Yukon Legislative Assembly

Number 231 1st Session 33rd Legislature

HANSARD

Tuesday, November 10, 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

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| Hon. Darrell Pasloski | Mountainview     | Premier
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| Hon. Elaine Taylor    | Whitehorse West  | Deputy Premier                                                            |
                      |                  | Minister responsible for Tourism and Culture; Women’s Directorate; French  |
                      |                  | Language Services Directorate                                             |
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                      |                  | Yukon Liquor Corporation                                                  |

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Yukon Party

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Yukon Legislative Assembly  
Whitehorse, Yukon  
Tuesday, November 10, 2015 — 1:00 p.m.

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

Prayers

INTRODUCTION OF VISITORS

Speaker: Before we proceed with the Order Paper, I would like to extend a welcome to the Commissioner, the Hon. Doug Phillips, and his Aides-de-Camp for joining us today. They’ve come at the invitation of the Legislative Assembly to hear our tributes for Remembrance Day.

Thank you, sir.

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of Remembrance Day

Hon. Mr. Pasloski: Thank you, Mr. Speaker. I rise today to pay tribute to Remembrance Day.

Remembrance Day marks the end of the First World War, commemorated each year on the 11th hour of the 11th day of the 11th month since the Great War ended. Remembrance Day has grown to signify respect and remembrance for all veterans and service members, past and present.

Regardless of whether we have served ourselves, or our family and friends served in the military, all Yukoners can appreciate the sacrifice Canadian soldiers have made. As free Canadians, it is our duty to share our gratitude for what veterans have given us and to keep their legacy alive. Many of us will attend Remembrance Day ceremonies tomorrow and I encourage all Yukoners to participate in ceremonies that will occur in many of our communities across the territory.

Even if your busy lives prevent your attendance at a ceremony this year, I encourage Yukoners to pause for a moment of silence and reflection; to think of the courage and devotion of each man and woman who served and continues to serve. I would encourage all Yukoners to wear a poppy to show your respect and pride.

We must keep remembering each year on Remembrance Day, each election where we are free to vote for whom we choose without penalty and each time we participate freely in cultural, political or religious events. It’s these freedoms that Canadians fought to preserve in order to keep Canada a free, independent and diverse nation.

Let us think of the bravery of each man and woman who gave their lives to protect ours. Let us think of the families that lost a father, a mother, a son, a daughter — who gave their lives for Canada. Let us think what we can do to foster peace in our communities and to make sure these sacrifices do not go unnoticed.

Mr. Speaker, I had the privilege to attend a Remembrance Day ceremony at Vanier Catholic Secondary School this morning. Also in attendance was retired Sergeant Joe Mewett. I just want to mention what an emotional and passionate speech he gave to all of those students who have grown up so far away — such a distance from events such as the First and Second World Wars. We have a number of distinguished guests here in the gallery today. I will defer to Introduction of Visitors for you to introduce them to the House.

Ms. Moorcroft: Thank you, Mr. Speaker. Recently I had the privilege of attending, along with my colleagues in the Official Opposition, the world premiere of a documentary by my friend and constituent, local filmmaker Max Fraser — Bond of Strangers — The Operation Husky Story. It followed the route of World War II’s Operation Husky, the invasion of Sicily in a full-scale combat engagement by a full-Canadian division. It’s a story of remembrance.

I want to acknowledge members of the Royal Canadian Mounted Police and the Royal Canadian Legion in the gallery today. The Whitehorse Legion contributed financially to the film project. In 2013, 10 marchers made the trek to visit former battle sites and retrace the steps of the Hastings and Prince Edward regiment through Sicily. Max Fraser was one of four whose fathers served in that regiment. The so-called “Hasty Ps” liberated Assoro, a small hilltop village west of Mount Etna, in 1943 in a daring and difficult surprise attack after scaling the surrounding cliffs.

Bond of Strangers captures that hidden history of the Canadian invasion of the Italian Front, which resulted in fascist dictator Benito Mussolini’s resignation in 1943. Bond of Strangers helps Canadians understand and appreciate the sacrifice of those 562 Canadian lives claimed by fighting in Sicily alone.

They are buried near Agira, not far from Assoro. The film showed a moving camaraderie between the Sicilian residents, some of whom remembered the Canadian troops, veterans and marchers on this journey of remembrance. Bond of Strangers demonstrated ways to treat our veterans with the respect they deserve in honour of their contributions and service to the country.

At the Golden Horn Elementary School ceremony this morning, the kindergarten students handed out doves to members of the audience saying “Peace is love, sharing, friendship, family”. We saw a moving video of soldiers in action and their haunting faces during combat, which told the story of how hard war is.

Just as I have spoken about one hidden war history from World War II, I am compelled to also acknowledge a crisis of war today — the hidden price of soldiers’ lives lost to suicide. Last September, statistics from the Defence department revealed 160 Canadian military personnel had committed suicide between 2004 and March 31, 2014. Compare that to the 138 soldiers killed in combat between 2002 and 2014 when Canada’s Afghan mission formally ended. Canadian soldiers’ rate of death by suicide was higher than soldiers’ rate of death in combat. We cannot say we are working for the
peace soldiers have fought for if we do not also work for veterans’ rights to a full range of health services and mental health programs.

I will close with words of veterans about Remembrance Day: “By remembering their service and their sacrifice, we recognize the tradition of freedom these men and women fought to preserve. They believed that their actions in the present would make a significant difference for the future, but it is up to us to ensure that their dream of peace is realized. On Remembrance Day, we acknowledge the courage and sacrifice of those who served their country and acknowledge our responsibility to work for the peace they fought hard to achieve.”

Mr. Silver: Thank you very much, Mr. Speaker. For this year’s Remembrance Day tribute, I would like to tell the story of one soldier — one soldier from Dawson City who recently turned 100 years old — Platoon Sergeant Percy C. DeWolfe, service number K50492. Percy enlisted in Vancouver, BC, on March 4, 1943. Service records indicate his occupation at the time was placer miner on Dredge No. 11, Dawson City, Yukon.

At the time, Percy wanted to be a rear gunner in the air force or a paratrooper, but he was turned down. He ended up in the infantry. After advanced training in Vernon, BC, Percy went to Calgary and then to Halifax before being ferried to Aldershot, England. In Aldershot, Percy had a choice of which regiment to join. He chose the Calgary Highlanders because a good friend of his, John McKenzie, was a highlander. Percy stayed with the Calgary Highlanders to the end.

Percy embarked on July 5, 1944, to Caen, France. Their operation was to follow the 3rd Division. This was among the first combat units to engage in offensive ground combat during the operations in Europe in World War II. They were assigned to take Calais and got within five kilometres of the enemy when they started firing mortars. They were exploding in the air. Percy caught shrapnel in the eye and all over his body. They surrounded Calais and cut off the supply lines. They were unable to take Calais as it was too heavily fortified. This occurred on September 8, 1944.

Percy entered a military hospital after his time there to deal with his injuries, but he continued to fight. He fought through France, through Belgium, through Germany and Holland, where he spent the longest time. He received a lifelong injury to his back when he entered a barn in Holland. There were enemies hiding in the loft. They opened fire and set off grenades, causing the building to collapse on Percy. A few of his comrades did not survive.

The day before the enemy surrendered, Percy was told that the next day they were going to go into the battle that would have been the fight of their lives. At midnight that day, the Germans surrendered and the war was over.

In 1995, Percy returned to Holland to the 50th anniversary of their liberation. He was billeted by a lovely family, the Wagenaars. Every day there were special tributes and events for all the veterans. The Canadians were treated like royalty. Although Percy does not like to talk about the war, Mr. Speaker, it is still a vivid memory in his mind.

On Remembrance Day, it is imperative that we take the time to take a moment and recognize the sacrifices made by Canadian men and women who gave up their lives, not only to protect our way of life, but to also protect the lives of civilians in other countries.

Tomorrow we will come together as Canadians, along with those in other Commonwealth nations, for a moment of silence. Platoon Sergeant Percy C. DeWolfe is but one story of the more than 1,500,000 Canadians who have served through our nation’s great history. More than 120,000 had made the ultimate sacrifice.

Mr. Speaker, I encourage all Yukoners to take a moment and thank veterans in our communities for their sacrifices. We all owe them a debt of gratitude. We wear the poppy before and on Remembrance Day in memory of those men and women and to show our respect and support for our Canadian troops and veterans and commemorate their sacrifices.

Lest we forget.

In recognition of World Diabetes Day

Hon. Mr. Nixon: Thank you, Mr. Speaker. I rise today on behalf of all members to recognize World Diabetes Day.

The theme for this year’s International Diabetes Federation, or IDF — their campaign is Nourishing development: halting the diabetes epidemic through healthy eating.

The reason for this focus is clear: what we eat is one of the main causes of rising diabetes rates throughout the world. In particular, exploding sugar intake, to quote the IDF, is leading to increasing obesity and diabetes. In fact, the IDF estimates that by 2035, 592 million people around the world will have diabetes — an increase of 53 percent from today’s numbers.

With diabetes, the body either does not produce insulin, produces too little insulin, or the insulin does not work properly, resulting in high blood sugar and damage to the body. Diabetes increases the risk of heart disease, blindness, kidney failure and limb amputations. Diabetes symptoms include slow healing, weight gain or loss, frequent urination, intense hunger and thirst, and tingling or numbness in the hands and feet. Statistics Canada states that in 2014, over two million Canadians have diabetes. My brother, sister-in-law and niece are among those Canadians. In Yukon, more than 2,400 Yukoners were living with diabetes — an increase of over 800 cases from 2009. While type 1 diabetes is usually diagnosed in children, not enough is known about it. We know much more about type 2 diabetes, which is predominantly a lifestyle disease.

According to the IDF, up to 70 percent of type 2 diabetes cases could be prevented with a change of lifestyle. That’s why it’s so important to fight this rising tide on many fronts. Many Yukoners are working to educate people at risk of developing diabetes or who already have it. The Yukon Diabetes Resource Guide is a small booklet containing information on everything from healthy eating to active self-
management. It’s in its fifth edition and is the result of collaboration between the chronic conditions support program and the Diabetes Education Centre.

Another interesting initiative is the diabetes wellness series that is underway this month. It is a series of four classes that offer support and strategies to Yukoners living with diabetes. A specialized team of health care professionals, consisting of a dietician, nurse, pharmacists and an exercise specialist, offers practical strategies for active self-management, medication, exercise and healthy eating.

This a joint initiative between Health and Social Services’ chronic conditions support program, the City of Whitehorse as well as the Whitehorse General Hospital’s Diabetes Education Centre. I encourage all Yukoners to visit www.dontberisky.ca on the Canadian Diabetes Association website to see if they have any of the risk factors that could lead to diabetes. Let’s pay attention to the risk factors and lower our risk of developing type 2 diabetes.

INTRODUCTION OF VISITORS

**Speaker:** Under Introduction of Visitors, the Chair would like to start by introducing two veterans, Major Red Grossinger, retired, and the current president of the Royal Canadian Legion, Whitehorse Branch 254, Sergeant Joe Mewett, retired. You will notice that I called them veterans, and we have other people here. A veteran is someone who has retired or left their service to their country. The other people I want to take the opportunity to introduce are currently serving members: Captain Tipton, of the Royal Canadian Air Force, and RCMP Staff Sergeant Major Spencer, who are also the Aides-de-Camp for the Commissioner. In the top row is: Chief Superintendent Peter Clark, commanding officer of the RCMP for Yukon; Inspector Archie Thompson, the commanding officer for the Whitehorse detachment, and Inspector Dan Austin, commanding officer for our community detachments. We are honoured to have them here. I would be remiss if I didn’t add Ranger Sergeant — the Minister of Environment.

We are pleased to have you here. On behalf of the Legislature, it is an honour, and we thank you very much for your service — all of you.

**Applause**

**Speaker:** On a somewhat separate note, but also with it, I would just like to take the opportunity to remind everybody that the Remembrance Day service tomorrow starts at precisely 10 o’clock. The Legion would like to have you in your seats before that. Don’t forget, and I hope to see everybody there.

Are there any other visitors to be introduced?
Please rise for the departure of the Commissioner.

**Commissioner leaves the Chamber**

**Speaker:** Are there any returns or documents for tabling?
Are there any reports of committees?
Are there any petitions for presentation?

Are there any bills to be introduced?
Are there any notices of motions?

NOTICES OF MOTIONS

**Mr. Tredger:** Thank you, Mr. Speaker.
I rise to give notice of the following motion:

**THAT this House urges the Government of Yukon to table the report from EFLO Yukon confirming that the work of cleaning up the petroleum spill that occurred during the summer of 2015 at the Kotaneelee gas processing plant has been completed.**

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

QUESTION PERIOD

**Question re: Renewable energy strategy**

**Ms. Hanson:** Thank you, Mr. Speaker. The 9.2-megawatt Diavik wind farm is the most northern large-scale wind/diesel hybrid power system designed to operate at temperatures as cold as minus 40 degrees.

This first, large-scale wind energy facility in the Northwest Territories reduces the mine’s annual diesel dependence by five million litres, a reduction of 100 tanker truckloads per year. It saves the company over $5 million a year in fuel costs, which means the project will pay for itself in about six to seven years. There is no downside for industry in this real-life scenario.

Mr. Speaker, what is this government doing to encourage resource extraction industries in Yukon to reduce their carbon footprint, to save money, and to help build Yukon’s renewable energy capacity?

**Hon. Mr. Kent:** Thank you very much, Mr. Speaker.

Indeed, when it comes to some of the industrial projects here in the territory, there are a number of initiatives that were undertaken. We are also undertaking a number of initiatives with respect to renewable energy. Of course, the next generation hydro project is the bookend to that, but we’ve seen a number of other announcements recently, including the IPP policy, which, paired with the microgeneration policy, is part of our government’s larger efforts to support strategic investments to supply electricity from renewable sources as well as natural gas.

Companies that are off-grid are making decisions to use clean, affordable natural gas to provide their power. They are also looking. I’m sure, at other opportunities in the renewable sector to offset those loads. We want to continue to work with them to ensure that they can be economically viable. Power is a very important piece of their bottom line when it comes to their operating expenses — when burning diesel was as high as 40 to 45 percent — and that is why many of them have turned to natural gas and trucked LNG as a source — because it is obviously much cheaper.

**Ms. Hanson:** You know, Mr. Speaker, some of the largest resource extraction companies are investing in renewables and are even accounting for a price on carbon in their budgets. Industry is shifting off fossil fuels because it
makes economic sense. Daily helicopter deliveries of diesel to off-grid camps make less and less sense. This Yukon Party government is trying so hard to make the case for oil and gas development that it has lost touch with affordable, technological solutions.

The real jobs and opportunities of the future are in making the necessary shift to a lower carbon future. When will this government invest as much in low carbon energy solutions as it does in oil and gas development?

**Hon. Mr. Cathers:** Thank you, Mr. Speaker.

In fact we have invested far more in renewable energy than in any support for oil and gas or for the mining sector. Is the member unaware of the investment in Mayo B? With the investment in Mayo B — the investment in a third turbine at Aishihik — government has more than met the renewable energy target that was set out in the 2009 energy strategy. We continue to invest in areas including through the microgeneration program, helping Yukoners have the opportunity to produce renewable power and sell it to the grid at a slight premium — including, as well, through the investment partnership with Kluane First Nation in helping them put in a wind facility. I should note that not only the independent power production policy, but the expansion of the rural electrification program to allow Yukoners on-grid for the first time to access money from the rural electrification program to put in home renewable energy systems — again, we have more than met the target that we set out and we are continuing to work in this area and continue to invest in this area, as well as assisting a number of mines with doing energy audits to reduce their consumption of carbon and fossil fuels.

