Yukon Legislative Assembly

Number 244 1st Session 33rd Legislature

HANSARD

Monday, December 7, 2015 — 1:00 p.m.

Speaker: The Honourable David Laxton
CABINET MINISTERS

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

GOVERNMENT PRIVATE MEMBERS

Yukon Party

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

OPPOSITION MEMBERS

New Democratic Party

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

Liberal Party

Sandy Silver
Leader of the Third Party
Klondike

LEGISLATIVE STAFF

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

Published under the authority of the Speaker of the Yukon Legislative Assembly
Yukon Legislative Assembly  
Whitehorse, Yukon  
Monday, December 7, 2015 — 1:00 p.m.

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

Prayers

Withdrawal of motions

Speaker: Before we get to the Order Paper, the Chair wishes to inform the House of changes which have been made to the Order Paper. Motion No. 1078, standing in the name of the Member for Takhini-Kopper King, and Motion No. 1095, standing in the name of the Leader of the Third Party, have been removed from the Order Paper as they are now outdated.

DAILY ROUTINE

Speaker: We will now proceed with the Order Paper.

Tributes.

TRIBUTES

In recognition of Canadian Tourism Awards

Hon. Ms. Taylor: Thank you, Mr. Speaker.

Mr. Speaker, I have the privilege today of rising on behalf of the Legislative Assembly and all members to pay tribute to the Yukon finalists and winners of the Canadian Tourism Awards which were presented by the Tourism Industry Association of Canada last week.

The annual Canadian Tourism Awards recognize success, leadership and innovation in Canada’s tourism industry and those who go above and beyond to offer superior tourism experiences. Last year, Yukon was nominated for four awards and actually received two awards. Specifically, the National Cultural Tourism Award went to the Dakhká Khwáan Dancers and the other — the Fairmont Hotels and Resorts Marketing Campaign of the Year Award — was presented to the Pan North Consortium.

This year, it was a great achievement for Yukon’s tourism and culture sector to receive three finalist nominations. The Yukon finalists were — starting with the Adäka Cultural Festival and nominated for this year’s Aboriginal Tourism Association of Canada’s National Aboriginal Cultural Tourism Award. This award, Mr. Speaker, recognizes an aboriginal tourism business that has demonstrated a commitment to the development, promotion, and delivery of an authentic, innovative and enriched aboriginal cultural tourism visitor experience. Recipients of this award demonstrate a commitment to aboriginal cultural tourism and encourage the growth of tourism in their respective region.

Takhini Hot Pools was also nominated for its international hair freezing contest. It was nominated for the WestJet Social Media Initiative of the Year Award. This award is presented to a tourism business or an organization that has devised and implemented the year’s most outstanding social media marketing campaign or initiative.

Third — last, but not least — Jesse Cook, the Dawson City Husky Bus, was nominated for the Parks Canada Youth Tourism Entrepreneur Award. This award recognizes the outstanding contributions by young entrepreneurs to the tourism industry, including promoting Canada as a quality destination, ensuring an exceptional visitor experience and fostering a professional tourism industry.

Today it’s a great honour to be able to pay tribute to the finalists who won in their categories at the Canadian Tourism Awards Gala in Ottawa. The first recipient — the first winner — I wish to pay tribute to is Takhini Hot Pools. Every winter — and, I understand, for the past four winters — the company has been running its international hair-freezing contest here in the City of Whitehorse. The innovative contest awards the person with the most interesting and creative frozen hairstyle. Many of you will have seen images of truly creative and ingenious frozen hairstyles circulating on social media earlier this year. Members would not be surprised to learn that this entertaining and very unique initiative won the WestJet Social Media Initiative of the Year Award. The competition helps to highlight Yukon as a very unique and fantastic travel destination, even in the midst of hair-freezing winter.

I was just outside in the gallery speaking with the recipients of this year’s award, and I understand that, in addition to the CBC website, which not only received over 500,000 different hits on that particular link, this particular media initiative was also recognized on the Indonesia Tonight Show, Fox News, Reuters, in Russia, in France — pretty much all over the world. That kind of advertising speaks for itself.

As well, Jesse Cooke and Husky Bus Dawson City received the Parks Canada Youth Tourism Entrepreneur Award last week. For those of us who have known Husky Bus, it has been in operation for some time. It specializes in ground transportation of visitors and residents between Whitehorse and Dawson City, and provides daily tours around Dawson as well as to the Tombstone Territorial Park in the summer.

Jesse’s entrepreneurial spirit and his hard-working team offer an invaluable service to cyclists and to the many others who prefer to travel around Yukon without a car. They are a great inspirational company with excellent customer service. I couldn’t help but hear Jesse on the radio this morning — and again hearing about the expansion of this company over the years. They now possess two buses and two vans. Jesse, who is formerly a teaching professional, has now taken Husky Bus as a full-time profession and has expanded his team to several in the Dawson area. It is fantastic — another example of inspirational talent in our territory.

The third Yukon finalist I would also like to pay tribute to certainly deserves another honourable mention likewise. The Adäka Cultural Festival is fast becoming one of the most popular and successful arts events on Yukon’s summer calendar. It’s a tremendous celebration of First Nation arts and culture, and Yukoners and visitors are very, very fortunate to have this world-class festival right here in our capital city.

They faced some very stiff competition for the award from indigenous organizations in Alberta and British
Columbia this year. Even though they may not be the recipient of this year’s award, I am very confident that a Canadian Tourism Award will be in the hands of the festival organizers in the very near future.

I want to thank the Yukon First Nations Culture and Tourism Association for its leadership, its foresight and its commitment to grow cultural tourism in the territory and congratulate them for being on the final shortlist of three for this year’s Aboriginal Cultural Tourism Award.

Mr. Speaker, all of our finalists deserve congratulations and our heartfelt thanks. Their hard work, innovations, entrepreneurial spirit and achievements contribute to making Yukon a world-class tourism destination and an overall awesome place to live.

Mr. Speaker, this year has already proven to be a really successful year for Yukon’s tourism industry, and this includes Tourism Yukon and our own agency of record, Outside the Cube, which won an Explore Canada award of excellence for the most innovative public relations campaign for two Yukon Now marketing projects. Obviously recognition at the national level speaks to the professionalism, the dedication and the innovation of the hard-working people in our tourism industry.

Congratulations to each of the award winners and to all the finalists. You have all done our territory proud, and we look forward to your continued achievements and contributions.

Mr. Speaker, we have a number of visitors to the gallery. I would have all members extend a warm welcome to them, starting with the winners from Takhini Hot Pools, Lauren O’Coffey and Andrew Umbrich. They have joined us here. Also, family members Carla Pitzel and Sharon Pitzel have also joined with us in the gallery here today.

We also have Charlene Alexander, executive director for the Yukon First Nations Culture and Tourism Association, and Shirlee Frost, who is our president for the board of directors for the Culture and Tourism Association as well. Also we have Calli Steel, who is a co-producer for the Adäka Cultural Festival. I would just again like to thank them for joining us.

Also in the gallery we have Murray Arsenault, our Deputy Minister for Tourism and Culture, and Pierre Germain, who is our director of Tourism as well.

Thank you to everyone for all your contributions to growing our tourism sector.

