of course is one of the considerations that could add considerably to the cost or the opportunity for us to do the work at the Dawson Airport. As I mentioned, there's a detailed geotech investigation that would be required to determine if permafrost is present and, if present, what the extent of permafrost is where paving would occur and the presence of permafrost could have a significant impact on the above estimate. So again, from a fiscal perspective, we would have to be mindful of that and await that type of work. I know I was a little bit dismissive of it when I first spoke, but there could be some potential cost implications due to these new regulations expected to be approved by Transport Canada this year — again, that's the TP 312 — 5th edition. I don't have the information here as to what the extent of those new regulations are, but the notes that I do have before me state that there could be some potential cost implications.

So there are fiscal considerations for us as well with respect to the Dawson Airport, not only the ones I outlined in the capital expenditures and the O&M, but also the unknowns, such as the presence of permafrost and what implications and expected regulations Transport Canada may have. Once we get a little bit further down the road on this, I will be able to provide more information to members of the Legislative Assembly with respect to this. Obviously it will have to go through a caucus and Cabinet/Management Board approval process, should we feel comfortable proceeding with the

paving of this runway and the increased capital and maintenance costs that are associated.

Ms. Moorcroft: I would like to thank the minister and his officials for putting together information that we've requested from the Opposition. I would like to welcome Paul Murchison and Sheila Stockton. It's good to have them here this afternoon. I also want to thank the minister, his deputy and Highways and Public Works' officials for dealing so promptly with the question from my colleague, the Member for Takhini-Kopper King, about the tracks at McCrae and the challenges getting across them on a bicycle. They needed some repair and the department worked very quickly on that.

I wanted to ask the minister a question related to the Annie Lake Road. After years of maintenance, I understand the road base needed to be redone with new pit run. It had been graded away over time.

Some new pit run was laid down last year, as I understand. Although the work was started, problems were encountered, the weather didn't cooperate and I think the job was not finished. Can the minister provide an update on what work will be done on the Annie Lake Road this year? Will there be more pit run laid down to improve the road base? What time frame is there on the Annie Lake Road project?

Hon. Mr. Kent: We are looking into whether or not there is additional work being anticipated for that particular road in our maintenance department. I am assuming that is where that work was done last year. In all of the roads that we maintain, there are a number of rural roads that we also put money into. I believe this year, so far, we have approved money for Gully Road, Takhini River Road, Takhini River Ranch road and the Aishihik Lake road out of that program. There is a little bit of money left in that program, should it be required. We also have money in the resource access road framework. Most of that money this year is going to some of the projects in and around the Dawson area: the Dawson Gold Field Road, as well as Haggard Creek and close to Mayo, as well as a few other roads. I don't have the table with me, unfortunately, but these are the types of opportunities.

With respect to the Annie Lake Road and the question asked, we will look to our Transportation Maintenance branch to see if work is being required and again, often in Highways and Public Works, sometimes we're getting some very competitive bids on some of the tenders, so there may be an opportunity for us to re-evaluate some of the projects that didn't quite make the cut this year, as far as road improvement projects, once we get a better handle on the bids coming in. If there are a number of them below the estimates that we have coming in, then perhaps we can redeploy some resources and some dollars into some other opportunities.

I know I've been working closely with the deputy minister and the assistant deputy minister on identifying some of those opportunities where we could quickly pivot to other projects, so that the dollars that we were anticipating spending — we can get as many of those out the door in what is a fairly short construction window here in the territory.

Ms. Moorcroft: I thank the minister for that.

When we started out debate this afternoon, the minister provided some additional information related to the F.H. Collins project and, during Monday's Question Period, the minister said that 26 out of 44 subtrades active on the site are local and 18 Outside companies have hired locals.

I would like to ask the minister if he knows how many total hours of employment are anticipated on this project and how many hours will be given to Yukon workers on this project, and if the minister needs to respond by letter, that would be fine.