**Ms. Hanson:** Thank you, Mr. Speaker. The government has met the target by relying on legacy hydro. COP21 is an opportunity to look to the future. We will come home ready to get to work on doing our part toward decarbonization.

We rely on fossil fuels in the Yukon more than we need to. Viable, affordable non-carbon options exist to power off-grid industrial camps, space heating and transportation. Yukon has the talent and the technology to reduce Yukoners’ per capita carbon footprint. The government’s commitment to oil and gas, which even shows up in its independent power producers policy, is hard to justify in this day and age.

So other than its reliance on the legacy hydro, when will this government take a balanced approach and invest as much in renewable energy solutions as it does in oil and gas?

**Hon. Mr. Kent:** Thank you very much, Mr. Speaker. Again, this question asked by the Leader of the Official Opposition gives me a chance to celebrate many of the initiatives that this government has undertaken — past, present and future initiatives — with respect to lowering our carbon footprint.

The minister responsible for the Yukon Development Corporation highlighted Mayo B, as well as expansions to the Aishihik power facility, as moving beyond what the Leader of the Official Opposition referred to as legacy hydro. Those are real projects that have been delivered and developed in the past number of years that have lowered the fossil fuel output of the territory.

Mr. Speaker, right now underway we have a tremendous program in the residential energy efficiency program. We’ve seen 269 incentives, everything from energy assessments to new home incentives, existing home air sealing windows and doors — you name it, Mr. Speaker. We’ve put dollars toward those initiatives and those initiatives are, as I mentioned last week, revolutionizing the way Yukoners are building homes.

Up to 100 homes this year will be built to an EnerGuide 85 rating, up from a number that is normally five to 10. So Mr. Speaker, the investments that we’ve made in renewables, the investments that we’re making in Yukoners’ residential efficiency, and investments like next generation hydro are important to accomplishing our goals.

**Question re: Procurement policy**

**Ms. Moorcroft:** Yukon government spends 25 cents of every dollar purchasing goods and services. When and where this public money is spent has a major impact on local jobs, the viability of Yukon businesses and the well-being of communities. In 2009, a joint panel including representatives of Yukon Chamber of Commerce, Yukon Contractors Association and Vuntut Gwitchin Development Corporation identified Yukon hire and contract as a priority for improving Yukon procurement. Instead, in 2013, this government removed several provisions from its procurement policy, making it harder for local Yukon businesses to benefit from government purchases. Once it’s changed, it means bidders are no longer required to make best efforts to invite Yukon business to bid on subcontracts.

Mr. Speaker, why did this government remove local benefits from its procurement directive against the advice of local businesses?

**Hon. Mr. Kent:** Over the past five years, our investments in major capital works projects have consistently put Yukoners to work, benefitting many local contractors, suppliers and service companies. As I’ve mentioned previously during this sitting, aside from the F.H. Collins replacement project, each of Property Management Division’s top 15 major capital works projects since 2010 have been awarded to and delivered by local Yukon firms.

That F.H. Collins project — of course we spoke of the number of local subcontractors that have been active with that project and 75 percent is the number that we’ve seen for local employment on that project. When it comes to the Transportation division, since 2011, 70 percent of Transportation Engineering branch’s top 10 major works projects were awarded to and delivered by local Yukon contractors.

The contracting community here in the territory is very capable of delivering on these projects and they’re doing a great job. We have a local labour force in place that is highly qualified and skilled and able to provide the necessary labour to these larger projects. We have a business incentive policy run by the Minister of Economic Development that encourages local labour as well as locally manufactured goods.
We continue to see excellent results on a local front from the contracting that we procure here in the territory.

Ms. Moorcroft: This government made a choice to remove local preferences from its procurement directive. By removing language about benefitting Yukon residents and businesses, this government prioritized its ideology over Yukoners’ economic well-being. At the time of the change, a government spokesperson said, “We recognize that Yukon is a part of the global economy and we have to play by the same rules as everyone else”. This is a reference to the Agreement on Internal Trade or AIT. The Yukon, like NWT, had exemptions built into the AIT in recognition that we are a jurisdiction of less than 40,000 people, not 13 million like Ontario.

Will the minister explain why his government is telling Yukon businesses they will work with them to get more local benefits when they have actively worked to undermine those benefits?

Hon. Mr. Kent: Again, just to reiterate, we’ve seen 14 of 15 major capital projects delivered by Property Management over the past number of years awarded to local firms, the one exception being F.H. Collins. The numbers speak for themselves — 75 percent local labour and a number of subcontractors associated with that project. The Transportation division as well as ICT division of Highways and Public Works continue to provide contracting opportunities for local businesses.

Earlier in this Sitting, we announced a $2-million expansion to an IT envelope — an envelope that was brought in by a Yukon Party government that will provide not only welcome services to Yukoners, but also provide opportunities for a growing and expanding knowledge sector.

One of the other things that I think is exciting is the expertise that Yukon firms show in delivering projects beyond our borders. There are a number of road building companies active in projects in northeastern BC on the Alaska Highway. We see opportunities for our IT companies to grow beyond our borders and deliver projects elsewhere.

We think that by being part of the Agreement on Internal Trade — it’s important for not only us to get the prices but also the local opportunities for contractors to work beyond our borders and deliver their expertise elsewhere.

Ms. Moorcroft: This government talks about bringing the Yukon into line with other jurisdictions even when our standards are higher. They say they’ll listen and work with Yukon businesses even when the problem they’re discussing is one of their own creation. Even now, this government is sitting idle instead of preparing for the upcoming renewal of the AIT. This government told Yukon business and industry back in February that there would be no formal consultation on what changes to the AIT might benefit Yukon even though the 2009 contracting regulations review recommended exactly that.

Mr. Speaker, the Yukon economy continues to decline and local industry is calling for more local benefits. What direction has the government given the minister for the upcoming AIT renewal negotiations, and based on what consultation with Yukon businesses?

Hon. Mr. Hassard: Thank you, Mr. Speaker. Yukon works with other Canadian governments to reduce unnecessary barriers to trade, because the free flow of people, goods, services and investments across Canada supports stronger economies. Yukon is participating in negotiations for a renewed Agreement on Internal Trade, and it’s focused on the areas of government procurement, goods, services, investment, technical barriers to trade and regulatory corporation.

As well, Mr. Speaker, in this sparsely populated jurisdiction with a number of developing economic sectors, an important objective in negotiations is ensuring that Yukon continues to have the tools necessary to achieve economic strength and diversification.

Question re: Economic growth

Mr. Silver: Thank you, Mr. Speaker. This spring the Premier delivered a speech at the Conservative think-tank, the 2015 Manning Networking Conference. Those who watched it on YouTube heard the Premier talk about his goal of making Yukon a net contributor to Canada.

Now, Mr. Speaker, if Yukoners were to judge this government on what progress has been made toward achieving that goal, the government would certainly receive a failing grade. We are no closer now to becoming a net contributor to Canada than we were 13 years ago when the Yukon Party came to office.

According to the government’s own budget documents, the Yukon continues to generate only 13 percent of its own revenue. The rest still comes from the Government of Canada and other sources. So there is a lot of talk about growing the private sector, but it’s not matched by the numbers. One only has to go to the updated budget documents, released this fall, for the proof.

Mr. Speaker, can the Premier confirm that revenue from Yukon-generated corporate income tax has dropped by 50 percent in just the last two years?

Hon. Mr. Pasloski: Thank you, Mr. Speaker. What I can confirm is that the Leader of the Liberal Party has his head in the sand. We certainly continue to see growth in own-source revenues over the span of the Yukon Party coming into power in late 2002, as opposed to the growth in the formula financing that we receive from Ottawa. We see all provinces receiving money from Ottawa through transferred equalization.

My question to the Leader of the Liberal Party is: What programs and services would he cut, if he is not so inclined in seeing those monies coming from Ottawa? Mr. Speaker, our goal is to see Yukon become a net contributor to this country so that we don’t rely on the backs of the workers in British Columbia, Alberta and Saskatchewan.

It’s a long-term vision, Mr. Speaker, but it’s our vision and we’re moving toward it.

Mr. Silver: Thank you, Mr. Speaker. That certainly is a long-term vision. It has been 13, 14 years. The economic
forecast released recently says that the Yukon economy will decline for the third year in a row under this government, Mr. Speaker, and we are the only place in Canada that can lay claim to that dubious distinction.

Mr. Speaker, our economy has shrunk for two years in a row now and our GDP will continue to shrink — six percent this year alone. The Premier said that his goal was to make the Yukon a net contributor to Canada. One of the best ways to do that is to grow the private sector, which in turn would bring in more corporate tax revenue. Unfortunately, the opposite has happened under this government.

Mr. Speaker, corporate income tax has dropped 50 percent in the last two years — from $32 million to $16 million. Does the Premier not agree that this puts us further away from becoming a net contributor to Canada?

Hon. Mr. Pasloski: Thank you, Mr. Speaker. What this shows and tells Yukoners is that, in good times and in bad times, they can count on the Yukon Party government to continue to invest in the territory, to continue to run modest surpluses, and to soon be the only jurisdiction in this entire country without net debt. We will continue to work on those areas that we have control over — investing in infrastructure, investing in trades and skills, investing in education — to ensure that as we come out of this economic downturn that is being felt truly across this globe — especially in areas that focus on resource extraction as a major component of their economy — we will come out of this much better and stronger than we were when we went into it.

Mr. Silver: Mr. Speaker, what we can continue to rely on is a declining economy under this Yukon Party government. A quick look at the budget documents released this fall shows a drop in almost all taxes collected locally by this government. Our economy is shrinking and so is the amount of revenue collected locally.

Without the massive transfers from Ottawa, we simply wouldn’t exist. Despite the Yukon Party being in power for almost 14 years, we are no further ahead in self-reliance than when they came to office. The amount of corporate income tax Yukon collects has shrunk by 50 percent in the last two years. Lawsuits with the First Nations continue. Regulatory problems in the mining industry will do nothing to turn around this trend either. Continuing to award major construction contracts to companies from Alberta and British Columbia won’t help either.

Is the Premier prepared to admit that we are not closer to becoming a net contributor to Canada than we were at least four years ago, when the Yukon Party 2.0 came to office?

Hon. Mr. Pasloski: This government is certainly proud of the work that they have achieved in the past decade as the government here in the territory. We have seen a growth of over 20 percent in our population during that time, focused on the resource industry as a primary industry, but using that to diversify. We have been continuing to focus on that, whether it’s at the Yukon Research Centre, whether it’s creating a mobile trades training trailer, whether it’s investing in infrastructure, or whether it’s improving our regulatory and our permitting processes. We continue to focus and use those levers that we have — and continue to ensure that our long-term vision will be to grow the private sector — because that is how governments really do get their revenues to provide programs and services for their citizens. So, we’ll focus on growing the private sector, we’ll focus on doing what we can do during this economic downturn, and we will continue to aspire to seeing this territory one day become a net contributor to this great country.

Question re: Carcross Community School gymnasium repair

Mr. Barr: Mr. Speaker, Carcross residents were dealt a major setback to their community infrastructure when a construction vehicle, working on a road that will run right beside the Carcross Community School, collided with the school gym. The collision was enough to close the gym, pending an investigation into the full extent of the damage. That means inspections, assessments and then the actual repairs. Carcross residents would like to know what the restoration timeline looks like.

How long does the government expect the Carcross Community School gym to be closed and how much will it cost?

Hon. Mr. Kent: With respect to this incident, of course the Carcross/Tagish First Nation and the Carcross/Tagish Development Corporation have been working on that access road with the contractor to access additional lots on Bennett beach, something I know the community is very excited about and something that will have a positive economic impact for the community of Carcross.

The project manager on this project is the Carcross/Tagish Development Corporation. We were made aware that one of the pieces of equipment from their primary contractor did come into contact with the school gym. At the time, the contractor’s equipment was being contracted to do some road construction work for the Carcross/Tagish First Nation. There were no injuries, thankfully, Mr. Speaker. I’m sure that’s something that we’re all very thankful for and the school has closed the gym to staff and students until further notice. I don’t have any additional information at this time, but as it becomes available, I’ll be sure and share it with the House.

Mr. Barr: Mr. Speaker, a public school — especially its recreation spaces — is for the whole community to enjoy. Winter is starting and the all-important community programming that would have been held in the school gym has had to relocate to the Carcross Community Centre. This space already runs on a shoestring and faces an even greater burden as a result of the damage done to the gym. This is when the government could play a positive and meaningful role by supporting Carcross’s community programming.

Does the government have a plan in place to compensate for the increased use of the Carcross Community Centre by the school?

Hon. Mr. Dixon: Thank you, Mr. Speaker. The Yukon government provides support for a number of communities with recreational programming throughout the territory. In this
specific case where we’ve had a terribly unfortunate incident in the community, obviously some plans have had to change. That’s what resilient communities do, Mr. Speaker — they respond to challenges that they face by coming together and meeting the challenges that they face.

The Yukon government is perfectly happy to support the community of Carcross in doing so and our Department of Community Services — more specifically, the Sport and Recreation branch — will continue to work with the community to provide recreational programs and services in that community.

**Question re: Oil and gas development**

**Mr. Tredger:** Thank you, Mr. Speaker.

Mr. Speaker, in the four budgets brought forward by this government, over $12 million has been dedicated to oil and gas resources. That’s over $3 million a year, Mr. Speaker, and that’s just in the EMR budget. Resources from two energy corporations and many other departments and branches are used to promote the development of oil and gas. The government invests in communication strategies, geological and other reports — all to support the development of oil and gas.

Mr. Speaker, how much money has this government spent on oil and gas exploration and development over and above the $12 million spent on oil and gas in the Department of Energy, Mines and Resources?

**Hon. Mr. Kent:** Thank you very much, Mr. Speaker.

When it comes to oil and gas development, our party and our government has been clear: we see tremendous opportunities from that — opportunities that have been realized in the past through almost $45 million in royalties from the Kotaneelee gas wells alone paid over a number of years to the Yukon government.

I’ve said it before, but I’ll say it again: I think it’s worth repeating that those dollars were used to invest in teachers, nurses and others at the time, as well as important expenditures on education and health care. We see tremendous business opportunities for Yukoners and we support responsible development of oil and gas resources as stated in the 2009 Energy Strategy for Yukon.

We’ve seen projects like the Yukon Energy Corporation’s LNG — liquefied natural gas — project in Whitehorse come into service and will start to revolutionize the way power is produced here in the territory to lead to further economic success for some of our off-grid mines.

We continue to invest in oil and gas, and I’m very proud of the work that individuals in the oil and gas branch of Energy, Mines and Resources do to ensure that we can meet our goal of a responsible and robust oil and gas industry here in the territory.

**Mr. Tredger:** Thank you, Mr. Speaker.

$45 million in royalties over 40 years — the question for the minister is: How much public money is going into oil and gas now?

The government was enthusiastic about its business delegation to Calgary to explore energy innovation. We believe Yukoners want to know all the ways this government is using public resources to help grow a private oil and gas industry, including any promises that have been made.