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

THAT the Yukon Legislative Assembly, pursuant to subsection 17(1) of the Human Rights Act, does appoint Kathleen Avery, Jennifer Cunningham and Louise Bouvier as members of the Yukon Human Rights Commission for a term of three years, effective December 11, 2015.

Mr. Speaker, all of our finalists deserve congratulations and our heartfelt thanks. Their hard work, innovations, entrepreneurial spirit and achievements contribute to making Yukon a world-class tourism destination and an overall awesome place to live.

Mr. Speaker, this year has already proven to be a really successful year for Yukon’s tourism industry, and this includes Tourism Yukon and our own agency of record, Outside the Cube, which won an Explore Canada award of excellence for the most innovative public relations campaign for two Yukon Now marketing projects. Obviously recognition at the national level speaks to the professionalism, the dedication and the innovation of the hard-working people in our tourism industry.

Congratulations to each of the award winners and to all the finalists. You have all done our territory proud, and we look forward to your continued achievements and contributions.

Mr. Speaker, we have a number of visitors to the gallery. I would have all members extend a warm welcome to them, starting with the winners from Takhini Hot Pools, Lauren O’Coffey and Andrew Umbrich. They have joined us here. Also, family members Carla Pitzel and Sharon Pitzel have also joined with us in the gallery here today.

We also have Charlene Alexander, executive director for the Yukon First Nations Culture and Tourism Association, and Shirlee Frost, who is our president for the board of directors for the Culture and Tourism Association as well. Also we have Calli Steel, who is a co-producer for the Adäka Cultural Festival. I would just again like to thank them for joining us.

Also in the gallery we have Murray Arsenault, our Deputy Minister for Tourism and Culture, and Pierre Germain, who is our director of Tourism as well.

Thank you for everyone for all your contributions to growing our tourism sector.

THAT the Yukon Legislative Assembly, pursuant to subsection 22(2) of the Human Rights Act, does appoint Carmen Gustafson as a member of the Yukon human rights panel of adjudicators for a term of three years, effective December 11, 2015, and pursuant to subsection 22(2.01) of the Human Rights Act, does designate Carmen Gustafson as deputy chief adjudicator.

I also give notice of the following motion:

THAT the Yukon Legislative Assembly, pursuant to subsection 22(2) of the Human Rights Act, does appoint Michelle Mbuto as a member of the Yukon human rights panel of adjudicators for a term of three years, effective December 11, 2015.

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

THAT this House urges the Government of Yukon to abandon its plan to lease campground spots to RVs for the entire camping season.

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

QUESTION PERIOD

Question re: Child poverty elimination

Ms. Stick: Thank you, Mr. Speaker. Child poverty remains at unacceptably high rates across Canada and in the Yukon. Research shows that the national child benefit supplement lowers child poverty rates and helps prevent families from living in poverty, but in the Yukon this benefit is clawed back for families relying on social assistance. Instead of safeguarding low-income families at risk, this government is putting more pressure on them.

In November 2014 the government said it would soon be bringing forward a proposal to address this issue. What has this government done to eliminate the child benefit clawback that affects those most at risk of child poverty?

Hon. Mr. Nixon: Thank you, Mr. Speaker, and I thank the member opposite for her question. Certainly this government has made significant investments in the social area, including social assistance and other services for people who may find themselves in marginal situations. We know that this government made investments in the food bank and recently saw — I thank the former Minister of Health and Social Services — the food bank be able to purchase the building that they were in. Certainly this government continues to look at addressing issues such as the member opposite has indicated, but there is good work being done.
Ms. Stick: Thank you, Mr. Speaker — and child poverty still remains.

Eradicating child poverty requires targeting the root causes of poverty in income inequality. This government spent three years developing a social inclusion and poverty reduction indicator framework, which was released in 2010. Now, five years later, this framework still has no measurable goals and no action plan.

In November 2014 the former minister said — and I quote: “We are in the process of setting those benchmarks and we will be reporting on those benchmarks in the longer term.” Mr. Speaker, it has been eight years since the Yukon Party government started this project and still no clear plan.

Exactly how many more years will it be until this government has meaningful data to report on key child poverty indicators in Yukon?

Hon. Mr. Nixon: In addressing the member opposite, as the member well knows, the national child benefit is considered income, like with all who receive social assistance, but it’s designed to adequately assist people in need.

We do see a number of programs that have been set up throughout the territory, addressing families, addressing children — certainly great work done through the Child Development Centre on the developmental side, but more so on the social assistance side. There is good work being done. I know the officials in the department are very committed to their work. I have just recently toured the offices there and they are busy and working hard. We continue to look for opportunities to build upon our economy. I think this Yukon Party government, over the last 13 years, has done an exceptional job at providing opportunities for Yukoners. In fact, we just saw last week that our unemployment numbers continue to drop. We’ll continue to make those investments on the social service side — but also looking at the economy and how we can assist the economy and assist Yukoners finding meaningful work.

Ms. Stick: Thirteen years, Mr. Speaker, the minister indicated — but still we have child poverty and the numbers are going up. One objective of the government’s social inclusion framework is to provide supports for families with children to break the cycle of poverty, but a 2015 Canada Without Poverty report criticizes this very framework of social inclusion. It says — and I quote: “... only vaguely listing goals that need to be achieved. Although the report is presented as an action plan, it is more of a descriptive document.” Other Canadian jurisdictions have implemented poverty reduction strategies through legislation and dedicated funding. They have a plan to meet their objectives. This government has no plan.

Mr. Speaker, will this government fulfill its commitment to break the cycle of child poverty and implement clear, measurable targets and timelines?

Speaker: Order, please. The member’s time has elapsed.

Hon. Mr. Nixon: Thank you, Mr. Speaker.

Again, in addressing the member opposite, I will talk about what this government has done and the important investments it has made over the last 13 years that the Yukon Party has been in power.

We recently saw the increase to the childcare subsidy, something that many Yukon families are very appreciative of. We have invested significant dollars into social housing and housing for Yukoners. Yukoners tell us that they are very appreciative of those investments.

We will continue with the good work — recognize the question coming from the member opposite — but certainly Yukon has some of the most generous rates of social assistance in Canada. We’ll continue to address those issues — but keeping a key focus and looking to ensure that families and children certainly have those supports.

Question re: Campground development

Ms. White: Thank you, Mr. Speaker. Last week the NDP raised the issue of this government’s plan to set aside campsites to lease to a few lucky RV owners for the summer, through a lottery process. The Minister of Energy, Mines and Resources tried — and failed — to connect leasing campsite lots to RV owners for the whole summer to his government’s platform commitment to make more land available to Yukoners. He also refused to answer questions about where this plan originated and why it was Energy, Mines and Resources and not the Department of Environment, which is responsible for campgrounds, that was pushing this plan forward. Yukon parks are a public asset and, as such, they should be available to all on an equal basis.

Mr. Speaker, what was the rationale for the plan to lease RV spots and campgrounds for an entire summer, and who instigated it?