I did want to request, when the minister provides a response to questions from the Official Opposition and to questions from the Third Party, if they would copy both of us on that correspondence, since we've been trying to avoid repeating questions but would like to see the responses.

The minister referred to the fact that he would have a project overview on the completion of the F.H. Collins project. I wanted to ask for a breakdown on when that project overview was prepared — if the minister could provide a list of contractors, where their head office was located and the value of the contracts, as well as the question I just asked about the total hours of employment and local employment.

While the minister is looking for that information, I would just put another couple of questions related to the capital budget and local benefits on the record.

In 2014-15, the forecast for the capital budget was \$244 million; the 2015-16 capital budget is \$313 million. I would like to ask the minister for a breakdown of the capital budget expenditures that have gone to local Yukon businesses, and I would like to ask whether the department provides any analysis of local job numbers created as a result of capital project spending.

Hon. Mr. Kent: Just quickly to repeat what I had said earlier during debate today, Clark Builders' successful bid on the F.H. Collins project was \$31.14 million. The other three bids were all less than \$33 million — very tight bidding on this project.

From May 2014 to April 2015, 110 tradespeople consistently on-site were Yukoners, which is an average of the project to that date of 75 percent local labour. The school is being signed for 750 students, which exceeds the current student population at the existing F.H. Collins Secondary School. When we are looking for the final report to be produced by the contractor, there are a number of aspects that we can include. Obviously the number of local employees on-site is something that is important, but often during Question Period we don't get a chance to list the local contractors or vendors, so I am just going to take a bit of time to list the Yukon- and Whitehorse-based subtrades.

As I mentioned, 26 of the 44 were local. Of the other 18, almost all used some local tradespeople and labourers. This is just a snapshot of some of those: Castle Rock Enterprises, Arcrite Northern, All-West Glass, Hurlburt Enterprises, McKay Plumbing and Heating, Spectrum Security, Tetra Tech EBA, Underhill Geomatics, Northwestel ATCO, Herb O'Haver Tile Installations, Forge North Combustion, RC Cranes, Duncan's Limited, Mobile Maintenance Services,

Klondike Welding, General Waste Management, General Enterprises, J&L Concrete, Sunset Septic Service, Yukon Water, Complete Concrete, Summit Waterproofing, Don's Concrete Cutting, Oscar's Electric, Rednex Equipment Services and Capital Towing. That is a fairly good snapshot of the local subtrades that are active onsite. Again, this was up until the middle of April. I will look forward to an updated list and report once the contractor has completed the work.

Just before I report progress, I would like to thank Clark Builders and all of the individuals who have worked on that project over the last year. I get to drive by it on a daily basis, living in Riverdale, and to watch the progress is truly remarkable. I think they're doing some incredible things over there from an environmental perspective as far as recycling and other aspects go. So a bit of a shout-out to Clark and all the subs and Yukoners and others who are responsible for building what will be a tremendous educational facility for years to come.

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

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

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Ms. McLeod: Mr. Speaker, Committee of the Whole has considered Bill No. 18, entitled *First Appropriation Act, 2015-16*, and directed me to report progress.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

Mr. Elias: I move that the House do now adjourn.

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

Motion agreed to

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

The House adjourned at 5:27 p.m.

The following sessional papers were filed May 27, 2015:

33-1-167

Yukon Judicial Council Annual Report 2014 (Cathers)

33-1-168

Yukon Advisory Council on Women's Issues — YACWI Annual Report 2014/15 (Taylor)

The following documents were filed May 27, 2015:

33-1-116

Fish and Wildlife Branch — Highlights 2014/15 (Istchenko)

33-1-117

Education Reserve 850103 Planning Committee, letter re (dated October 24, 2014) from Hon. Elaine Taylor, Minister of Education, and Hon. Scott Kent, MLA for Riverdale North, to His Worship Dan Curtis, Mayor of Whitehorse (Kent)