Can the Minister of Energy, Mines and Resources tell this House: What baseline studies has the government committed to completing in order to facilitate the oil and gas industry?

**Hon. Mr. Kent:** It is worth also mentioning that, of that $45 million that we received in royalties from the Kotaneelee wells, $10 million was distributed among First Nations. I’m sure they benefited as well from the use of those resources over the time that we had them.

Oil and gas resources — as I mentioned, we support responsible development of those resources. We’ve seen investments by Northern Cross (Yukon) in their project at Eagle Plains — close to $100 million. Much of that was spent on local labour, local contractors and local opportunities, but we wanted to develop that further when it comes to this valuable resource that we have at our disposal.

We spoke earlier today about us becoming a net contributor to this country. We feel that investments in mining and oil and gas are opportunities for industry expansion to see us realize that someday. We think that this is an extremely important thing to do at this time, and we will continue to make those investments whether it is through our Yukon Geological Survey or many of the baseline studies that the member himself and others recommended as part of the all-party select committee.

**Mr. Tredger:** Thank you, Mr. Speaker. The question again for the minister is: How much public money is going into the development of oil and gas?

Despite the government’s big promises about oil and gas at Opportunities North, we heard over and over again that there is little reliable data. What is the extent and location of oil and gas reserves? Their response — we don’t know. How much is conventional and how much would need to be fracked? They don’t know. The costs of refining and transporting fuel to market are other unknown factors.

There is not enough data to build a reliable business case for developing Yukon’s oil and gas. Will the minister confirm he does not have enough data to predict what potential jobs or financial returns, if any, Yukoners can expect from oil and gas development?

**Hon. Mr. Kent:** Thank you very much, Mr. Speaker.

As part of our response to the select committee report that we received, many of the initiatives that the member opposite identified are being undertaken. We’re undertaking a baseline study on seismicity and water and water in the Liard River Basin. We’re looking at the economic opportunities. The Department of Economic Development will be conducting that study.

Energy, Mines and Resources — our Yukon Geological Survey, the experts in there — one of the outgoing geologists referred to the Liard River Basin as a world-class basin, and we believe that what you see in British Columbia and the Northwest Territories out of that basin would confirm that, so that’s why we’re focusing much of our activity and studies down in that area.
Mr. Speaker, one thing that we learned in Calgary from officials is that we’re one of the first jurisdictions, if not the only jurisdiction, to conduct these baseline studies prior to any activity taking place. That’s something that Yukoners can be very proud of, I think — and should be proud and boastful of.

Mr. Speaker, the NDP would have us pit industry against industry. They would have us pit oil and gas against mining, against tourism, against the knowledge sector. That’s not something that we’re going to do.

We continue to focus on all industries, significant investments in tourism, significant investments in our IT sector, as well as significant investments in our resource sector, to ensure that they can be prosperous going forward.

Speaker: The time for Question Period has now elapsed.

We will now proceed to Orders of the Day.

ORDERS OF THE DAY

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

The matter before the Committee is clause 210 in Bill No. 90, entitled Land Titles Act, 2015.

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. 90: Land Titles Act, 2015 — continued

Chair: The matter before the Committee is clause 210 in Bill No. 90, entitled Land Titles Act, 2015.

On Clause 210 — continued

Hon. Mr. Cathers: I am pleased to resume debate on Bill No. 90, entitled Land Titles Act, 2015. In carrying on from where we left off yesterday afternoon, I would like to take the opportunity to introduce and thank the two officials who are with me this afternoon, Lesley McCullough and Marlaine Anderson-Lindsay, for joining me here this afternoon. I believe we are on clause 210.

Both the Member for Copperbelt South and I spoke a bit on this clause yesterday afternoon. Unless she had additional questions, I will defer to further questions from the other side.

Clause 210 agreed to

On Clause 211

Clause 211 agreed to

On Clause 212

Hon. Mr. Cathers: This section, 212, is the section speaking to the ability to make regulations. As I mentioned yesterday, there is significant work to be done on the package of regulations to be established. The first three components of that package of regulations are to be the general regulatory provisions — the provisions related to registering a plan in the Land Titles Office and the part specific to enabling the ability for First Nations to register category A and B settlement land, should they choose to do so. As members know, of course the Kwanlin Dun First Nation is very interested and others have been looking into it, but have yet to make any announcements about a decision to proceed in that manner.

The provisions related to regulations include, in part, the ability to establish a land registration district; to appoint an inspector of land titles; to establish procedures and standards; to prescribe where a land titles office would be located, as well as speaking to the oaths of office for registrars; and the ability to prescribe the forms, fees and requirements to be met in applications; requirements related to the issuance of a certificate of title and instrument or caveat submitted for registration; the registration of an instrument or caveat; and the creation of electronic copies or records.

There is also the ability in this section to make regulations pertaining to building schemes; registration of a discharge or withdrawal of an instrument or caveat; the registration of a power of attorney; the registration of a writ; the registration of a certificate of pending litigation; and the cancellation of a certificate of pending litigation; also the ability to make regulations related to the two payments out of the assurance fund; and the ability to more specifically provide for additional powers of the registrar, including powers necessary for the transition from requirements under the former act to requirements established under this act.

As members know, but for any new listeners, viewers or readers, this modernization project would not have been possible without the help of the stakeholder advisory group that has helped us to move forward with modernizing a piece of legislation that had not seen significant change in over 100 years. The changes to this will also allow us to move toward an electronic registry and the ability to access information online for Yukon citizens across the territory.

Ms. Moorcroft: The section that we’re dealing with, clause 212 on the regulations, is not quite the last clause of the bill, but it’s the last one of significance before moving on to application and transition. I wanted to also express thanks to the hard-working officials in the department and the stakeholder advisory group.

I want to acknowledge Denise Dollin, who was registrar of the Land Titles Office for quite a long period of time. This review process got underway with concerns expressed about
the amount of time it takes to process land titles, and it’s hard to work in an office when there is criticism of the work, when there is a need to improve business practices; when there’s a need to upgrade computer platforms, and to modernize the statute. So I believe that the public servants have done a good job of working hard under those circumstances and want to recognize that.

In earlier discussion in debate on this bill, the minister had indicated that the first phase of the regulations was aimed to be ready for spring of 2016. The minister also indicated they weren’t sure they would be able to meet that target so it wasn’t firm. I would like to ask the minister: If the department is unable to come up with the regulations by the spring of 2016, how much longer of a time frame does he think it would take for them to be ready? It’s quite a long period overall to get the regulations and then the first phase and then the second phase of regulations, and also get the computer platform and the manual together. So, can the minister just give us an indication of the best time frame that they could meet?

Hon. Mr. Cathers: Thank you, Madam Chair. I would like to echo the member’s comments as I did the previous day. I would like to thank the registrar of the Land Titles Office for her work, as well as that of all of her staff and staff of the Department of Justice and other departments who participated in this large project for their expertise and time they have contributed.

To the Member for Copperbelt South’s question specifically regarding the amount of time for the regulations, as I noted yesterday, the target for completion of the first package of regulations and bringing into force of the act is spring of 2016. It is a large project. We recognize already that that timeline will be pressed because of the volume of work that staff had to do. We have asked them to do everything that they can to meet that target and we do anticipate that target will be met.

So, to the member’s specific question about how much longer, we’re attempting to avoid having to answer that question or get to a stage where it slips past the target date, but we do recognize it’s a large endeavour so best efforts will be made to have the regulations done sometime during spring 2016. Whether that is earlier in the spring or later in the spring will depend on how the progress goes, but we’re certainly hoping not to see it delayed beyond that point.

Clause 212 agreed to
On Clause 213

Ms. Moorcroft: Clause 213 is the application and transition. Subsection 3 of that clause provides for a period of five years that the Commissioner in Executive Council may make regulations necessary or advisable to more effectively bring this act into operation.

Five years is quite a lengthy period of time. I know the minister just indicated that the government would be making best efforts to have initial regulations prepared by sometime in the spring of 2016. What types of regulations are contemplated being developed over this period of five years? What was the reason that the five-year period was selected, which is longer than we normally see for regulations to be in preparation?

Hon. Mr. Cathers: This is a bit of an unusual clause in an act and it’s simply due to the complexity of the legislation and the land titles system moving from one long piece of legislation to a new bill that makes a number of structural changes, including changing from a paper system to enable an electronic registry. I’m advised that the reason drafters put it in as a backstop in case there were issues or any errors that were identified during that five-year period that were missed during this project because of its sheer complexity, the number of people involved and the possibility that something could have inadvertently been missed in the drafting.

That is the simple reason for this; it is a failsafe clause so that if something didn’t get caught in changing from the drafting of one piece of legislation to the other for a five-year transition period there will be the ability to make additional regulations necessary to effectively bring this act into operation and smoothly facilitate the transition from the operation of the former act to the operation of this act.

Again, as it notes very clearly in the first two sections of clause 213, it states: “No right or obligation that existed under the former Act immediately before this Act came into force is derogated from by the coming into force of this Act, except as expressly provided for under this Act”, and secondly, that any act done or omitted to be done or any certificate of title under the former act is provided for — transitions — under this act. I hope that has answered the member’s question. The reason for five years is somewhat — there was no precise, specific reason for picking five years except that it seemed to those involved in drafting as a reasonable amount of time to catch any errors that might have been missed due to the sheer complexity of the project.

Ms. Moorcroft: As the minister just said, subsection 3 is unusual. Does Yukon government not have the ability to add to or change regulations at any time it deems necessary without a specific clause in a statute saying so?

Hon. Mr. Cathers: The plain language — we have explained that — is that you can only make regulations — that a power to make regulations pertaining to those areas is empowered by the act. There needs to be a root clause in the act. In this case the root clause in the act would be one that speaks specifically to the ability to transition from the operation of one system to the new system. That is the reason for this somewhat unusual clause, in terms of wording. If there is a need to change something that had been an inadvertent minor error in the act and did not allow for the smooth transition from one system to the new one, and one act to the new one, this clause would enable regulations to provide for that transition, purely for the purpose of regulations that are necessary or advisable to more effectively bring this act into operation and facilitate the transition from the operation of the former act to the operation of this act. This section of the act empowers the ability to make regulations specifically for, and only for, transitioning from one system to the next and one act to the other.
If it was not specifically spelled out in the act, there could be a question of whether it was properly rooted in the act, if regulations were made, and that would then necessitate an act change to be made — which, because of the timing of sittings, if there’s a significant operational issue that’s identified, there might be a need to bring in a regulation quickly to prevent a problem from occurring in seamless transition from one act to the other.

Again, this is the safety net clause of the act. It’s not a section that we necessarily expect to ever use. It was simply put in by drafters as a safety net in the event that there was some specific issue missed because of the sheer complexity of the two pieces of legislation and moving from one system to the next.

_Clause 213 agreed to_

_On Clause 214_

Ms. Moorcroft: I would like to ask the minister if he could just provide a layperson’s definition of “body corporate”. Under this clause, a body corporate may hold property in joint tenancy — then there are a number of subsections.

_Hon. Mr. Cathers:_ The layperson’s explanation to this is that — first of all, the term “body corporate” is one that is unique to Yukon or is not, at least, the standard drafting term in place in provinces and territories. Most have legislation that refers to a corporation, whereas here, just because of the specific wording in acts such as the _Judicature Act_, the term “body corporate” means a corporation.

What this section does is it’s a consequential — it’s an amendment to the _Judicature Act_ related to the scheme that identifies an issue pertaining to the land titles system. Prior to this, under common law, it was not possible for two companies to have joint tenancy or joint ownership — in layperson’s terms — to a piece of titled property. It is common in other jurisdictions for that to be the case — where two corporations could jointly hold a piece of titled property. As the member and I debated yesterday, there is the difference between common tenancy and joint tenancy. The difference is that joint tenancy results in the event of the dissolution of one or, in the case of natural persons, the death of one, and it reverts to the other joint owner. This would simply open up the option for two companies to jointly own a piece of land, and they could choose to do so either through common tenancy or joint tenancy. If they wish to do so in joint tenancy, it would enable the option for them to legally do so under the land titles system. Making that slight policy change requires a consequential amendment to the _Judicature Act_ immediately after section 37 in that act.

_Clause 214 agreed to_

_On Clause 215_

_Clause 215 agreed to_

_On Clause 216_

_Clause 216 agreed to_

_On Clause 217_

_Hon. Mr. Cathers:_ This is the final section, other than the schedules attached to the act, pertaining to the short-form covenants in a lease and the short-form covenants in a mortgage. I would just like to note that this section pertains to the coming into force of the act and note that this act or any provision of it comes into force on a day or days to be fixed by the Commissioner in Executive Council, which — as the member knows, but for anyone listening or reading who may not be familiar with the language — is the legal way of referring to a day that is set by Cabinet through order-in-council or, in plainer terms, regulation. With that, in anticipation that the member may not have additional questions on this, I would like to again thank the officials with me today and thank all of the people both within the departments and within the stakeholder working groups who have helped develop this legislation for their many hours of work.

_Clause 217 agreed to_

_On Schedule 1_

_Schedule 1 agreed to_

_On Schedule 2_

_Schedule 2 agreed to_

_On Title_

_Title agreed to_

_Hon. Mr. Cathers:_ I move that Bill No. 90, entitled _Land Titles Act, 2015_, be reported with amendment.

Chair: It has been moved by Mr. Cathers that the Chair report Bill No. 90, entitled _Land Titles Act, 2015_, with amendment.

Motion agreed to

Chair: We are going to move on to Highways and Public Works in Bill No. 20. Committee of the Whole will recess for 15 minutes while we make those changes.

Recess

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

_Bill No. 20: Second Appropriation Act, 2015-16 — continued_

Chair: The matter before the Committee is general debate on Vote 55, Department of Highways and Public Works, in Bill No. 20, entitled _Second Appropriation Act, 2015-16_.

_Department of Highways and Public Works_

_Hon. Mr. Kent:_ Before I begin introductory remarks, I would just like to welcome two officials to the Chamber here today — two ADMs from the Department of Highways and Public Works — Allan Nixon, the ADM of Transportation, and Paul McConnell, ADM of Property Management Division. Paul has recently joined the Yukon government after a very long career with the RCMP. We welcome Paul to his new position and to the Legislature here today.

Madam Chair, it’s my pleasure to speak to the supplementary budget for the Department of Highways and Public Works. The request highlights the continued
commitment and dedication of the department toward ensuring safe and efficient transportation and building infrastructure and information systems.

Highways and Public Works is a large, diverse department that extends throughout the entire territory. Our employees are found in all Yukon communities. The department is responsible for a number of initiatives, including: constructing, maintaining and managing Yukon’s roads, airports and government-owned and leased facilities; developing, supporting and protecting the information and technology infrastructure of Yukon government for the delivery of services to both government and the public; planning, reporting and communicating department priorities, policies and initiatives; as well as Yukon government procurement, central stores, fleet vehicles, motor vehicles, road safety, travel services, goods acquisition, asset management, Queen’s Printer, mail services, and finance and risk management.

As you can see, the department performs a significant range of services, and the work we do touches each and every Yukoner, many of our visitors and others who travel throughout the territory. Whether you are a business owner, a tourist, a parent, a senior or simply a member of the public, the work we do is important and vital.