Hon. Mr. Kent: Mr. Speaker, thank you very much. I thought I was quite clear last week in my responses to this. I said this was part of our platform commitment to make land available to Yukoners, including recreational opportunities for Yukoners. Energy, Mines and Resources, of course, was leading the development of our very successful remote access cottage lots. We have seen success on Bennett Lake and Tagish Lake with recent lotteries, and we anticipate similar success on Klune Lake with a lottery scheduled for later on in the summer of 2016.

Again, this has been an issue that has been mischaracterized by the New Democratic Party. They have suggested that somehow we are going to tie up spaces in our popular campgrounds. That’s not correct. They have suggested that we’ll be competing with the private sector. That’s not correct. This is a concept that I brought forward to caucus in May. Caucus requested additional information. There has been work between Energy, Mines and Resources and the Department of Environment on this. We’re looking at under-utilized campgrounds that are more than two to three hours’ drive from the City of Whitehorse. That is all the work that has been done.

I committed to the member on Thursday that there would be no plans moving forward on this for the 2016 campground season. As well, there are additional consultations that need to
be required — first and foremost, consultations with my colleagues on any potential program.

Ms. White: Mr. Speaker, these are not recreational lots. They are cottage lots. These are public lands. When the minister answers a question about campgrounds with a statement about land that is for sale, it shows just how out of touch he really is. Perhaps the minister responsible for campgrounds, the Minister of Environment, would be better suited to answer these questions.

The Minister of EMR stated that this plan will not be rolled out over the course of the next summer, indicating that the government has decided to push this project back. The minister was certainly moving in the right direction last week by deciding to shelve this plan in the short term.

Yukoners are not interested in seeing campsites monopolized for an entire summer. Will the Minister of Environment commit to abandoning its plan to lease spots in Yukon’s campgrounds to a few lucky RVers?

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

The member opposite seems to be extremely out of touch with the answers being provided in Question Period.

As I mentioned last week, this is purely a concept at this point — a concept that I, as Minister of Energy, Mines and Resources, brought to my caucus colleagues. They requested more information. There has been work done with the Department of Environment on this to identify under-utilized campgrounds that are two to three hours’ driving distance away from Whitehorse. That’s the only work that has been done.

I have not had the opportunity to bring any options back to my caucus colleagues, and there won’t be any work done on this for the 2016 camping season, as I mentioned. We’re focused on recreational lot opportunities and remote access cottage lots. We’ve talked about the successful Bennett Lake and Tagish Lake lotteries. As I mentioned earlier, we are anticipating a very successful cottage lot lottery for Kluane Lake, a very beautiful lake that we’re very proud of and that is close to the communities of Burwash Landing and Destruction Bay. The member opposite is extremely out of touch with what’s happening here on the floor in Question Period. She’s not listening to the answers. This is purely a concept. There have been no decisions made on whether or not this project will be pursued. It’s just an opportunity for us to bring ideas forward for caucus consideration, which I have done in the past and will continue to do in the future.

Ms. White: Thank you, Mr. Speaker. Yukoners aren’t surprised to learn that the Yukon Party is working on a plan that will favour a lucky few. After all, that is how they have been running the government for a number of years now. Campgrounds are a public resource —

Some Hon. Member: (Inaudible)

Point of order

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

Mr. Elias: You know, contrary to our Standing Orders, section 19(g), the member is obviously imputing unavowed motives to another member in this Assembly and to the government caucus. I do believe that is out of order.

Speaker’s ruling

Speaker: I don’t believe the member said anything about a particular member but a party. There is no point of order. Please finish your question.

Ms. White: Thank you, Mr. Speaker. Campgrounds are a public resource that allows Yukoners from all walks of life to access Yukon’s nature. This government’s plan would create two-tiered access in services to Yukon’s campgrounds. The plan will not change the congestion problems in campsites near Whitehorse and certainly has nothing to do with providing more access to land for Yukoners.

The minister has done a good job backpedalling on this plan so far, but public opinion has already been strong on this government’s top-down approach to making changes to Yukon’s campgrounds. Will the Minister of Environment commit to abandoning the Yukon Party concept to lease spots in Yukon’s campgrounds to a few lucky RV owners?

Hon. Mr. Istchenko: I don’t know what she’s missing. We have no plan to lease spots in our campgrounds to RV owners, but we do have a plan. Our plan is investing over half a million dollars in campground improvements, including new campsites and facility maintenance. This fall, approximately 20 new additional campsites have been developed — the equivalent of a new Yukon campground. We have spoken a lot about the new $700,000 put into the Conrad campground.

Improving our campgrounds and infill for our campground networks supports the tourism sector through increased visitor days. Most of the Yukon government’s campgrounds, while well-maintained, are older and starting to show it. This is why we are seeing these investments and these improvements that are needed for these sites.

The government’s campgrounds provide outdoor recreational opportunities that benefit Yukon residents and visitors. The Yukon government’s campground users bring economic benefit. I see that in my community. They bring economic benefit to the Yukon and to businesses, including gas stations, sporting goods stores, food and other related services. So our Department of Environment is looking at a number of options to address the issues within our campgrounds. We spoke to this before; it is an opportunity related to supply and demand.

Question re: Keno area mining runoff

Mr. Tredger: Last week, the Minister of Community Services spoke about the costly transportation of drinking water from Mayo to Keno. This operation has become necessary because water from the Onek site near Keno may be contaminating the village’s groundwater. Water analysis, when it was conducted at all, showed significant problems with Keno’s water well. Water samples in 2013 showed that it contained almost nine parts per million of zinc — nearly double the objective and far above the standard to which
treated mines are being held. Between last spring and this November, sulphate levels have quadrupled.

Why has the Yukon government failed the residents of Keno by not addressing this long-standing water problem?

**Hon. Mr. Dixon:** Mr. Speaker, contrary to the assertions made by the member opposite, Yukon government is moving forward to meet the needs of the residents of Keno by providing safe, clean drinking water to them. We’re doing that by trucking the water from Mayo right now. That is because of the challenges we have had with the well.

I know the member opposite is of the opinion that it is related to the mine. Of course, what I have explained previously is that when we re-profiled the well a few years ago — through a project that was led by Government of Yukon with support from the federal government through the Building Canada fund — the well was disturbed and the source of the water was disturbed, so we have an increased level of turbidity in the water. We’re working to resolve that.

We know it is unfortunate. We’re trying to correct the problem. But in the near term, we anticipate the continuation of providing drinking water by truck from Mayo. In the long run, we hope to be able to re-profile that well, improve it and get it back servicing the residents of Keno.

**Mr. Tredger:** The well water in Keno has been clearly demonstrated as unsafe. Local businesses are responsible for ensuring high water quality for their customers. In 2014, in a YESAB decision document on the Flame and Moth project, the government acknowledged its responsibility for Keno’s water by saying — and I quote: “Yukon government is responsible for providing drinking water in Keno.”

The government needs to make good on this responsibility by demonstrating to Keno’s residents that there is a plan to re-establish access in Keno to safe, clean drinking water.

When will the government finish collecting preliminary data? What is the specific timeline for cleaning up Keno’s groundwater source?