Yukoners depend on HPW public servants and the services they provide, along with our IT systems, roads, buildings, bridges and airports — the essential elements required to go about everyday life.

Yukoners also expect government, as well as personal information, to be both accessible and secure and that the Yukon government is keeping up with modern technological practices for how it serves and interacts with the public. This diverse set of infrastructure, both up-front and behind the scenes, is essential to our everyday lives and is the foundation for how we live, work and play in the north.

The development and maintenance of this diverse infrastructure is not without its challenges, but I am honored to report that the department continues to surmount the challenges of maintaining this vital infrastructure year-round. My department stands proud in the good work and accomplishments it has achieved in recent years. When identifying and planning capital works projects, our aim is to make tax dollars go further and ensure value for money benefits are considered as part of each and every project.

The department strives to continuously improve and is always looking at better and smarter ways to develop quality public infrastructure with our available resources. Local capacity is critical to our ability to deliver new construction and maintenance projects in the Transportation and Property Management divisions, as well as capital and systems development projects in the Information and Communications Technology Division.

Over the past five years, HPW’s investments in major capital works projects have consistently put Yukoners to work, benefitting many local contractors, suppliers and service companies. I will begin by highlighting the notable capital project accomplishments and outlook for the Transportation division. Since 2011, seven out of the top 10 major transportation capital projects have been awarded to and delivered by local Yukon companies. That corresponds to a value of over $40 million that was awarded to Yukon contractors. In 2015-16, the Transportation division is working to deliver approximately 104 highway and aviation infrastructure capital projects; 62 of these projects are larger scale and estimated to be over $200,000 in value and will be taking place in various communities.

We expect to spend in excess of $50 million improving the condition of Yukon highways. This will contribute approximately $25 million to Yukon’s GDP and about 285 jobs to the Yukon’s economy. As well, total capital expenditures on bridges are anticipated to be close to $7.5 million in this fiscal year. This work should lead to an increasing GDP of over $3.7 million and over 40 jobs into the territory’s economy.

I also want to highlight the accomplishments and outlook for the Information and Communications Technology, or ICT, Division. The ICT Division works closely with many Yukon-based systems development and infrastructure firms. Since 2011, seven local firms have delivered approximately $9-million worth of IT development projects, ranging from fibre optic network expansion to mobile radio systems expansion to the development and maintenance of government systems, such as corporate financials, which facilitate transfers to our citizens.

Local construction and service industries are the engines of our economy. Whether it is for construction or maintenance or systems development, the department is committed to enabling a strong, resilient local labour force. Since 2010, all but one of Property Management Division’s top 15 completed major capital projects have been awarded to and delivered by local Yukon firms — 14 out of 15 major projects awarded to local Yukon contractors, valued at more than $75 million.

Another important aspect of the work that Property Management Division performs is capital maintenance. Yukon government recognizes the importance of ensuring that we proactively manage our building assets to ensure they are cost-effectively maintained. Each year, PMD tenders upwards of 150 contracts for capital maintenance projects, which provide significant local economic benefits as these projects make use of and employ local subtrades including electrical, mechanical, roofing, painting and flooring.

Since 2010, PMD has delivered more than 850 capital maintenance projects with nearly all of them being awarded to local Yukon firms.

This year PMD is working to deliver approximately 20 major capital projects located in eight communities valued at more than $100 million and more than 150 capital maintenance projects valued at approximately $10 million. As part of new funds identified in this supplementary budget, $750,000 has been allocated toward capital project planning.

With these funds, 20 new capital maintenance design projects and four new capital development design projects are currently in the early planning stages, representing opportunities in communities across the Yukon in a range of
trades sectors. More importantly, these design projects will translate to almost $14 million in anticipated tendering opportunities at the start of the next fiscal year. These planning dollars enable Yukon government to fulfill our commitment to timely and transparent communication with the contracting community, sending clear signals about impending project opportunities that will be coming to market over the next year.

The annual fall capital update is in preparation and will deliver comprehensive information about all HPW vertical and horizontal infrastructure projects. As we committed to last year, this update provides greater certainty for contractors on upcoming opportunities as well as when and what the scope of each project is. This enables Yukon government to continue to invest in Yukon’s transportation and building infrastructure as well as sustaining economic development opportunities for the local labour force.

Goods contracts for Yukon government in 2014-15 totalled $36.5 million. Supply Services branch procurement authorities at Acquisition Services and Planning placed the bulk of these contract values with Queen’s Printer, contracting for $1.29 million of the year’s expenditure to the private sector.

Lastly, before I get into the details of the supplementary budget, I want to make mention of some notable firsts that the department achieved this year. The recently created eServices for Citizens unit within the department successfully introduced online purchasing of camping permits and fishing licences in partnership with the Department of Environment. Building on this success, we are continuing to work on developing additional e-services for Yukoners.

Another notable first is that the Procurement Support Centre hosted the first Annual Industry Conference. Over 100 people attended the two-day conference with representatives from Yukon government and all sectors of Yukon industry. The focus of the conference was for industry to gain a better understanding of how government procurement works and for government to better understand the needs of Yukon businesses. The event was very successful and the department is currently planning for next year’s conference.

For the first time the Transport Services branch hosted a Back to School Safety Fair, which had participation from the departments of Education and Justice, the RCMP, City of Whitehorse Bylaw Services and Standard Bus company. The day was dedicated to promoting child safety and transportation and encouraging Yukon children to be safe while riding the school bus, and walking or biking on our streets. Even though it was a fairly rainy day, the outdoor event that was hosted at the Yukon Transportation Museum did see a great turnout from Yukon families.

Our continued progress toward meeting the department’s objectives is evident in numerous completed and ongoing projects. I take great pride in the achievements that we have made thus far and am pleased to present to the House today a supplementary Highways and Public Works budget for the 2015-16 fiscal year.

The total request for Highways and Public Works is an increase of $6.776 million, although I do want to stress that when associated changes and recoveries are factored in, the net increase to the department will actually be $4.824 million. The increase request breaks down to $733,000 for O&M funding and $6.043 million for capital funding. This translates to $760,000 net for O&M and $4.064 million net for capital when recoveries are taken into account. The request in O&M funding means an overall budget increase of 0.55 percent.

The new items in the request are as follows: the majority of funds, $651,000, is required to cover costs associated with multiple washouts on various Yukon highways this past season and a transfer of $82,000 from the Department of Education to continuing implementation of the e-services initiative. The request for capital funding in the amount of $6.043 million means an overall budget increase of 7.23 percent. The increase is due to a combination of revoted items, deferred or lapsed items, new items and an interdepartmental transfer.

The revoted items from 2014-15, totalling $6.241 million, are as follows: $2.1 million for Alaska Highway/Shakwak pavement construction; $1.418 million for upgrades to the Yukon government main administration building; $713,000 for the Pelly barge realignment project; funds for purchasing various operational equipment, including tractor snow blower attachments, are $220,000; a tar kettle for $80,000 and stainless steel sanders for $66,000; $345,000 for Alaska Highway BST surfacing — or bituminous surface treatment, as it’s known; $342,000 for continued planning and design of building maintenance projects; $370,000 for the Whitehorse airport water and sewer extension; $187,000 for completion of multiple building maintenance projects; $180,000 for Whitehorse airport apron panels; and the remaining $220,000 comprises numerous other departmental projects.

The deferred or lapsed items to be completed next year, totalling $769,000, are as follows: $394,000 for dust-suppression activities for Old Crow, Faro, Mayo and Dawson airports; $200,000 for the Deep Creek bridge project on the North Canol Road; $160,000 for Atlin road BST and revegetation from kilometre 24.9 to kilometre 29.8; and $15,000 for the Old Crow Airport runway lighting design.

The new items funded from within existing budgets as a result of contract tender prices coming in lower than anticipated, totalling $1.823 million, are as follows: $750,000 for capital project planning, which I outlined earlier in my speech; $300,000 for the North Canol Road functional plan; $120,000 for slope stabilization at kilometre 1016 on the Alaska Highway; $400,000 for replacement of the Blue Moon Creek bridge and Big Mountain Creek bridge on the Aishihik Road; $153,000 for the Whitehorse airport power supply cable to navigational aids; $100,000 for tree removal at the Faro airport; a transfer to the Department of Community Services in the amount of $113,000 and another to the Department of Education for $66,000 for IT capital initiatives.

Highways and Public Works continues to focus its efforts on building and maintaining the foundations that enable Yukoners to get to where they need to go and do what they
need to do. Thank you for your time and I thank other members of the House for their time today in listening to my opening remarks. I look forward to questions from the members opposite.

Ms. Moorcroft: I would like to welcome the officials who are here with the minister this afternoon, and thank them for their time. Just before I get into my questioning, I heard the minister say something about vertical and horizontal projects. I didn’t catch the whole sentence, and I just wanted to ask him to repeat that and explain what it was about.

Hon. Mr. Kent: Just to seek some clarification from the member opposite, is that with respect to the number of projects that we’ve completed?

Some Hon. Member: (Inaudible)

Hon. Mr. Kent: Bear with me for a moment, Madam Chair, while I find that. I think the member opposite is referring to the number of projects that we’ve delivered.

Property Management Division — since 2010, the top 15 major capital works projects have been awarded to and delivered by local Yukon companies. Those, of course, are the vertical infrastructure projects — the buildings and that type of thing — so that’s 14 out of 15 major projects awarded to local Yukon contractors, valued at more than $75 million. The one outlier is the F.H. Collins project, which came in at slightly over $30 million — I think it’s in the range of $34 million. We’ve talked at length during Question Period about that project. Although it was delivered by an Outside general contractor, there were a number of local skills and professions that worked on the project, as well as local subcontractors that worked with Clark Builders on that project.

The horizontal projects are in the Transportation division — road building, paving, bridges — and those types of initiatives are described there. I believe that what I mentioned in my remarks was that a significant number of those projects were delivered by local companies — that would be seven of 10 of the largest projects over the past number of years.

I think that was what the member opposite was referring to.

Ms. Moorcroft: I thank the minister for clarifying that. The minister spoke about a number of revoted projects. I wanted to ask for a little more information about them, starting with $2.1 million for Alaska Highway/Shakwak for paving. I would like the minister to tell us how much distance would be paved for that amount and where it’s located.

Hon. Mr. Kent: That $2.1-million revote was a Shakwak project contract that was delivered down the Haines Road, or the Haines highway. There were some contractor equipment issues and some weather-related issues in the year that the contractor was supposed to deliver that, so they came in and finished it off this past summer. I believe, actually, that it was being finished off at around the time of the MLA for Kluane’s constituency event in Haines Junction. A couple of my colleagues and I ran into some of the contractors at that event and were able to talk to them and they were excited to be able to get in there and get that done. I could get information as to the exact kilometres, but it is down the Haines Road, so it is that portion of the Shakwak project.

Ms. Moorcroft: Staying with the Alaska Highway — in the capital budget there is a supplementary amount of $69,000 for the Alaska Highway. Could the minister give an update? Is any of that related to the Alaska Highway corridor functional plan?

Hon. Mr. Kent: Perhaps when we get to line-by-line debate I will be in a little bit of a better position to let the member know. The $69,000 is primarily due to internal transfers. There is $120,000 for slope stabilization and revegetation at Doug Gordon’s Dip; and funds available from cancelled facilities and equipment on the George Black ferry. There was a $51,000-reduction resulting from an internal transfer to planning and engineering and that resulted in the $69,000 increase to the Alaska Highway. It was not associated with the Whitehorse corridor functional plan.

Ms. Moorcroft: The minister also referred to over $1 million for a revote on the Yukon government main administration building. Can the minister give us an update on that project and when it is scheduled for completion?

Hon. Mr. Kent: This project is one that we’re particularly excited about. Obviously this is an important building in the capital city, as well as an important building for Yukoners. Not only does it house the Legislative precincts and the offices of the members, but also some of the key centralized departments, such as Executive Council Office, Public Service Commission and Finance.

Just to provide a bit of an update, members will recall the backup generator that was put on the river side of the building. I believe that was completed either last year or even perhaps the year before, so that was part of this project. What is currently being contemplated — there was a tender that was advertised this fall and recently awarded to Ketza Construction of Whitehorse to remove the siding, reinsulate the building and replace the glass — the windows — with more energy-efficient options.

Again, this is one of those opportunities that we’re taking to improve the energy efficiency of what is one of our least energy-efficient buildings we have in the government portfolio. My understanding is that work will begin perhaps as early as next week. There were some trees that were removed that were too close to the building — I think last week or over the weekend around Halloween that this work was accomplished. Then again, what we’re anticipating, starting next week, is the systematic removal of siding, reinsulation and replacement of windows, starting. I believe, on the south side of the building and working counter-clockwise around it.

We expect the work to be done by next spring.

Ms. Moorcroft: There has been a fair amount of discussion in this Legislature about this particular building. It’s an accessible downtown location, particularly the section of the building facing Second Avenue, with windows and a walk-in entrance. It’s an ideal place to deliver public services, rather than be used for internal use of government departments.

Can the minister give an update on the plans for how the empty space where the library was previously located will be used?
Hon. Mr. Kent: As part of the broader plan for this building, there will be some interior renovations taking place. We had planned to use the old library during those renovations for individuals to relocate their office space there while the work is being done and then move back into their space, once it has been completed. That is still very much in the planning phase and we don’t expect that to be delivered until, at the earliest, next fiscal year or perhaps the fiscal year following that.

In the meantime, Madam Chair, we’re looking at a number of different options for the old Whitehorse Public Library space long term. Some of the ideas that the member opposite has brought forth are under consideration, but we have not made a final determination as to what that space will be used for long term. When we do, we will certainly be in a position at that time to inform members of the House what we plan to do with the old Whitehorse Public Library space.

Ms. Moorcroft: Can the minister advise whether the government has had any conversations with other parties — the City of Whitehorse or downtown Whitehorse residents or other interested parties — with their ideas and preferences for the use of that space?

Hon. Mr. Kent: Not to my knowledge there have been any discussions with external stakeholders. I do have a meeting coming up with the City of Whitehorse mayor and council to talk about a number of initiatives. This isn’t on the agenda. I’m sure that perhaps we could place it on a future agenda to talk about the options.

The immediate priority and work that has been taking place with respect to the old library space is planning for relocation of officials or elected members from this building to that building while the interior of this building is renovated and then longer term options are being discussed. Like I said, we haven’t reached out to any external groups, but that’s a possibility that we could explore. We do have, as I mentioned, some time to do that before the interior renovations are done here and that space becomes permanently available.

Ms. Moorcroft: The minister made reference to a $713,000 revote for the Pelly barge. Could the minister provide an update on that project, and what the revote will cover and when that work will be done?

Hon. Mr. Kent: With respect to that line amount to reline the Pelly barge — the anticipated work originally budgeted was scaled down after receiving a report from a consultant. The funds required will be spent on a design for the replacement and installation of the drive engine and an onboard winch system. This work could not be completed in 2014-15, as the branch had difficulties obtaining an experienced and qualified naval consultant, which caused delays in the project. While no specific commitments have been made to date, any further delays could adversely affect this project.

We have sought additional money for this. Without this project, there may be the necessity for emergency repairs to the barge, and the potential for unplanned closures of the ferry that crosses the river will create costs to nearby communities and difficulties for those communities.

I don’t have a completion date, but once we have a better idea of when that work can be completed, I will be in a better position to tell members of the House.

Ms. Moorcroft: I have a question for the minister about the old highway maintenance camp in Carmacks.

Is that site considered a contaminated site? Are there environmental liabilities associated with the site of the old Highways and Public Works maintenance yard? What remediation, if any, has been undertaken? Does the government have any plans to move the current Highways and Public Works maintenance yard out of the downtown core of Carmacks? This is an issue that has come up repeatedly, and I would just like the minister to let us know what information he can provide the House.

Hon. Mr. Kent: Highways and Public Works recognizes that, due to the amount of time that facility has been in its current place, there is some potential for soil contamination and other contaminants on-site. I don’t believe it is designated as a contaminated site, but that would perhaps be a question that the Minister of Environment could answer during his time later on in the session.

Once we make a determination on when and to where we will move that grader station, then we will be in a better position to come up with a remediation plan for the existing site. It has certainly been a long time since the community has been asking for that. I know it goes back to the early 2000s at least that the community has been asking for that particular grader station to be relocated. It is one of the top ones on our list as far as relocation. Of course, it is subject to appropriations and future budgets, but we will be able to let Yukoners know once we have a plan in place. I have heard personally from the mayor, and, I believe, the Chief of the Little Salmon Carmacks First Nation has written a letter to me about relocating that facility. It’s a prime piece of real estate in the community of Carmacks. As I mentioned, we do anticipate that there are some contaminants there, and we will have a remediation plan when we have the plan in place to move the station to another location.

Ms. Moorcroft: The minister himself acknowledged that had been a request coming from the community of Carmacks and Little Salmon Carmacks First Nation since the early 2000s. Can the minister provide any kind of a timeline? Do they have a target date for when they might be able to identify an alternate location for the Highways and Public Works yard in Carmacks?

Hon. Mr. Kent: That request from the community does go back to my previous time in the Legislature. It may even go back to the Member for Copperbelt South’s previous time in the Legislative Assembly in the late 1990s. This is something that I know is important to the people of Carmacks, and the previous Minister of Highways and Public Works had raised it a number of times at the caucus and Cabinet table. It is a project that I continue to move forward on. As I mentioned, it’s one of the top priority stations that we need to rebuild and, in this case, relocate. While I can’t give an estimated timeline, I can assure Yukoners, and particularly the people of Carmacks, that this is something that is important to
me as minister and I will take it forward to colleagues when we are developing future budgets.

Ms. Moorcroft: I am sure that the Member for Mayo-Tatchun will be pleased to have a chance to send his constituents a commitment from the minister that he wants to move on this project of getting the highway maintenance yard out of downtown Carmacks. Maybe we could just stick to the current term of the current government and hope that he might actually have something to put in the budget next spring.

During the recent federal election, there was a commitment by at least one party to pave the runway at the Dawson Airport. There has been considerable discussion from the community and from the aviation community about the need for relocation of that airport — that the location where it is has some challenges associated with landing planes and taking off in planes.

I would like to know what this government’s position is on whether there is a business case for paving the runway in its current location and if the government has plans to do that.

I would also like to know whether the minister can tell us what would be the cost associated with the operation and maintenance of a paved runway. It’s my understanding that, particularly in the north where we have long winters and snow and ice to manage on the runways, the operation and maintenance costs associated with a paved runway are significantly higher. I would like to know what information the minister has and what the government’s plans are at this stage.

Hon. Mr. Kent: This particular issue did come up in the Spring Sitting of the Legislature, I think during Highways and Public Works departmental debate. Since that time, I can report to members — at the time we were awaiting confirmation from Transport Canada that the approach path was sufficient for the jet service that Air North, Yukon’s Airline, has been offering into there, particularly in the summer months and an important service to transport Holland America clients from Fairbanks, I believe, to Dawson City. By all accounts, I believe it was, in their second year of operation, an extremely successful venture.

My understanding — although I wasn’t minister at the time — is that a number of years ago there was some talk of relocating the airport, but it was something that wasn’t favoured by local residents. My understanding is that one of the closest locations where it could potentially be relocated was out by the Dempster Highway turnoff. Again, that’s quite a distance — 40 to 50 kilometres — from the City of Dawson, so it wasn’t favoured at the time by Dawson residents.

Back to the paving of the existing runway — while we haven’t received written confirmation yet from Transport Canada, we have received some verbal assurances that approach path is sufficient. We’re awaiting some sort of written confirmation to that effect at some point — hopefully in the very near future.

In the meantime, we’re building on some existing geotechnical work that was done in and around the airport a number of years ago, adding to that knowledge base with some additional geotechnical work, to determine the amount of permafrost, or potential permafrost, that exists there. That of course will affect the capital cost.

The most recent estimates that we have for the cost of paving, as well as the purchase of operation and maintenance for the Dawson Airport, is about $11 million. It is close to a split between the paving amount and what it would cost to purchase the necessary equipment to do the increased O&M. The annual operating costs for this are estimated to be around $500,000 going forward. Right now, while we’re undertaking the work that we are, I think the Department of Economic Development has funded the Dawson City Chamber of Commerce and others to develop a business case for paving that runway and what it would be able to offer — not only in the additional jet service that is in there in the summertime from Air North, but other opportunities that paving that runway would provide.

As the member mentioned, one of the political parties during the federal election campaign did commit to a significant investment in the paving of the runway as well as additional potential investments at other northern airports, including the Dawson Airport. I think the number was close to $30 million that was committed by a candidate and a party that wasn’t successful. This is one of the potential projects that we could follow up with our new Member of Parliament and the newly elected Liberal government on.

I should also mention that the Minister of Tourism and Culture has been in conversations as well with many of her clients about the importance of this project so, between Highways and Public Works and Tourism and Culture, we are working closely on trying to determine the best path forward and making sure that we know what the numbers will be and what the commitments required from the Yukon government financially will be going forward.

Ms. Moorcroft: Just to recap here — the minister has indicated that he does not, as of yet, have a written confirmation from Transport Canada that the approach path to the existing Dawson City Airport is appropriate for jet service. The minister indicated that he had a price tag of $11 million, which would be sufficient for the paving and — I think he said also — to purchase all of the equipment that would be needed to maintain a paved runway, and that the Dawson Chamber of Commerce had been provided some funding to develop a business plan. Is this in the medium term, the long term? What is the horizon on this? Does the government have any firm commitment to what they would do?

Hon. Mr. Kent: Just to confirm for the member opposite, we have not received that written confirmation from Transport Canada, although we do anticipate it coming soon. We are doing the geotechnical work to build on the existing knowledge base that is there about the soil conditions underneath the runway, which will help to better inform the cost estimates. Those cost estimates, as I mentioned are $11 million. That is for the paving as well as the capital cost for maintenance equipment and an additional garage-type facility and sand storage facility that would be required on-site.

As I mentioned in the spring, the current equipment at the Dawson airport is not suitable for maintenance of a paved
runway during the winter months, and that’s why additional capital would have to be spent on obtaining that equipment. Yes, the Dawson City chamber is one of the partners that Economic Development, I believe, is funding. I don’t have specifics with respect to that report to develop a business case for paving the Dawson City runway, but it’s my understanding that they’ve recently chosen a consultant to conduct the work. So that and the additional geotech are very short-term opportunities that we’re undertaking to make sure that we can make an informed decision when it comes to this project and how best to see it proceed.

**Ms. Moorcroft:** I would like to turn to the Agreement on Internal Trade and the negotiations for the upcoming Agreement on Internal Trade renewal. The Yukon did, like the Northwest Territories, have exemptions built into the Agreement on Internal Trade in recognition that it’s a small jurisdiction and not a large one. There was an ability to provide for local preferences in the procurement directive.

Can the minister tell us what direction he has for the upcoming AIT renewal negotiations?

**Hon. Mr. Kent:** Responsibility for negotiations on the Agreement on Internal Trade is being led by the Department of Economic Development, but I can provide a little bit of background with respect to what our plans are and how we arrived at the current situation.

So at the Council of the Federation, or COF, meeting in August 2014, premiers jointly agreed to undertake a comprehensive renewal of the AIT. The Yukon supports all Canadian businesses and welcomes the opportunity for Yukon businesses to compete for tenders outside of our territory. We do provide incentives through programs such as the business incentive program — again, the Minister of Economic Development will be able to elaborate on that, as that is something that is managed through his department. Just to provide a brief explanation, though, the BIP, or the business incentive policy, provides incentives to contractors working on eligible government contracts to hire Yukon residents and use Yukon manufactured products.

As I mentioned before, in 2014-15, Yukon businesses received a very high percentage of government contracts, and we’ve seen that carry over past the number of years. We’ve also seen Yukon companies involved in road building and successfully bidding on projects in northeastern British Columbia. Two very well-known Yukon companies have been working on the British Columbia portion of the Alaska Highway in recent years and another one currently did some work this year. Another was planning on going down — was awarded a tender to do some work on that section of road next year.

We have seen a number of IT companies be successful in bidding projects in other jurisdictions as well, so we’re quite pleased with the amount of local hire that we’ve been able to provide to Yukon companies as well as the competitiveness of those companies when undertaking work outside of our borders.

Again, I’m sure when we get to Economic Development, the minister will be able to elaborate, but that is the information I can provide at this time on the AIT.

**Ms. Moorcroft:** I thank the minister for that.

I have some questions related to the capital votes in the Transportation division and highway construction. I’ll start with the Klondike Highway where there is a lapse of $150,000. I believe that the functional plan for the Klondike Highway has been completed or was being completed this year. Can the minister explain the revote?

**Hon. Mr. Kent:** When it comes to the functional plan for the Klondike Highway, it has been completed. We’re reviewing the final draft at this time — and by “we” I mean department officials are reviewing the final draft at this time.

The decrease of $150,000 with respect to the Klondike Highway resulted largely because of savings on some of the tendered projects that we put out there this year. We’ve reallocated those funds for required planning and engineering for internal traffic strategy and the previously mentioned work on the Alaska Highway at Doug Gordon’s Dip. I will endeavour to find out what kilometre that particular piece of highway is at.

Hopefully that provides the information the member opposite was looking for.

**Ms. Moorcroft:** I would like to also ask for an update on the Campbell Highway project and the lapsed funding there.

**Hon. Mr. Kent:** When it comes to the Robert Campbell Highway, there is a decrease of $24,000, primarily due to projects completed underbudget. There is a $30,000 increase due to an internal transfer from Silver Trail for additional mapping required for the functional plan that we completed and that I spoke about in the Spring Sitting. There is a $54,000 decrease resulting from an internal transfer to planning and engineering.

**Ms. Moorcroft:** On the Canol Road, the main budget was $300,000, and then there is a supplementary amount for $300,000. I apologize if the minister referred to this in his opening remarks, but I wasn’t able to write down all of the points he made in his introductory remarks. Could he provide an explanation on the increase on the Canol Road?

**Hon. Mr. Kent:** The member opposite is correct. There is a $300,000 increase to the Canol Road. There were funds available from pavement rehabilitation and other road improvements, and we redirected those funds to complete functional planning for the North Canol Road.

**Ms. Moorcroft:** Could the minister indicate what the time frame is for the complete functional plan on the North Canol Road?

**Hon. Mr. Kent:** The target date is in the spring of 2016.

**Ms. Moorcroft:** I would like to move on to aviation. In Yukon airports, there is an increase for the Whitehorse airport water and sewer extension. There is also an increase for the Whitehorse airport runway apron panels. Could the minister provide explanations for those increases?
Hon. Mr. Kent: Both the increase of $370,000 for the Whitehorse airport water and sewer extension — members will recall that this is a southern extension toward where the Air North hangar is on that part of the industrial section at the airport — and the airport runway apron panel increase of $180,000 — both of these are due to address contract deficiencies.

Pardon me — the $370,000 for the Whitehorse airport water and sewer extension is to address minor contract deficiencies. The $180,000 for the runway apron panels is for additional consultation to address some of the deficiencies with that project.

Ms. Moorcroft: Moving on to Property Management, could the minister provide an explanation for the allocation of $342,000 for building overhead?

Hon. Mr. Kent: The $342,000 increase for revotes and funds approved for inclusion in this supplementary budget are as follows: $187,000 for design work for a number of capital maintenance projects, including various fuel tank replacements, and $155,000 to continue planning and initiation phase on the design/build procurement model for Whistle Bend continuing care facility.

Ms. Moorcroft: I also have a couple of questions related to building maintenance. The general question is: What is the schedule for maintenance of buildings? What is the inspection schedule to do with oil tanks and boilers and heating systems? What is the schedule for responding to any concerns that are identified when it comes to those inspections?

My second question related to building maintenance would be for an explanation of the supplementary amount.

Hon. Mr. Kent: Maybe I’ll start with just a breakdown of the $187,000 that we have in building maintenance: $19,000 revote for installation of air conditioning in the LAN room at Whitehorse airport; $63,000 revote for Taylor House improvements required to accommodate the Commissioner of Yukon in his new office space; $21,000 revote to address floor repairs at the main grader station; $20,000 revote required for various septic system replacements; $64,000 revote required to address the emergency elevator repairs at the Whitehorse airport.

When it comes to building condition assessments, I believe that phase 1 of that work is done and we’re about to award a contract for phase 2 of that work. Of course, members know that HPW manages and maintains hundreds of public buildings and takes pride in keeping them in good repair. YG buildings are buildings that belong to our citizens, and we want Yukon residents to be proud of those facilities. They are schools, health centres and public service centres that are available to serve Yukoners both now and into the future.

We have an inspection program in place that results in the assessment of key buildings every five years. HPW inspects and reports on buildings so that we know what we need to do to keep our buildings in top shape. These reports help us to make smart choices on how to spend taxpayers’ dollars on building upkeep and replacement.

We want to make it easier for Yukoners to visit our offices by grouping services and centralizing programs, ensuring that they are simple, efficient and effective workspaces that are enjoyable not only for Yukoners who use our services but for those who work in them.

We have annual Yukon government building maintenance expenditures of $10.25 million approximately. Some quick facts that I can share with members of the House — we plan complete condition assessments on approximately 285 buildings in total. These buildings contain mechanical or electrical systems and are over 100 square metres in size. Storage sheds and other small, simple structures are not included in this program.

Building assessments have been completed as part of phase 1, which I mentioned, in Mayo, Dawson City, Watson Lake, Burwash Landing, Destruction Bay, Carcross, Whitehorse and Haines Junction; 118 Whitehorse and Haines Junction buildings were assessed in 2014-15 in addition to the 50 assessments done in 2013-14. Approximately 117 assessments will be undertaken in the current fiscal year.

Historically, Property Management Division has not undertaken building condition assessments in a portfolio-wide systematic manner. As a result, objective baseline information on YG buildings has been limited. We adopted, in 2013, industry standards for assessments and, since this time, significant efforts have been made to complete building condition assessments on our priority assets.

The assessments are performed by professionals. The results provide objective and consistent data that decision-makers can use in developing plans and budgets for maintaining the value and function of our assets.

Priorities for assessments include buildings with mechanical and electrical systems and/or buildings that are greater than 100 square metres. This, of course, includes all buildings that are used or visited by the public.

PMD, as I mentioned, is working on initial assessments for all building assets. After the initial assessments are complete, there are plans to assess approximately 20 percent of the 300 priority buildings on an annual basis to ensure that the entire portfolio is assessed over the course of a five-year period.