**Hon. Mr. Dixon:** Well thank you, Mr. Speaker. As members know, Keno is in a part of the Yukon that is heavily mineralized. That’s why it has been such a successful mining district over the past century. The result of that is that some of the water from time to time has some mineralization in it. Also in this specific case, we had an instance where when we re-profiled the well previously and did some work on it, it disturbed some of the underlying geology and we have an increased turbidity. That’s something that we think is manageable and we think we can correct. But if that proves to be not the case and that we can’t in fact improve the well or bring it back to a serviceable standard, then we’ll have to consider other options going forward.

We’re still at the stage right now where we believe that we can correct the existing well and, until that time, we’ll continue to provide safe, clean drinking water by truck to the community from Mayo. That’s a reasonable, I think, accommodation in the near term. But in the long term, we have some decisions yet to be made about what the future of that well will be.

For the member to reach the specific engineering conclusion that there’s a direct link between what he sees as something from a mine operation and the well is not something that we see from the experts in Community Services.

**Mr. Tredger:** Thank you, Mr. Speaker. The Yukon Party has ignored this problem for too long. Both the 2012 health impact assessment and a YESAB document cite the need for a suitable backup well. Now the current solution is a risky one. The Keno road has never been known for being a smooth drive, but in winter, it can become especially dangerous. It is far from guaranteed that water trucks will be able to make the drive. As we’ve seen in the past, when it’s minus 40, joints on a water delivery truck can freeze up, preventing water delivery altogether.

Mr. Speaker, what is the government’s contingency plan for bringing drinking water to Keno if weather or road conditions prevent water from being driven in from Mayo?

**Hon. Mr. Dixon:** Well thank you, Mr. Speaker.

Mr. Speaker, this is fairly simple. We have a well in a rural community that is having some challenges so we are trucking water in. Obviously there is some inherent risk with that as the member outlined, given the fact that we do face some inclement weather from time to time. But, Mr. Speaker, for him to suggest that we are ignoring Keno or not providing services is simply inaccurate. We are trucking water at a fairly substantial cost from another community to the community of Keno to meet the demand for safe, clean drinking water to that community. That’s something that we have undertaken to meet that commitment to that community. In the long run, as I said, we’re going to try to re-profile — we’re going to try to improve the existing well to get it up to standard so that it can provide the clean and safe drinking water that those residents need. If it’s determined that, in the long run, that is not going to be possible, then we’ll have to look at other options at that point, but we’re not at that stage yet. Until then, we’ll continue to provide safe, clean drinking water to the residents of Keno.

**Question re: Erik Nielsen Whitehorse International Airport maintenance**

**Ms. Moorcroft:** Mr. Speaker, to date, the Minister of Highways and Public Works has not been very forthcoming when it comes to the deficiencies of the Whitehorse airport runway apron problems. The contractor has asserted that he identified problems with the soil underneath the apron panels, stopped the work and then informed the government that there could be deficiencies in the work if the soil issues were not addressed. He then said that the government, “...just ignored everything and kept building”.

Mr. Speaker, can the minister confirm that the Government of Yukon was in fact made aware of the problems and chose to go ahead with the project anyway?

**Hon. Mr. Kent:** What I can confirm is similar to answers that I provided earlier in Question Period. We are working right now with the bonding company to address the deficiencies and come up with a mutually acceptable solution.
Again, this work is underway right now. I can't offer further comment on that work until it has run its course. There is a process in place of course that exists where these deficiencies can be addressed and we're working our way through that process. Once that work is complete, I will be in a better position to inform Yukoners on how best we will proceed with respect to the deficiencies in the apron panels at the Erik Nielsen Whitehorse International Airport.

Ms. Moorcroft: Mr. Speaker, the minister won't speak to the concerns that were raised during the job. Perhaps he can tell the Yukon public more about how the government plans to proceed since the deficiencies have been identified. On Wednesday, the contractor working the project said that the entire project will likely have to be redone. A Highways and Public Works official speaking on the matter could not comment on how much of the project would have to be redone or whether or not it could be fixed without being ripped up, but did state that the defects were throughout the entire job.

Will the entire airport runway apron panel project have to be torn up and redone?

Hon. Mr. Kent: There were 200 large concrete apron panels at the Erik Nielsen Whitehorse International Airport replaced in 2014. Again, we've spoken about this. It was under a joint federal and Yukon government airport safety project. As I mentioned a number of times, we're currently in discussions with the bonding company to address deficiencies that occurred on this site.

Yukoners should be comforted that, when it comes to contracting issues, there is no involvement by the minister in contracting issues or addressing deficiencies or standing out on the airport tarmac looking at soil conditions during the construction of these types of things. Perhaps that's what the New Democratic Party thinks is the process, but it's not the process. We rely on our professional public servants to provide us with services. Often there are also additional contracts let to private sector companies if specific expertise is required.

What I can repeat for members is that we are currently in discussions with the bonding company to come to a mutually acceptable conclusion with respect to the deficiencies on those apron panels.

Ms. Moorcroft: The opposition understands and the public understands that the minister does not get directly involved in performing contract work; however, the public and the opposition do want answers from the minister. They want to know whether or not a multi-million dollar project will have to be ripped up and completely redone due to Yukon Party mismanagement. A Highways and Public Works official said that the concrete pads do not meet airport standards and that the apron will have to be replaced much sooner than expected. We know that the runway apron panels need serious work. When that work will start is unclear.

When will work begin to address all the deficiencies in the airport runway apron? Is there any plan for construction in the next fiscal year?

Hon. Mr. Kent: Thank you very much, Mr. Speaker. I know this will frustrate the members opposite, but there is a process in place to deal with the deficiencies. We're engaged in conversation right now, as I mentioned, with the bonding company to come to a mutually acceptable solution to addressing those deficiencies. I cannot comment further until that process has played itself out.

Clearly, Mr. Speaker, the New Democrats do not understand how the contracting process works. They do not understand why ministers aren't involved. Perhaps, again, the Member for Copperbelt South would have been out on the tarmac with her white hardhat, addressing soil conditions and determining what should be done at an earlier stage. That's not how the process works. We have a professional public service that does that, and we often rely on expertise from outside contractors when that's required.

Again, to repeat, there is a process in place. We are working our way through that process. Once that concludes, I'll be in a better position to inform House members and Yukoners what the next steps are.

Question re: Tree removal and brush clearing in Tagish

Mr. Barr: Mr. Speaker, last week the government gave residents of several country residential lots a day's notice that the trees in their cul-de-sac islands would be removed. The Highways and Public Works minister said that the removal was necessary to allow EMS vehicles access to the streets. Mr. Speaker, these culs-de-sac do need brushing, not clear-cutting.

Meanwhile, on nearby Pennycook Road, residents have been asking for upgrades to the last five kilometres of the road that have been needed for fire safety for years. Without these fixes, EMS vehicles can't always get to the end of Pennycook Road and YTG snowplows cannot do the last five kilometres.

If the minister is really concerned about EMS-vehicle access, then why has he ignored repeated requests by the community to upgrade the last five kilometres of Pennycook Road?

Hon. Mr. Kent: Thank you very much, Mr. Speaker. Actually, the member opposite is incorrect on this. This summer, I visited residents on Pennycook Road. I drove in there by myself on one occasion and on an additional occasion, with the deputy minister and assistant deputy minister. I'm pleased to announce that there was $30,000 spent on brushing, not only to provide areas where we could place snow in the winter months, but also to correct some of the sightlines and other activities.