The program of planned periodic building condition assessments for building assets will assist the Yukon government in allocating resources to buildings and programs of highest priority and to manage program risks over time as we use our financial resources to do the necessary improvements or replacements, as the case may be.

Ms. Moorcroft: I thank the minister for that information. The minister referred to, as of 2013, adopting an industry standard plan for assessments on priority buildings. I wanted to just ask him to elaborate on the condition assessments on public buildings. Those buildings are occupied by workers and the public — of course, schools are occupied by children. The minister referred to the assessments being done by professionals, and I wanted him to elaborate on the nature of inspections. Would there be an electrician, red seal...
plumbers or heating experts to deal with oil or gas or boiler systems or whatever the fuel is that is used for them?

Hon. Mr. Kent: The building assessment professionals who we hired in the first round are just that. They do that for a profession and performed the work. Priorities, as I mentioned, for assessments include buildings with mechanical and electrical systems and/or buildings that are 100 square metres or larger. That of course includes all buildings visited by the public. We were able to complete, in the first phase, approximately one-half of the portfolio. The second phase will, as is my understanding, take care of the balance.

Even though the priority includes buildings with those mechanical or electrical systems — or the size and visitation requirements — it is a complete building assessment. It includes the roof and it includes other aspects of the integrity of the building. There is an engineer and architect normally on-site first and then that work is reviewed by a technical team. Hopefully that answers what the member opposite was looking for as far as the quality of individuals and the training of individuals who do these building assessments, and then the priorities and the work that gets done. We are pleased with the initial work that was completed and we look forward to the work that remains.

Ms. Moorcroft: Can the minister tell us what the projected budget is for the first phase of the 150-bed continuing care facility in Whistle Bend?

Hon. Mr. Kent: With respect to the Whistle Bend continuing care facility, HPW’s responsibility with this project is to work with Health and Social Services to deliver the construction. We are going to be using a design/build approach to leverage private sector competition, innovation and expertise, while ensuring cost and schedule certainty for Yukon taxpayers. That’s a process that is often used with larger projects. We saw it with F.H. Collins.

Some of the risk with a design/build project — it’s my understanding that some of the risk is transferred from the owner of the building, which in this case is the Yukon government, to the contractor. They have to come in and there is much better budget certainty and timeline certainty when you proceed with a design/build project, which is what we are doing on this project and some of the other larger ones.

Three teams have been shortlisted and are currently competing in the RFP phase of the process. A preferred proponent will be selected and announced sometime later in this calendar year or early in 2016. We anticipate the construction of the facility in Whistle Bend will be a valuable addition to that new subdivision, much the same as Copper Ridge Place has been to that neighbourhood. There are a number of things that are planned. There is a business-to-business networking session with the preferred proponent that will be held in early 2016. The event will provide Yukon contractors the opportunity to connect with the preferred proponent in order to maximize local opportunities ahead of the start of construction, which is scheduled to proceed in the spring of 2016.

We have again utilized Partnerships BC. They are supporting Yukon government’s delivery of this project through the sharing of advice, expertise, procurement and project management best practices. Value for money benefits are at the heart of this relationship that we have with Partnerships BC. I should mention as well that the business-to-business networking session that will be held with the preferred proponent builds on an earlier networking session that was held with those that were considering the project. I heard from a number of local businesses the value of those sessions in identifying some of the opportunities that locals can take advantage of — not only local subtrades, but those service providers that were also engaged for some of the opportunities there.

There is a Management Board-approved budget to date of just slightly over $158 million for this project. That said, these are cost estimates, and we won’t know the true cost until we get into a position where we get a price from the successful company. At this point, those are just estimates. It could be substantially different from that once we award the contract. While these are approved estimates, we won’t know what the budget is for this project until we get the prices from the successful proponent.

Ms. Moorcroft: I thank the minister for providing an estimate. I would like to ask the minister who conducted the value for money assessment? I would also like him to report to the House on how much the Partnerships BC contract is to date on the work that they have done so far.

Hon. Mr. Kent: I’ll get back to the member opposite with details on the exact relationship with Partnerships BC and what has contributed to the value for money benefits at the heart of the project. As well, I’ll have to get back to the member with respect to the amount of the contract with Partnerships BC. I don’t have that information with me here today. I will provide it in writing to both the New Democrats and the Leader of the Third Party.

Mr. Silver: Thanks to department officials for their time here today and to the minister for answering our questions — might as well continue with the continuing care facility. We’re talking about estimates and we heard today that we’re not sure — those numbers that were given are between $268 million for a 300-bed facility, and then also $330 million, and now we’re talking about a 150-bed facility.

I guess the question is — and I apologize if it has been answered already — when we’re building 150 beds, are we planning for 300 beds in the continuum? We’ve heard on the floor of this Legislature that the second stage of this might be 20 years later, so this could be a question we ask in Health and Social Services, but we’ll be asking it here as well. Are we building a kitchen for 300? Are we building a parking lot for 300? If the minister could give us any new information on that, we would be grateful.

Hon. Mr. Kent: What we’ve been doing is planning for the construction of a 150-bed facility in Whistle Bend. As I mentioned, we believe it will be a valuable addition to that new subdivision. There are some aspects of the project that will be planned with that longer term vision in mind.

I don’t have the details with me, so rather than providing incorrect information on the floor of the House, I will just ask
the member to give me some time to see exactly what aspects of the 150-bed facility will be planned for future expansion. I can get back to him with the results once we had a chance to regroup with officials.

Mr. Silver: I would just urge the government not to hamstring a future government if we’re waiting 20 years from now for the second stage to the 300-bed facility by building on this 150-bed facility, like I said, a kitchen sized for expansion and a parking lot sized for expansion. Lots of stuff can happen in 20 years, Madam Chair, so again, if it’s not 20 years — if it’s only five years — then I would imagine — well, we’ll wait to hear from the minister as far as a response to that.

I’m going to go to a concern from Dawson that happens on a yearly basis at this time with the George Black ferry. Just a couple of clarification questions from the minister would be great. I’m sure his phone rings off the hook, as well as mine. You know, the question is the usual time for the ferry to be coming out of the water. There really isn’t a usual time. It seems that, in the last few years, however, that time has been getting later and later in the season. We know there’s a finite budget for the operation of the ferry, but these were the questions that came from constituents this year and last year, and they’re good questions.

We know that there are a couple of different things that can trigger the ferry coming out of the water — either ice in the water or water levels. This year we were told by the local crew that it was water levels that took the ferry out at this time of year. Depending on who was asked, the water levels were not low yet. I guess the question is: Is there a budgetary concern here — and I would imagine there could be — and if so, is there any will to extend the budget? We are seeing later and later seasons. One analogy from one of my constituents was, let’s say that there is a year that there has been an unprecedented amount of snowfall. If the snow-clearing budget was used up by January, would they stop plowing the roads? Probably not. So you see how the logic goes toward the ferry as well. Was this year’s pullout because of water levels or budgetary concerns? If the minister can basically just give us his two cents on this issue, I would be very grateful.

Hon. Mr. Kent: I certainly recognize the importance of this issue to the Member for Klondike as well as his constituents. I heard from a number of my friends in Dawson City as well through social media and through direct e-mail as far as this year and the removal of the George Black ferry.

When I first heard about it — I think it was on a weekend — and I phoned the Member for Klondike that same day just to give him a bit of an update. I reached out to senior officials in my department and asked them that very question: Was this a budgetary issue or was it another issue? Had it been a budgetary issue, it is something that I could have made a decision on, but it was an issue related to water levels and other safety aspects.

Madam Chair, it is my understanding that the ferry came out this year on the exact same day that it did last year and, over the past 15 years, it has been out plus or minus seven days. That is the timing of removing that ferry. Certainly the most important thing I think for those individuals on the ground in Dawson City who are making these decisions — the road crew, because it’s not a budgetary decision that I am involved with — it has to do with safety of the crew and integrity of the equipment as well. While I certainly understand the concerns of those individuals who are living in West Dawson and the lifeline that the ferry provides for them during the summer and, while they have some time now to wait for the ice road to go in, I can assure individuals that this isn’t a decision I am involved with. As I mentioned, had it been budgetary, I could have made a call, but it wasn’t a budgetary decision. If there were additional resources required to operate that ferry longer, we would have found a way to provide those resources.

Mr. Silver: I do appreciate the answer from the minister responsible.

It’s interesting watching social media about this debate and of course the e-mails and the phone calls that we get. We hear from a lot of people across the river: “You should be ready; this time of year you should be ready.” A lot of people understand that for sure, but on the other side, the population across the river is expanding quite substantially. This isn’t just a few folks that live across there for a lifestyle choice; there are lots of people over in West Dawson, as the member opposite absolutely knows. There are school considerations and these types of things. I guess the point for me going on here is that I think the biggest concern we saw is about a little bit of advance notice.

We do know that, last year, it was a really hard time getting that ferry out of the water because of the water levels, so we absolutely understand the safety concerns. But when the sign came up, there wasn’t a lot of advance notice. We heard stories of people who had blood transfusions scheduled for the hospital. We heard other stories — “if we just had a little bit more time”. This year was an interesting year. One of the main wood providers for West Dawson was busy doing other things and a lot of people didn’t get their wood in time, and so we had calls from people who provide that service saying, “I need a couple more days and then I can focus in.” It’s just a matter of a couple more days. Is there a way that we could have a levels guide that people can see so they know the time is coming, or is there any other consideration as far as set dates or anything that would give people of West Dawson a little bit more time to prepare for the inevitable — that winter is coming?

Hon. Mr. Kent: The department did use some traditional forms of advance notice starting in early October. The ferry went out on October 29 and, rather than set a date, we endeavour to keep that ferry in as long as we can, keeping in mind that the safety of the crew and integrity of the equipment is extremely important.

That said, I think maybe there are some other ways to inform Dawsonites, particularly those who live across the river, and give them advance notice in early October. We could look at social media and some other mediums to ensure that they are able to undertake the necessary planning to make sure that doesn’t sneak up on them.
As I did mention, over the past 15 years it has been within a seven-day period, plus or minus a week, of that ferry coming out but, as I said, I can certainly sympathize with the member’s constituents who live over there. It’s a challenge in these shoulder seasons when they’re waiting for the ice bridge to come in, or in the spring when the ice bridge isn’t passable and they’re waiting for the ferry to come back in or for the ice to go out.

I think we get the same concerns in the spring when the ferry opens as well because the ice is off the river, but normally I think what Highways and Public Works crews and the professionals who we have on-site wait for is the ice to come out of the White River, which also causes concern. Again, this is something that we’ll endeavour to be better at and to adapt to some of the more modern and more current methods of informing people and try to continue to make sure Yukoners are prepared for things like that, including the member’s constituents when it comes to the George Black ferry.

Chair: Would members like 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. We are continuing general debate on Vote 55, Department of Highways and Public Works.

Mr. Silver: I have a follow-up question on the Takhini River bridge. In a letter dated May 15, 2015, the Minister of Highways and Public Works wrote to the MLA for Lake Laberge informing him of steps to take for a safety review at the Takhini River bridge after a severe accident occurred there. A number of recommendations had already happened as of this letter, including the installation of a curve sign and also an advisory 80-kilometre-per-hour speed limit. There are a couple of outstanding items that I would like to get an update on. The installation of a centre-line rumble strip through the curve north of the bridge was to be implemented by June 26, 2015. Can the minister give us an update as to whether or not that has happened? Also, the installation of recessed centre-line reflective markers was also to be determined. Is there an update on that as well?

Hon. Mr. Kent: It is my understanding that the centre-line rumble strip has been installed not only on the north approach, but I think we installed it on the opposite approach as well, based on some conversations that we had in the House in the spring. I can inform members of the House that, while the 80-kilometre-per-hour sign has also been installed, we have had that mobile speed information trailer there.

The fastest registered speed on that was 158 kilometres per hour during that time, so obviously we want to ensure that Yukoners — I shouldn’t joke about it. It’s pretty serious. It’s obviously an area that is of great concern, and that’s a speed that Yukoners should not be driving on any of our highways, particularly in areas where there’s high danger or curves or that type of thing.

Just to get back to the member’s question, the centre-line rumble strip is done. The recessed lighting, I believe, was part of a contract that we recently awarded to put a slip lane in at Couch Road. I haven’t been out there to confirm — perhaps the Member for Klondike, and definitely the Member for Lake Laberge, can confirm whether those are in, but I will check with officials and report at a later date, or perhaps in a letter that I send across to opposition parties, on when those were installed.

Mr. Silver: Yes, I haven’t driven out there in the last month or so, so I don’t know. I’m looking forward to the update there. Thanks to the minister.

Madam Chair, of concern to the people of Beaver Creek is the overgrown grass along the highway through the town. Highways and Public Works is responsible for clearing the right-of-way outside of the town, but not through the couple of kilometres in the town itself. This is of concern to many small businesses in Beaver Creek, as their signage goes unseen, and the town has a little bit of an unkempt look to many of the tourists who are driving through there.

Has the minister had a conversation with the community about this issue? Have there been any actions taken to address this issue?

Hon. Mr. Kent: I have been informed by the Member for Lake Laberge, who drives that piece of road every day, that the rumble strips are in and the reflectors are also in on the approaches to the Takhini River bridge, so I thank the member for providing me with that information so I could share that with members of the House.

When it comes to vegetation control, I certainly heard from the MLA for Klune about the particular issue in Beaver Creek, but I also heard from other members, particularly those who represent ridings outside of the community of Whitehorse. I heard from the Member for Mount Lorne-Southern Lakes, and I believe the Member for Mayo-Tatchun sent me a letter. Numerous members on this side of the House, including the Member for Watson Lake and the Member for Lake Laberge — a number of individuals wrote me and informed me of some of the vegetation control issues.

The Beaver Creek project is in the rotation for next year. In 2015, the Yukon government Highways and Public Works spent $794,000 on vegetation control over 697 kilometres of road.

This summer we experienced a very good growing season for sweet clover, which is an invasive species that you find along many Yukon highways. We’ve applied for funding to complete a roadside survey on invasive species, which will identify their occurrence and help to develop measures to prevent their spread. Obviously this is an important program and, like the BST program and other programs, there are rotations. We are always trying to ensure that safety is the primary concern and it certainly is the primary motivator behind vegetation control. I thank members of both sides of the House for informing me of some of the problem spots and where we can, we will get out and address those. We’ll
continue over the longer term within existing appropriations to spend money on vegetation control on a rotational basis throughout the territory.

Mr. Silver: I will start with a good segue for the next couple of questions.

We realize that some of these questions have been brought up in the Legislature before. We have been taking a look through Hansard for specific responses and so we definitely do have one today, so thank you very much to the minister for that. The segue is that I have a couple more issues that I’m sure have been brought up, but again some specific questions that we have yet to see some answers for, I believe. If the minister has answered these questions already, please correct us.

People in Keno were relying on water trucked in from Mayo earlier this year for about two weeks. A spokesperson for the government says Keno’s well does not meet national drinking standards, and here’s the quote: “At this time we are dealing with temporarily high turbidity in the water and for that reason the filter system just isn’t able to keep up with the level of turbidity to bring it down to where it needs to be according to the Canadian drinking water guidelines.”

The department says increasing sediment in the water appears to be related to some recent maintenance work to the well. Can the minister provide us an update on the well situation in Keno please?

Hon. Mr. Kent: Respectfully I will defer this question to the Minister of Community Services during that debate. Drinking water — particularly the one in Keno City, and others — is the responsibility of his department.

Mr. Silver: There are a couple of questions we’re going to ask in a few different departments. That’s definitely one of them.

I know that Shakwak was brought up today in Question Period and also in the House here during debate, but I have a couple of different specific questions. We know that Shakwak funding reserves continue to run out, but we want to know — in the supplementary budget released this fall, another $2 million is being allocated to it this year. I guess the question that hasn’t been answered yet is: How much Shakwak money is left in the reserved fund?

Also, I’ll ask two questions on Shakwak. When is the next opportunity to see this type of funding in the United States? Has this question been brought up through the lobbying efforts through the ministry or through the Premier? We know that the recently passed US transportation bill did not contain this funding. Is it a three-year window for this bill or is it something that doesn’t have a necessary timeline to it?

Hon. Mr. Kent: We have approximately $14 million left in the Shakwak funding pot. That is dependent on the Canadian dollar — it can rise or fall depending on the fate of the Canadian dollar. That is an estimate based on today’s dollar values.

When it comes to the Shakwak agreement, I think all members are aware of the history of this funding agreement. In 2015-16, we are expecting to spend close to $10 million completing some highway improvements. The maintenance costs for us over these permafrost areas are six times higher than they are in the non-permafrost areas, so that is one of the challenges that we experience with the north end of that route.

The current bill, the MAP-21 bill, that is in Washington and provides the funding for this is due to run out toward the end of November. I think we have highlighted in Question Period the extensive lobbying efforts at the state level and at the federal level. I will be speaking to the new Minister of Transport Canada — I believe it’s scheduled for Thursday of this week — and I will bring this particular issue up with him. Our current Member of Parliament is well aware of this situation, but I will be able to hopefully provide him with an update as to where we’re at, and any assistance that he can lend from his position would be greatly appreciated and I’m sure he would be more than happy to participate.

The bill has been extended — most recently to November 20 of this year. The new bill unfortunately, as we know at this point, is not expected to include a reinstatement of Shakwak funding. That said, it is going to conference, where the House bill and the Senate bill will come together, and then will be forwarded on for signing. Again, this is something that I know is important to all Yukoners — those who work and derive economic benefit from the construction projects that are associated with the Shakwak funding.

We have had a significant amount of money invested in that road over the past number of decades by the United States government, but I think it is also important for us to communicate to those decision-makers in Washington that Yukon and Canada have done their fair share of heavy lifting on improvements to the Alaska Highway as well. Whether it’s from Dawson Creek to over Steamboat Mountain — there are some areas within that Steamboat-to-Liard-River crossing area that still require some work, but pretty much from the Liard Hot Springs through to Haines Junction, that road has been rebuilt by Canadian officials as well. That is something that is important for us to communicate for those individuals who are travelling from the Lower 48 to Alaska. We have invested extensively over the past number of years — coming up on 75 years, I guess — in improving the state of that highway and ensuring that it can function as a roadway for commercial, recreational and residential traffic.

Yesterday, I was able to go back to some previous appropriations by the government and find a snapshot for what that fund means. In the 2001-02 Yukon government budget, Shakwak was set at $23.5 million. These are the estimates. There could have been some changes throughout the year, but it was set at $23.5 million, which represented 71.4 percent of the Transportation division’s budget. There was $9.4 million available for other highways in that budget appropriation year. When we move forward to 2009-10, $23.6 million represented 36.2 percent of the budget. The importance and significance of the Shakwak funding had diminished — it was almost cut in half — so there was an additional $41.663 million spent on other Transportation division projects in that year. Fast-forward to this year: in the estimates we had $9.925 million — of course, that has changed with the supplementary — but that, of a
Transportation division envelope of $67.708 million. So 14.7 percent of the budget in this current year is allocated to Shakwak.

Obviously we still want to get the additional appropriation so we can continue to invest in the Shakwak project, but the Yukon government, through the institution of the transportation envelope and other aspects, is still spending fairly heavily on other roads. In this year, $57.783 million will be spent on other transportation projects outside of Shakwak. We are continuing to invest in the infrastructure. We are continuing to identify priorities, whether it is highways or airports or facilities, to make sure that those types of jobs and opportunities are still there.

I think that Yukon government officials and decision-makers over the past number of years should be commended for continuing to invest, even though we see shrinking Shakwak dollars and reliance on that Shakwak, which has gone from 71 percent to just under 15 percent over the past 13 years. I think it is an important indication of our ability to continue to invest, and our willingness to continue to invest in transportation-related projects.

Mr. Silver: I am not sure what the point is of comparing the dollar values spent percentage-wise from the 2001 budget to a federally transferred budget. It is almost like oranges and apples when you are comparing percentages and when you take a look at the size difference of those budgets. The important issue here is that it is an expensive road — the standard to which it is built. When you compare that to driving up to the Klondike, that’s a skookum road, and we are seeing that budget envelope from the United States is shrinking. It is an extremely important transportation highway, and it’s something that we really need to get more information on as far as the future of that funding.

The other part of the question that wasn’t answered was if the minister has any understanding of the US transportation bill and its frequency. Is it a three-year window or is this something that comes up from time to time, depending upon the will of the government?

I will move on, and again I’m moving on to a topic that has been addressed here, but I have some very specific questions. This is about F.H. Collins.

In the spring, I asked about the F.H. Collins budget and what had been spent to date. The minister said at that time — and I quote: “That figure that I put on the record last week was $46,023,047, or an approximate price per square metre of $5,742.” Continuing the quote, he said: “What that included was design costs to completion.” That last part made us wonder exactly what we’re considering in these numbers.

So I’ll ask the minister for an update on the total cost of the project. Did the spring figure include the cost for the scrapped design as well, and also other costs associated with that and with this project as well? I’ll start there.

Hon. Mr. Kent: Just to get back to the Shakwak question, a three-year bill is what we’re anticipating as far as the transportation allotments. That has been the history in the United States. There have been some extensions, as I mentioned, to the current bill and we could see it — right now it’s scheduled to be extended to November 20, but it could go further into 2016, depending upon progress in Washington, DC, on that.

I haven’t had a chance to look back in Hansard from the spring, but I think I gave a fairly detailed response as to where we were — the comparisons — or trying as best as we could to compare F.H. Collins 1, which was the original design that we moved away from when the prices came in close to $10 million overbudget for construction, to F.H. Collins 2, which is the facility that has been built and will be ready to open after Christmas.

I think again I would like to go back through Hansard at some point and revisit some of those numbers. I guess what we’ll plan to do is, at the end of the construction on the technical education wing, which closed last week — the contract has yet to be awarded; however, there were four bidders on that contract. We’re anticipating that work to be complete in 2016. At that time, what I could do, or what I could commit to members to do, is come back with a true cost comparison of what the original design was, including some of the design costs. Obviously we lost the costs associated with the original design. We were able to utilize some of the existing ground infrastructure that was there. I’ll have a better idea of that. Relocating the field and improvements to the tech ed wing would not have had to be done with the original design, but were with the second one.

That said, Madam Chair, I understand that members of the opposition did have an opportunity to tour the new school. I’ve talked to officials from Education who are excited about the opportunities.

There are furniture and fit out purchases that are taking place right now and being delivered into that new school. Again, once we get through this final stage, which are renovations to the technical education wing including providing a separate heating source, we’ll be in a better position to provide an apples-to-apples comparison of what F.H. Collins 1 or the original design would have been, to what the final design was.

I guess the other big piece that would have been required for both is the demolition of the old school, which is scheduled for next year as well, but that’s something that would have had to take place regardless of which design was chosen. That would be an equal comparison, but again there were some aspects of the original design that didn’t have to be completed, such as the construction of a temporary gym that was anticipated for the lower field because of the original design being built on top of the existing gym.

I think, as I mentioned, I’ll commit to get back to members once we have a better sense of where we can compare apples to apples.

Mr. Silver: I’m listening intently to the answer and I’m still not sure as to whether or not those numbers are included in that $46-million number. Again we’ll wait to hear, I guess, when the final costs come in — the complete costs — because in the fall supplementary budget, there is another $4,426,000 for the replacement project and also $457,000 for the tech ed wing.
Let’s start with that then. Can the minister explain what these amounts are for specifically?

Hon. Mr. Kent: Can the member just clarify for me whether that is in the Highways and Public Works budget or is it actually contained in the Education budget?

Mr. Silver: According to my notes, this is Highways and Public Works, but I could be wrong.

Hon. Mr. Kent: I’m unable to locate that appropriation so if it is actually in the HPW budget I will get back to the member opposite with the details; regardless, I will follow up with the Minister of Education if it is in his appropriation.

My apologies if there was a second part of that question. I will just get the member to repeat it for me.

Mr. Silver: We can come back to it if the minister would like to do a legislative return for the $4,426,000 for the replacement project and also almost a half a million — $457,000 — for the tech ed wing.

Moving on, the minister was talking about the demolition contract. I’m not sure if that has been awarded or not — I don’t think so. We’re wondering if it is still expected to be $2.5 million, which was, I believe, the original estimate. Will any of the material from the old school be reused or is this all going to the landfill? There are going to be lots of materials there that could be recycled. We’re wondering what the plan is and if that $2.5 million has a robust recycling component to it.

Hon. Mr. Kent: We believe that those are still the cost estimates, but when you’re tearing down older buildings such as this one, it could be more based on what we find behind the walls. Often buildings of this era contained asbestos. There would be specialized remediation for that. If there are opportunities to reuse and recycle any of the things within the existing school — I know the Member for Kluane has mentioned to me that some of the students are interested in the logo at the centre court and having that removed and potentially displayed and transferred into the new school — that is something that we can certainly take a look at. I know the pictures on the walls of previous graduating classes will be recycled and relocated to the new school — going back to 1966 or before when the Minister of Education was in there. I can’t remember the first year in there, but —

Some Hon. Member: (Inaudible)

Hon. Mr. Kent: I said 1966 when you in there.

That said, to meet current environmental standards, I think it is important to reuse and reduce and recycle, so those are things that we will consider in the design of the demolition and the assessment for the demolition, which is scheduled for next year. An example is the work that we’re doing to the main administration building. In order for us to meet certain environmental standards, we’re reusing the existing siding, so there won’t be new siding placed on it. It will be removed and then put back up — aside from some different siding on the exterior stairwells that we’re accounting for with potential damage as some of the existing siding comes off.

Where we can, we’ll recycle and reuse what we can out of the existing F.H. Collins school.

Mr. Silver: I think that is an important step — for the government to lead by example. We’re looking to divert recyclable materials from our landfill sites. It would be great if the minister could give us an estimate of what percentage of that can be diverted.

The minister mentioned the tech wing. The school is scheduled to close at Christmas. The minister and I had a conversation outside of the Legislative Assembly, but I will give him an opportunity to discuss the content of that discussion here. We were wondering if there is ever going to be a time when the tech wing will be left without a heating source because of the renovations to it not being completed at the time. We know that there is going to be a transfer over of the students to the school in the new semester.

The concern would be that you would have an empty old F.H. Collins that’s sole purpose would be to heat the tech wing. The minister actually provided some information on that to me already. How will the tech wing be heated in the interim, and what are the plans for that transition?

Hon. Mr. Kent: The answer to the first part of the question is that, no, the tech wing will not be left without a heat source. We are anticipating the conclusion of the renovations to it sometime in the late spring or into the summer of next year. We are working with Education right now on identifying — so the primary heat source until the new heat source is in place is going to be the existing one in the existing school. But we are working with Education on identifying areas of the old school that can be isolated and closed off and won’t require heat during the winter months and what portions, if any, of the old school Education would like to use throughout this winter, moving toward demolition.

That’s the information that, after we spoke outside of the Legislature, I was able to get from my department. We will have an idea of what the plans are, as far as isolating aspects of the building, and the heating of the tech ed wing and the scheduling of the installation of an alternate heating source.

Mr. Silver: This is a little bit of a surprise compared to our conversation. To confirm — there will be a time frame where the school will be used as a boiler system, and that’s it. There will be a time frame where the sole purpose of the old building will be to heat the tech wing. The contract has already been tendered.

I guess that begs a couple of different questions. Who has the contract right now for the new heat source? When do they expect to have this work completed?

Hon. Mr. Kent: To confirm for the member opposite, Education may have plans for some of the spaces that are in the old school as we move toward demolition. I am not sure what those are yet. Officials are in discussions with officials. Officials are also in discussion as to what parts of the school we can isolate and close off for a heat source.

As I mentioned, the tenders closed for the project last week, I believe — November 5 — but the contract hasn’t been awarded yet. They are still working through the aspects of evaluating the four different bids that we received. That said, we are anticipating completion in July 2016. There is a lot of
work that has to be undertaken when the students are no longer in class. We do need to heat that facility.

I’m not aware of the construction schedule as to when the heat source will be available — when we anticipate that going in — but if it is going in earlier and we can find a way to turn off the boilers in the existing school, that’s certainly something we’re interested in, not only from an environmental aspect, but also from a cost-savings aspect for the government.

Mr. Silver: I guess this begs the question then: Why wasn’t the tech wing timed to be ready when students are moving in? I’ll just leave it at that question. It would have saved heating the school for half a year with nobody in it.

Hon. Mr. Kent: We had initially estimated substantial completion of this project in February 2016, which would have lined up with what the member opposite was asking. We did revise that completion date to July 2016. There was additional time required to complete detailed design and issue for tender documentation. That resulted in the revised tender dates.

Unlike some of the other projects that we’ve spoken about on the floor of the House, which are design/build, this was a design/bid/build project, so the design was done and the contractors bid on a completed design. That said, there were some delays in getting that design finished, so that has led to delays in the revised completion date.

Obviously ideally we would have wanted to have everything done at once, but some things are beyond our control and this was one of them.

Mr. Silver: It begs a lot of questions and is a good segue to the francophone school. On location — has a location been decided for the new francophone school? When would a construction budget for that school be tabled in the Legislative Assembly?

If the F.H. Collins demolition was completed, then this might solve some of the problems we’re hearing about the side of the school where the force water mains are, which was a skateboard park, and some of the extra infrastructure money that would have to go in there. Of course there might be some other considerations for infrastructure on the site of the F.H. Collins that will be demolished. But specifically, has there been a decision on the new francophone school? When will we see those dollar values coming into a budget? Will construction begin next summer?

We’ve been told that there are drawings of the school that have been produced. We’re wondering: Are these from the government or were they paid for by the government? If so, can the minister make those drawings public? Also, how much money to date has been spent on this project?

Hon. Mr. Kent: This project would be a project that is driven by the Department of Education. Highways and Public Works would more than likely serve as project manager, once Education made a decision on where the project would be. I guess one of the HPW responsibilities was with respect to a traffic study and an infrastructure study.

That work has not been completed yet. I’ll anticipate hopefully having it ready for a meeting later this month that I have with the City of Whitehorse mayor and council where we will be able to present that, but I don’t have exact timing as to when that traffic and infrastructure study will be done.

As far as location and other aspects associated with the project, I would defer to my colleague, the Minister of Education, to answer any of those questions.

Mr. Silver: I just have a couple more questions here.

I’m going to move on to the Dawson runway. I know that the Member for Copperbelt South brought this up during Committee of the Whole earlier today. I know that the minister said that we have, I guess, a verbal confirmation that line of sight is not necessarily going to be an issue and they’re going to get back to us as far as when they get an official written confirmation there.