We will look for additional work to be undertaken on that portion of the road that is not publicly maintained with respect to Pennycook Road. Again, my understanding is that there was work done this fall on the brushing, so you can see, Mr. Speaker, that we're listening to Yukoners and moving forward.

Mr. Barr: Mr. Speaker, it would be nice if the residents knew that this work was done. They had wondered what was going on. It doesn't address the needs for this winter.

I personally took the Highways and Public Works minister's predecessor for a drive almost four years ago. This
work had been asked for since the previous Yukon government. The Yukon Party’s refusal to consult with Yukoners has landed them in hot water in Tagish. Residents who need roadwork done are ignored while Taku subdivision residents, who want to keep the character of their country residential lots intact, are forced to voice their opinion by literally standing on the road when the workers arrive.

What’s wrong with asking Tagish residents what they want and what they need, and, now that they’ve made their voices heard, when will the government act? Will the minister commit to calling off the Taku road tree clearing —

Speaker: Order, please. Minister of Highways and Public Works.

Hon. Mr. Kent: Thank you very much, Mr. Speaker. I’m sorry I didn’t invite the MLA for the area on the two trips I took into Pennycook lane this summer. I had the opportunity to speak with residents in the area.

I actually drove with one of the residents back to that publicly maintained portion. He was able to point out some of the areas of difficulty that he sees when he is clearing snow on that private lane in the wintertime. We spent some money this past fall on brushing. The idea was to improve areas for snow to be deposited off the road and to improve some of the sightlines. Obviously there is more work that will be required on that portion of the road, and there are programs like the rural roads upgrading program that are available for that type of work. We’ll continue to work with those residents down there.

When it comes to the brush clearing in the Taku subdivision, as I mentioned last week, this is an operational decision that was made. I was informed by Highways and Public Works officials that the work was required, not only for ongoing road maintenance, but to address some of the safety concerns. I did commit in the House to look to find improvements to the communications with area residents of our maintenance activities. I will continue that dialogue with senior officials in Highways and Public Works. Again, we strive to make sure that we have the safest road system that we can here in the territory.

**Question re: Climate change**

Ms. White: Thank you, Mr. Speaker. One of the key principles coming out of the COP21 Paris Climate Conference is the concept of “discover, decide and act”. The idea that jurisdictions around the world must first discover the problem — know the level of emission it’s producing so that meaningful action can be taken — and then they must decide — set clear, measurable and meaningful climate change action goals to fight the causes of climate change — and, finally, they must act — commit the necessary resources and support for the climate change goals they wish to accomplish. This Yukon Party government has had a hard time fulfilling any of these principles. A 2015 report into Yukon’s transportation sector greenhouse gas emissions found that this government has been under-reporting greenhouse gas emissions.

Mr. Speaker, when does this government plan on setting measurable targets to fight climate change, and how will they ensure that we do so with accurate emissions data?

Hon. Mr. Istchenko: Thank you, Mr. Speaker. Of course, we do know that climate change is affecting the north faster than anywhere else on the planet, and Yukoners see this every day. But I don’t know, Mr. Speaker — we’ve provided a briefing for the members opposite and for the media. You just need to look at the targets that we have in the sectors. Our electricity sector — by 2015, reduce emissions intensity on grid diesel by 20 percent. The building sector — emissions intensity, renovated residential by 30 percent. I could go through them all. The transportation sector — reduce emissions in the transportation sector by 10 percent.

We have a climate change action plan. You will see that there are, I believe, 28 other actions moving forward, and we’ve accomplished just about all of our 33 actions. We are moving forward with climate change, and I actually look forward to seeing the delegation come back from COP21 and hear what they have to say when it comes to Yukon’s story.

Ms. White: Thank you, Mr. Speaker. When it comes to knowledge about climate change in Yukon, it’s clear that this government’s previous data has been clearly lacking. Knowing is half the battle and, in many ways, this government simply just doesn’t know. When it comes to deciding — in setting goals for climate change action — this government also falls short. This government had the opportunity to set territory-wide emission targets that would have sent a message that Yukon takes climate change seriously. Instead, they chose to narrow their focus to only reducing government emissions. Yukon is one of a handful of Canadian jurisdictions without territory- or province-wide emission targets.

Why has this government decided not to set territory-wide emission targets like the rest of Canada’s provinces and territories?

Hon. Mr. Istchenko: Thank you, Mr. Speaker. I do want to speak a little bit about some of the report. It looks not only at our successes, but some of our challenges.

We have made progress on meeting our greenhouse gas emission targets, but there is still work to be done. One of the positive actions that we’ve taken is to improve the way we measure emissions. The new data shows the areas where we still need to improve, especially in the transportation sector. We’ll agree to that and we will work to do that. It is important to note that Yukon’s gas emissions are still very, very low. I think we’re under one percent of all Canada’s greenhouse gas emissions.

I look forward to moving forward when it comes to our climate change action plan and the progress report.

Ms. White: When it comes to climate change, this government has missed the mark on the “discovering” and “deciding” aspects of combatting climate change. The result is that Yukon’s actions fall well short of the bold action that the rest of Canada is taking to combat the causes of climate change. Quebec, Ontario and now Alberta have all made strong commitments to address the threat of climate change with measurable targets. Yukon should not be trailing the pack.
in Canada when it comes to addressing the causes of climate change. We are a jurisdiction that will be disproportionately affected by global warming and we are already seeing the effects.

Mr. Speaker, when will this government commit to serious action on climate change and set territory-wide emission reduction targets that show that Yukon is willing to do more than just ride on the coattails of the rest of Canada?

Hon. Mr. Istchenko: Thank you, Mr. Speaker. I strongly disagree with the member opposite on some of her assertions. Since 2009, our Climate Change Secretariat and other departments have led the way in coordinating research, monitoring and outreach activities with our stakeholders. Some of these initiatives increase our understanding of climate change — impacts on the north provide us with ways to adapt. That is part of our climate change action plan — adapt to those impacts.

We’re also working to finish adaptation initiatives with local partners — federal departments — as well as with the governments of the Northwest Territories and Nunavut through a pan-territorial adaptation partnership. We’re partnering on important projects with organizations like the Yukon Research Centre, the Northern Climate ExChange and the Council of Yukon First Nations. We sent a robust delegation to COP21, which also includes the Grand Chief of the Council of Yukon First Nations and our youth delegate. That demonstrates our desire to work together in partnership on this issue.

Speaker: The time for Question Period has now elapsed.

We will now proceed to Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 93: Act to Amend the Oil and Gas Act — Second Reading

Clerk: Second Reading, Bill No. 93, standing in the name of the Hon. Mr. Kent.

Hon. Mr. Kent: I move that Bill No. 93, entitled Act to Amend the Oil and Gas Act, be now read a second time.

Speaker: It has been moved by the Minister of Energy, Mines and Resources that Bill No. 93, entitled Act to Amend the Oil and Gas Act, be now read a second time.

Hon. Mr. Kent: Mr. Speaker, it is my pleasure to introduce Bill No. 93, entitled Act to Amend the Oil and Gas Act, for the Legislature’s consideration.

The Oil and Gas Act is a key piece of our resource management legislation. The act regulates the oil and gas sector, which has the potential to become an important contributor to our economy and offer many opportunities to Yukoners.

When the Yukon Oil and Gas Act was enacted, it was to enable the transfer of responsibility for managing oil and gas resources to Yukon from Canada. The Oil and Gas Act, along with the six regulations enacted under it to date, ensures that any and all activities in Yukon follow the stringent legal requirements outlined by government.

Yukon government supports and is responsible for oil and gas legislation that provides certainty, transparency and safety to people, their property and the environment. Amendments to existing oil and gas legislation and our regulations are continually being considered so that our regulation of this sector meets the highest standards and allows for the industry to develop and succeed. These latest amendments are necessary to ensure the legislation is modern and competitive with other jurisdictions. This is of key importance as Yukon government supports the responsible development of a strong oil and gas industry.

We recognize that the development of these resources could contribute to significant growth and diversification of our economy. Fostering growth through new exploration and production will result in increased revenue and benefits to the Yukon government and Yukon First Nations — benefits that we can transfer to our citizens. Growth in the oil and gas sector increases additional benefits such as training, employment and economic opportunities. A strong oil and gas sector will also add to the diversity of our economy. Diversification is fundamental to strengthening our economy across all sectors. By developing our oil and gas, Yukon can create jobs that in turn lead to further growth in the territory’s economy. This allows Yukon to move forward on our collective journey to self-reliance that includes safe and responsible natural resource development, thanks in part to our modern legislation.

As outlined in the 2009 Energy Strategy for Yukon, Yukon government recognizes the benefits of an active and responsibly regulated oil and gas industry. To achieve this, we regularly review our legislation. The government has identified a number of legislative updates to improve how the oil and gas industry is regulated in the territory. To promote economic prosperity and job creation, Yukon government seeks to attract and retain industry interest in Yukon’s oil and gas resources. Length of tenure and terms and conditions of dispositions are two areas where our competitive position can be enhanced.

Compared to Alberta or British Columbia where tens of thousands of wells are drilled, there have been only 76 oil and gas wells drilled in the Yukon. This goes back to the 1950s. Yukon government wants to encourage exploration activity. This would enhance our competitive position while maintaining regulatory confidence. As more wells are drilled, more data is gathered on the geology and subsurface. Better data helps companies focus on the areas with highest potential. In a frontier jurisdiction such as Yukon, exploration activities may require more time to develop compared to areas with well-established oil and gas industries such as Alberta and British Columbia. Thus length of tenure and permit conditions need to reflect the sometimes challenging conditions and timelines found in frontier jurisdictions.

I’m pleased to announce that, with the Act to Amend the Oil and Gas Act, the government is now making these needed
changes. The updates aim to achieve the following objectives: first, to ensure Yukon remains able to attract industry interest; second, to strengthen the ability to protect people and the environment; third, to improve transparency and clarity of information; and finally, to make administrative updates to the legislation. This process is the latest step in our continuing efforts to provide clarity, stability and certainty in the responsible management of oil and gas resources.

Through the amendments presented here today, the government will improve the regulation of the oil and gas industry and improve our ability to reap the benefits of oil and gas exploration and development. It was important that the public be involved during the amendment process. As such, we provided an opportunity for public consultation earlier this year. There was a 60-day consultation period that began on July 16 and concluded on September 14, 2015. A discussion document was presented for public review which outlined prospective policy issues and asked a series of questions. In addition, notice was given to the general public through advertising and the local media.

The Department of Energy, Mines and Resources also directly contacted more than 35 governments, businesses and NGOs, including Yukon and transboundary First Nations, the working group established under the memorandum of agreement on oil and gas, and specific industry representatives and interest groups, including the Yukon Conservation Society and the Canadian Association of Petroleum Producers. Overall, the input we received indicated support for the majority of the proposed changes and for the objectives being achieved. However, some First Nations requested more time to review and discuss the amendments. Therefore, I instructed the Department of Energy, Mines and Resources to reconvene meetings of the MOA working group and find ways to address the concerns that were raised.

I’m happy to report that all matters have been brought to a satisfactory conclusion. I’ll be proposing some further amendments to Bill No. 93 that were suggested by the working group; amendments that were shared with members of the opposition at a briefing this morning.

I would like to thank everyone involved for their work in finding solutions that both Yukon and First Nation governments can support. I very much appreciate this work in partnership with our First Nations.

I would like to note that proposed changes to the disposition regulations, which were brought forward during the initial consultation process, are not part of this legislative amendment and will be forthcoming shortly through our regulatory amendment process. In addition, some proposed amendments to the Oil and Gas Act reviewed during the consultation, such as the proposed changes to section 68 on the benefits agreement dispute resolution process, have been deferred for further review and discussion.

Turning now to the specific amendments before the Legislature — they’re a range of significant, consequential and minor amendments within the act. Looking at the significant amendments first, they deal with extending the term of a permit and that’s perhaps the most important change for the future of our oil and gas sector.

Under the Oil and Gas Act, the most common dispositions are permits and leases. An oil and gas permit, in concert with regulatory approvals, grants the right for a company to explore and drill for oil and gas in a defined area. The term of a permit is usually set at a maximum of 10 years. Once a permit is issued, there is currently no way to extend the length of term of an existing permit.

The amendment that we’re proposing will enable an existing permit to be extended by the minister, based on exceptional circumstances and by a maximum of five additional years. One of the amendments I am proposing to Bill No. 93 is that, prior to any extensions on the term of permit located in the traditional territory of a Yukon First Nation, the minister will consult with that First Nation. I will also propose further conditions under which 10-year extensions will be considered.

Once again, I need to thank the First Nation members of the MOA working group for their help with the amendments proposed for Bill No. 93.

Another important change that strengthens our ability to protect people and the environment involves well abandonment and re-abandonment requirements and procedures. In the oil and gas industry, abandonment is the term used for properly preparing a well to be closed permanently. The amendments regarding well abandonments, number one, will ensure that industry’s liability for the well continues after the licence is cancelled. Secondly, it will clarify that the government’s chief operations officer has the authority to order that a well be re-abandoned. It will broaden the provision to allow for the recovery of well abandonment costs for all wells — and that’s whether drilled on leases or on other types of dispositions — and will enable the recovery of re-abandonment costs from both licensees and working interest owners.

These improvements strengthen the act and regulations to ensure that financial liability for oil and gas wells drilled in the Yukon remains with the industry. I referenced the chief operations officer, or COO, earlier. This is the Yukon government’s primary regulator of oil and gas activities under the act. The COO’s job is to ensure an activity is done safely with minimal risk to people and the environment.

As a side note, Mr. Speaker, I would like to welcome to Energy, Mines and Resources our new Chief Operations Officer, Chioma Izugbokwe, who recently started in September, brings with her more than 12 years of experience to this new position that she has taken on. The changes to the act strengthen the tools for the COO to do the job effectively. One amendment authorizes the COO to cancel licences as a consequence of contraventions to this act. Another change requires that pre-conditions be outlined to allow the minister to cancel a disposition. For example, a pre-condition could be for corporations to maintain their status as a legal entity. These changes aim to enable Yukon government to strengthen our ability to regulate the oil and gas industry.
There are a number of consequential and minor amendments proposed within this act as well. CONSEQUENTIAL amendments are required to add or update certain sections as a result of other proposed amendments. A number of minor amendments are also included in this act to correct typographical or grammatical errors. Again, these amendments are designed to ensure Yukon remains able to attract and retain industry interest, strengthen the ability to protect people and the environment, improve transparency and clarity of information, and make administrative updates to the legislation.