In the spring, the minister commented on this and basically told us that we were waiting for the report. I guess, the question still begs is, after that written confirmation, where is this government on funding that project? Yes, we did hear kind of a Hail Mary pass in the elections that there were candidates confirming that they were going to, on a federal basis, pay for this runway. I would argue that most of the responsibility would be through the territorial government or at least shared partnerships in there. So it does beg a bunch of questions.

We do have a new government in Ottawa that has committed to lots of infrastructure spending nationwide. I guess the question to put to this government would be: In identifying those priorities where they’re going to be asking the federal government to support or to help or to chip in, does this make the grade? Is this in their top five? Is this something that they would put on the list if it was asked by Ottawa as a priority for them? We know that it’s something that the private sector is keen on. We know there is much interest through the chamber in Dawson. We know that through Air North, as well, there is interest in the private sector. So I guess we’re looking for a commitment here that if we do get the confirmation that line of sight is no longer an issue, does this government have a dollar value that they would commit to this project moving forward, and would it be in the final budget of their mandate?

Hon. Mr. Kent: Just to confirm for the member, it’s the approach paths that Transport Canada is — we’re awaiting written confirmation. We have received some verbal confirmation that they are able to do that. Transport Canada approved jet service into Dawson in 2009. While we are waiting for that, as I mentioned earlier today, there are a couple of other aspects underway. Additional geotech is being conducted so that we can get a sense for the soil conditions and what the estimated costs would be.

There is also a business case being developed. I understand the lead is the Dawson City Chamber of Commerce and they have been provided funding by the Department of Economic Development to develop that business case, so that will give us a better idea of what the costs are. These numbers — $11 million for capital and $500,000 in annual operating costs — are estimates at this point.
We won’t know until we have a better knowledge base to build on. This is something that we would certainly raise with the new Government of Canada and our new Member of Parliament to see if it’s an important enough initiative for them to make an additional commitment. Of course, when we’re talking about infrastructure, there are competing priorities across the territory — the important aspects of drinking water and waste-water treatment or recreational facilities are also important to many communities — so it’s difficult to tell where this would rank on this list until we get a better sense from Ottawa on what their plans are for Building Canada, or whatever successor program they develop. As the member opposite indicated, they are looking at investing heavily in infrastructure, so until we get a sense for what those investments would look like, it is difficult to say where this would be on the priority list. That said, we are continuing short-term work to make sure we are in a position to make a decision on that when the time comes.

**Mr. Silver:** I think the question is whether or not this is an important enough infrastructure priority for this government. I’ll ask that question: Is it a priority for this government to pave the runway in Dawson? Is this something that is discussed at Management Board and is it yay or nay?

**Hon. Mr. Kent:** I certainly enjoy being a part of Cabinet and enjoy being a part of Management Board and I think if I were to discuss the proceedings at either of those meetings, it would be a very short-lived life for me in either of those positions. That said, Madam Chair, we are awaiting the business case. We certainly want to make an informed decision when it comes to any of the infrastructure projects that we’re investing in. As I said, there are competing projects for limited dollars. We want to make sure that water, sewer and waste-water issues are taken care of. There are bridge infrastructure projects that need to be dealt with as well.

I’m not sure where this will land on the priority list. We have certainly heard from the private sector that it’s an important project to them. We’ve heard from tourism operators that the economic benefits that have accrued from bringing in those Holland America clients from Fairbanks to Dawson City on the jet service that Air North provides, but I think it is premature at this point until we have a better sense from the geotechnical knowledge that we’re going to gain on what the price of this will be; what the federal government infrastructure investments will be; what our share of those infrastructure investments will be; and how the new Liberal government and our current Member of Parliament would feel about this type of project. There are a lot of unanswered questions that are remaining before we can make an informed decision on how best to proceed with this project.

**Mr. Silver:** I guess no hedging of bets here as far as whether we’re going to see this on the next budget in this last year of this particular mandate.

I would urge the minister that Dawson has been through a similar situation before. If the plan is to maybe make it a campaign commitment and get the shovels out and get the photo op, we’ve been down this road before in Dawson with the rec centre in the previous election. Anyway, we hope that this government is committed to paving that runway. I hope it’s not an either/either — maybe you’ll get a road to White Gold, maybe you’ll get airport pavement, maybe you’ll get some septic — all these things are important initiatives. It would be great to see some kind of commitment from this government on paving that runway.

I’m going to move on to a question on widening the highway corridor. I’m going to get to the widening of the highway corridor, Madam Chair. The government has announced a major highway project, and that was the widening of the Alaska Highway through the Whitehorse area. Of course, this has been pushed to the forefront and it’s a great project, as far as construction dollars going toward, hopefully, local companies and local road builders, keeping them busy in the summer months, but there are lots of unanswered questions as to how we’re going to get this done. I guess lots of the questions have been asked already, but one specific question I don’t think has been asked yet — and the minister can correct me if I’m wrong — is: Has there been money set aside to negotiate with local businesses to purchase land along the Alaska Highway? If so, where is this funding going to come from for this project? Is this something that hasn’t been considered — if the minister can give us an update on that?

**Hon. Mr. Kent:** Just to step back, I guess — projects in all of our communities are important to this government. We invest significantly in communities throughout the Yukon Territory, including the community of Dawson City. One just has to take a look around over the past number of years to the significant investments: the Alexander McDonald Lodge will be completed within the next couple of months. There are a number of projects, including the new Dawson City Community Hospital, that have been built, and the same can be said for communities across the territory as far as investments made by this government. We’re proud of those investments and we’re proud of the partnerships that have come not only with the Government of Canada, but also local governments, when it comes to decision-making and priority-setting for their particular communities.

That said, of course we’re dealing with a limited budget and we certainly recognize from the Member for Klondike that there are projects that are important to his community. There are also projects important to every member of this House, as far as their communities go, and delivering on those. We weigh them against each other and make decisions based on a number of factors. I just wanted to add that with respect to initiatives across the territory that our government has made significant investments in.

When it comes to the Whitehorse corridor, as the member knows, we conducted a consultation in the spring on the functional plan.

We received a number of submissions during the consultation. There were 154 people who attended four open houses; 2,233 people visited the website; there were 222 online survey responses and 266 paper surveys were received; and 62 e-mails with questions and comments were received as
well. I know I've done it before, but I would like to thank all of those individuals who took part in that consultation.

I had the opportunity to go out and meet with a number of individual organizations and listen to their concerns. There were certainly varied concerns. We did release the “what we heard” document earlier on in this Sitting. It provides a mixed response to what people wanted to see occur in the Alaska Highway corridor. I can’t stress enough that this is a project that has a time horizon of 35 to 40 years. It was always going to be a very long-term initiative based on certain population or economic criteria that were met during the time horizon.

What I have said in the news release that we put out, and in speaking, is that we intend to engage more with individuals on certain areas that may have been identified as short-term or priority areas, as far as moving forward, and look at some of their concerns and potentially redesign the section of the highway in that area. This was, as I mentioned, a great opportunity to hear feedback from individuals, and now we will move forward.

The one thing that is important is identifying areas where there are high safety concerns, and that is what I have asked the department to do — to prioritize some of the safety areas so that we can make a decision on which areas may require some immediate attention.

When it comes to the member’s question, as far as purchasing land from private holders, we won’t be in a position to determine whether or not that is necessary until we have a final plan, and we don’t have a final plan in place yet.

Mr. Silver: I appreciate the answer from the minister. I am going to move on to the Nisutlin River bridge. As you know, Madam Chair, last year after opposition from the First Nation’s economic development corporation — basically TTC — the plan to replace the aging Nisutlin River bridge was scrapped. Work was done to replace the decking. I have a specific question about the life expectancy of the bridge now that those repairs are done. So the life expectancy, and what further work will be done on this bridge?

Hon. Mr. Kent: There were some minor repairs conducted. The plan itself is not something that has been scrapped, as the member opposite would suggest. It is something that’s still in place. Obviously, there were some concerns from the First Nation, as well as the Village of Teslin, with respect to how this project would proceed. There have been some recent meetings. Officials went down — Highways and Public Works officials as well as officials from Aboriginal Relations went down to Teslin in late October and discussed how to move this project forward.

I know it’s something that is very important to the MLA for Pelly-Nisutlin. He makes his home in Teslin, and it is something that he and I speak of on a regular basis. We are trying to determine how best to move this project forward, engaging with the community and trying to maximize any local opportunities that exist.

Of course bridge work is highly specialized, as we’ve seen the past number of projects on smaller bridge projects be awarded to Outside firms. For the most part that expertise doesn’t exist here locally but, that said, we want to see where we can identify opportunities for the residents of Teslin to move forward with this project and other projects that are important in that community as well.

We want to take a look at the bigger picture and make sure that the scheduling for this gets done so we can maximize benefits to area residents and Yukoners.

Mr. Silver: I’m not sure if this is the department or not — I have questions on the waste-water treatment facility in Dawson and it would probably be Community Services, and just if I can get a confirmation from the minister for questions on O&M and functionality, if that would be his department or for Community Services.

Hon. Mr. Kent: Yes, that would be the Department of Community Services that would be responsible for those questions.

Mr. Silver: I will reserve that question for the minister responsible.

I have one more question, and it’s on the Kaminak road proposal. Kaminak Gold said it has identified a northern access route from Dawson City to its Coffee Gold mining site. Kaminak, which has an extremely strong partnership with the Tr’ondëk Hwëch’in First Nation, says much of the route already exists, as more than 160 kilometres of the 190 kilometres is a public road already, with some portion of road being needed to be upgraded.

The question to the minister is: What role, if any, will the government play in seeing this road being built, and is it considering another resource road at this time?

Hon. Mr. Kent: When it comes to access to the Coffee Gold project that Kaminak has in the Dawson range — something that’s extremely important to our government — I’ve had discussions with officials in that company, both as they were leading up to making their decision and since their decision has been made. We have also had discussions with other companies that are operating in the Dawson range, as far as improving access to their projects.

One of the most important things that we need to do is engage with First Nations. A senior official from Highways and Public Works was in Dawson City. I believe last week, talking to Tr’ondëk Hwëch’in First Nation about the potential for this project.

Of course the government will have a role. Much of the project goes over existing public roads that are seasonally maintained to access many of the placer mining properties that are in that area, and we’ll also have responsibility for the Freegold Road which comes in from Carmacks to Big Creek, eventually accessing the Casino mine. These are discussions that have been ongoing for a number of months.

Obviously again what we were waiting for was a little bit more surety with the federal election that happened on October 19, to see what government and what ministers we would be dealing with.

It is something that we brought up to the previous government as an important project, not only for us as Yukoners and the economic benefit that we would derive — but, as the Government of Canada owns our resources and we manage them for them, many — if not most — of the benefits...
from these projects, whether they are tax or royalty benefits, accrue to the Government of Canada, so we could make a strong business case for them.

We are looking at additional access opportunities into the Dawson range, which is an area that has a number of projects, including Kaminak, as well as Casino and others as you work your way further south.

The other project that we’re looking at is upgrades to the Nahanni Range Road. That road would be bookended by the Selwyn lead-zinc property, but there are a number of other properties that are in there as well that could benefit from this type of investment. So this is going to be a multi-party investment that we envision — from the private sector and from our government and potentially from the federal government. We think it is a win-win situation for the local communities, for the First Nations, for the Yukon government as well as for the Government of Canada. We think we have a strong case to make when it comes to building these additional roads to resources, and we are prepared to make that now that the new Cabinet has been sworn in and the new government is in place in Ottawa.

Mr. Silver: I would like to thank the members from the department for their time here today.

The other part of that question that wasn’t answered — and I appreciate the answer and I think it is a fantastic proposed route, personally — is: Are there other routes being considered by the government to this area?

Thank you, Madam Chair, and thank you to the minister for his answers.

Hon. Mr. Kent: It depends upon the commodity that you’re talking about. Obviously with what Kaminak is considering producing, it would be more of a supply road. They’re planning on pouring the gold bars on-site and flying those out of there, so they don’t need a heavy haul road. They don’t need the standard that perhaps a Casino mine would need with respect to the type of ore and the type of weight and truckloads that they’re talking about to move that ore to market.

Again, obviously Kaminak has the opportunity to access from the north. They’ve done the hard work. They’ve rolled up their sleeves and determined that a northern route is a favourable one for them as far as accessing their project, but there’s the potential for southern routes to come in and be more favourable for other projects that are located within the Dawson range that host different types of commodities — other than just primarily gold, which is what we see at the Coffee project.

So we are looking at other potential routes, but this is certainly one that we see can have benefit not only to Kaminak and Coffee, but to all of the placer miners who have projects in those two placer road loops — the Hunker-Dominion loop and the Indian River road. That’s another thing I heard quite a bit about over the summer from friends in the placer industry — the condition of those roads — so any type of investment that we can make in partnership with Canada and industry, and again working with First Nations, I think will provide significant benefit not only to the folks at Kaminak and other hardrock producers in that area, but also the placer producers there.

This is definitely a project that we want to advance. That said, there are other aspects and considerations to make for other projects that are located within the Dawson range.

Ms. Hanson: I just wanted to ask a couple of questions of the minister with respect to some issues that arise in my riding of Whitehorse Centre that touch on the work of the Department of Highways and Public Works. One is that I heard the minister speak earlier about the fact that Highways and Public Works manages — in terms of the ownership and leasing of a significant number of properties throughout the territory. Certainly the decisions taken by this department have significant economic implications. I’ve heard concerns being expressed by local business owners recently about the decisions taken.

I would like the minister to explain how the decision is made to lease building space. We now see on the corner of Alexander and Third, I believe it is, a new building going up — two floors of which we understand are going to be leased on a long-term basis by the Department of Economic Development.

I’m told there is a significant number of square feet of vacant office space throughout Whitehorse, and it seems quite strange for the Government of Yukon to be in competition with the private sector in terms of making a decision to enter into this when there is already vacant space.

Could the minister explain the process for determining how that decision was taken?

Hon. Mr. Kent: When it comes to the particular space that the member opposite was asking about, there was an RFP put out for that space. It is a consolidation of the Department of Economic Development. I can’t remember how many different spots they were in throughout the city, but this will consolidate the officials into one area and provide accessibility to some of the staff who require enhanced accessibility.

When it comes to that building, it is not the government competing; it is an RFP that was put out to the private sector. We have approximately 97 leases in 50 buildings. We lease from First Nation development corporations to First Nations themselves. In Dawson City, we are in the Tr’ondëk Hwëch’in with the mining recorder’s office as well as Compliance Monitoring and Inspections. There are leases throughout the territory with many individuals. This is an economic driver for many. We have certainly heard from individuals about some of the concerns with additional leases and additional spaces. We are working with individual landlords to address that as far as any types of empty space that may exist, particularly throughout the City of Whitehorse. That is where we are seeing some new builds and we see some of the concerns that they have as well.

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

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

Motion agreed to
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. 90, entitled Land Titles Act, 2015, and directed me to report the bill with amendment.

Committee of the Whole has also considered Bill No. 20, entitled Second 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: Drive safe, enjoy the time away, and we'll see you on Monday.

Pursuant to Motion No. 1036, adopted on Thursday, November 5, 2015, this House now stands adjourned until 1:00 p.m. on Monday, November 16, 2015.

The House adjourned at 5:25 p.m.