Mr. Speaker, in closing, I would like to emphasize the importance of continuing to improve our legislative framework to regulate and support the oil and gas sector within the Yukon. A stable framework provides for the needs of industry while maintaining government’s ability to responsibly manage resources and provide Yukoners with the potential benefits of development. The Act to Amend the Oil and Gas Act serves Yukon by allowing the Yukon government to continue in its commitment to constantly improve the regulation of our sector while ensuring that Yukon residents and First Nations continue to benefit from the oil and gas sector’s growth opportunities.

Mr. Speaker, the oil and gas sector and the potential in the Yukon is contained to a very small area of the territory. We only have a handful of basins that exist throughout the territory. Right now, we’ve seen activity in the Liard Basin on the Kotaneelee fields. I’ve mentioned on a number of occasions that we’ve seen close to $50 million in royalties generated from those wells in Kotaneelee. There’s currently activity of course in the Eagle Plains area — close to the Eagle Plains lodge in north-central Yukon, just off of the Dempster Highway. It’s my understanding that the proponent has spent close to $100 million on efforts so far. Of course a lot of those jobs, opportunities and benefits flow to locals.

We want to ensure that we can continue to grow this sector, to diversify the economy on what is traditionally a mineral jurisdiction — a mining jurisdiction — but we see opportunities in oil and gas even though the basin and the footprint for these resources is quite small. I believe it makes up — the basins make up only 15 percent of the Yukon land mass and again only a select number of those basins are at this time being actively pursued — the Eagle Plains Basin that we spoke of off the Dempster Highway and then historical activity in the Liard Basin and potential future activity in the Liard Basin as well.

Again, we’re excited by these opportunities to diversify our economy. To move forward with this sector, we’re in a fortunate position, Mr. Speaker, that we can take advantage of innovation and new technology when developing this sector. There is not a lot of historic activity, as I mentioned. Only 76 wells have been drilled in the territory overall. We are excited by the fact that we are on the cutting edge and that we can see much of the potential for this industry in an innovative way. We can move toward self-reliance. We can provide jobs and business opportunities for Yukon and we can diversify our economy.

With that, I will commend this bill to the House. I look forward to hearing other members speak at second reading and look forward to Committee of the Whole and the eventual passage of the Act to Amend the Oil and Gas Act.

Mr. Tredger: I thank the minister for his introduction to the amendments to the Oil and Gas Act. I would also like to acknowledge the briefing we received late this morning where there were several more amendments to the amendments to the Oil and Gas Act that were brought forth after work with the working group that was established in, I believe, 1999, under the Oil and Gas Act — the memorandum of understanding with First Nations.

I don’t share the minister’s view that now is the time to pursue an oil and gas industry. We know that internationally there is a glut of oil and gas in the world. We know that there are established jurisdictions that are shutting down established wells. We also know that much of the world is turning away from oil and gas and turning to renewable energies. In fact, it has been shown that renewable energies create more jobs and more wealth for local people than do oil and gas. We also are aware that oil and gas is based on commodities and that commodities over time become scarcer and will go up in price. We realize that we need energy for our businesses, for our citizens and for our future, and we know that the energy needs not to be based on fossil fuels, but on renewable energies that are working with the environment to create a situation where we can get our energy and not destroy the world in that process.

Right now, leaders from around the world — some of them from the Yukon — are meeting in Paris to look at how we can curb our use of fossil fuels. How can we rid ourselves of our dependence on fossil fuels? To my mind, economically, we are setting ourselves a course that makes no sense. It leaves us in a situation where it increases our dependence on fossil fuels and the use of fossil fuels at the very time that the rest of the world and our federal government are recognizing the need to curtail our use.

Increasingly, there’s talk of a need to put a price on carbon. That is the way of the future. Increasingly, it makes sense to pursue a renewable energy. This desire to grow an oil and gas industry is a desire to return to the answers of the previous century. This is a commodity that is in excess in the south. We are entering into a situation where we will be competing with a mature industry with extensive and very expensive infrastructure.

It’s increasingly recognized that there needs to be a price on carbon. In fact, the IPCC — the Intergovernmental Panel on Climate Change — has said that somewhere between 60 and 80 percent of the known fossil fuel energy must remain in the ground. That’s known. Where is the sense in looking for more when, in order for the Earth to escape catastrophic climate change, we know those assets will be stranded and cannot be burned? Economically we can’t hope to compete against the mature plays in the south where infrastructure has been developed.
Thank you for allowing me to speak to that. The minister raised those issues in his introduction to the Act to Amend the Oil and Gas Act, and I felt I needed to respond to them.

As far as the amendments to the Oil and Gas Act, I want to thank the minister and his officials for recognizing the role and the rights of the First Nations, taking a step back and working over three meetings — I believe they were on November 12, November 18 and November 25 — to work with the memorandum of understanding working group to attempt to resolve some of the issues.

I will speak to that later, but I do want to thank the officials and the minister for reaching out. I also want to thank the First Nation working group for their openness to work with the government, even though the government had proceeded without their involvement.

That openness is particularly important in light of how the table was set. In the 1990s, the territorial government wanted to pursue a transfer, from Ottawa, of control over Yukon’s oil and gas resources. At the time, such a transfer required the formal support of affected Yukon First Nations. In 1996, the Yukon NDP government of the day and Yukon First Nation representatives entered into negotiations and produced a bilateral agreement that set the terms for the devolution of this legislation.

The legislation was devolved and Yukon government of the time recognized that affected First Nations had aboriginal rights, title and interest in the Yukon that were affirmed by section 35 of the Constitution Act, 1982. In recognition of this legislation, this legislation had a section that Government of Yukon would not issue any new oil and gas dispositions in First Nation traditional territories that had not signed a final agreement without their consent. Section 13 allowed the Kaska to have a say on development in their land. In 2012 the Premier, in one of his first moves in office, unilaterally deleted the consent provisions contained in section 13 from the Yukon Oil and Gas Act. The Liard Basin is situated firmly in Kaska territory and it seems that this government was planning as early as 2012 to go ahead with fracking in the Liard Basin and it was already laying the groundwork. The government’s actions around the Yukon Oil and Gas Act are very similar to their actions on Bill S-6 and YESAA. Both stem from agreements negotiated in good faith at a time when relationships meant something to a more transparent and open Yukon government. Now they both have the reputation of having been breached by this Premier.

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

Mr. Speaker, it seems that history has a way of repeating itself, doesn’t it? This fall the government took another crack at amending the Yukon Oil and Gas Act and once again it was done without adequate consultation of Yukoners and Yukon First Nations. This government released a discussion document to consult on the proposed changes to the act. Typically the draft legislation is released so that the public and stakeholders can get an accurate representation of the legislation. The government’s discussion document did not replace the legislation. In fact, it went well short of it. There were items included in the legislation that were not fully contemplated in the discussion document.

The government’s seeming inability or unwillingness to consult on legislation was most apparent in a letter to the minister from the Tr’ondëk Hwëch’in, the Vuntut Gwitchin and the Na Cho Nyäk Dun First Nations. On November 2, 2015 they sent a letter to the Minister of Energy, Mines and Resources laying out their concerns with the legislation and the manner in which they were consulted.

The First Nations highlight that — and I quote: “In this instance, it appears the Yukon government has chosen to ignore its legal obligations. The Yukon government is expediting amendments to YOGA at the expense of its relationship with Yukon First Nations, the terms of the MOA and the legal framework of our Final Agreements.” It is disappointing, but not news, and not surprising that this government was once again able to get it wrong when it comes to negotiating with Yukon First Nations. Fortunately, this government did see that they had made a mistake in not adequately consulting First Nations and held subsequent meetings.

Another aspect of the letter from the three northern First Nations is the concerns that they raised about the intrinsic relationship between oil and gas development and the practice of hydraulic fracturing. The letter states — and I quote: “The Yukon government has disregarded its MOA commitments, distorted the recommendations of the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing, and has been less than transparent with regard to the use of public money to fund baseline studies for the oil and gas industry. These actions gravely concern our First Nations and contribute to our lack of trust and confidence in the Yukon Government Oil and Gas Branch.”

It was made clear during the committee’s work studying hydraulic fracturing that for an oil and gas development to be viable in the Yukon, it would need to use hydraulic fracturing due to the nature of Yukon’s shale. These amendments do not distinguish between conventional oil and gas exploration and unconventional practices like fracking. The Yukon public has said, overwhelmingly, they do not support fracking. There is a clear lack of licence for fracking in the Yukon and that will have an impact on industry potential here.

Benefits agreements with the First Nations are legally required. In previous amendments to Yukon’s Oil and Gas Act, the Yukon Party government has tried and failed to
remove or weaken First Nation rights. First Nations will not support the removal or any weakening of the legal requirement for benefit agreements, prior to permitting oil and gas development. The proposed changes to the benefit agreements’ negotiation process in the 2015 YOGA discussion document did not receive support from First Nations and so this proposal did not make it into the current round of amendments of Yukon’s *Oil and Gas Act*. But comments about the requirements for benefit agreements are included in the “what we heard” document and so warrant debate in the Legislature.

Tenure extension is a very controversial amendment. In the discussion document, one rationale to support the tenure extension and flexibility in determining an appropriate length of extension period is the delay getting legally required benefit agreements executed. Let’s analyze this position. The basic argument here is that tenure should be extended because there are delays in executing benefits agreements. The logic is that the tenure of companies wanting to extract Yukon’s subsurface resources should not be limited by a lack of First Nation benefits agreements, but this logic is fundamentally at odds with the *Umbrella Final Agreement* and Yukon First Nation self-government agreements.

The Yukon Party’s proposed amendment to Yukon’s *Oil and Gas Act* undermines Yukon’s legislative framework, which is one of cooperation with Yukon First Nations. It is not surprising that this proposal was removed because there is no legal support for removing the legal requirement for First Nation benefit agreements. What continues to concern is that the Yukon Party government intends to support the rights of extractive companies to undermine Yukon First Nation rights.

Bear with me for a moment; I just need to catch my notes. There are three changes to the *Oil and Gas Act* amendments that weren’t contemplated in the original agreement: section 68 regarding the benefit agreements, the extension of permit terms, and well abandonment. I’ve spoken to the benefit agreements and the extension of permit terms. The discussion document did not see the provision of unlimited extension at the minister’s discretion. This was inserted. Now it’s my understanding from the briefing today that there has been some discussion with First Nations since that discussion document. I assume from the minister’s statement that the working group did come to some sort of agreement. I will look forward to hearing from the governments of the First Nations that they do support the workings of the working group and that the working group has had time to go to the First Nations and carry on the discussion with them.

The final one was well abandonment. The first line of contact is the representative of the active permit holder and the second line of contact is the working interest’s owner, including the parent companies. Both the permit holders and the working interest owners will both be held jointly and severely liable over and beyond the life of the licence. This is to prevent the liability falling to the taxpayer. My concern is what happens in the case of a bankruptcy or with securities having not been held to follow through on that.

My concern again was that there was no real consultation. I am pleased to see that the minister has ordered his officials to work with the working group and they have come to some resolutions. I look forward to hearing that the consultation has occurred, and I assume the minister has been in contact with the three northern chiefs who wrote him a letter directly and that he has had contact with them and followed up on that letter.

A number of concerns were raised directly with him from the respective First Nation governments. While it is commendable that a working group was brought together and results happened, I would look forward to confirmation from the governments of the affected First Nations — indeed, from all the First Nations — that there has been a resolution to their concerns.

I also would ask in Committee of the Whole whether or not other First Nations have been involved, whether all First Nations have been given explanations of what was going on and their rights, as this developed, and been involved. I know there was some concern expressed from a number of other First Nations when they realized the extent of the amendments to the *Oil and Gas Act* and the changes that were involved. Because there’s potential for oil and gas in many First Nations’ affected areas, I think it would be responsible for the minister to ensure — and assure this House through official notification from the other governments — that they have indeed seen and agreed to the amendments to the amendments, which are designed to allay some of the concerns raised by the First Nation governments.

Having expressed some concerns with that, I look forward to Committee of the Whole regarding some of these questions. I’m hoping that the minister will have had an opportunity to get official support for his amendments to the amendments. I was only made aware of the amendments late this morning. I will be looking at them closely. I’m sure that the working group, which last met on November 21, will want the opportunity to return to their respective First Nation governments and receive the support of those First Nation governments so this can be expedited and the minister can move ahead with these amendments to the amendments to the *Oil and Gas Act* — so we can do so without fear of legal action.

I look forward to hearing from other members of the Legislature on their thoughts.

Again, I must thank the minister for his reaching out to the First Nations and the mandated working group to try to resolve some of the issues that this rather hasty move to make amendments to the *Oil and Gas Act* — that ended up being in the Legislature before it probably should have been and before proper consultation was done.

As I said, I look forward to the opportunity to reflect on the amendments and to talk a number of the First Nations, as well as citizens who do have a concern and who have an interest in oil and gas and the development of the industry in our territory.

I would urge the minister to take the time to get it right, to take the time to ensure that all of the First Nations are in
support of this, to take the time to ensure that some of those people who have expressed concern in the “what we heard” document have had an opportunity to take the time that we, as legislators, have — who were only presented with the material late this morning — and have an opportunity to review and look for the implications and to see what the amendments do entail and to ensure that it is right so that things can proceed as they should.

Again, thanks to the officials and the minister.

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

**Ms. Moorcroft:** Thank you, Mr. Speaker. I have a few words to add at second reading on the proposed amendments to the *Oil and Gas Act*. The minister, in his opening remarks, referred to the Yukon as a “frontier jurisdiction” and spoke about this as a key piece of resource management. The concerns that I have — as my colleague, the Member for Mayo-Tatchun, has expressed — is that the government brought forward these amendments without first doing proper consultation that it should have done with First Nations. My colleague read into the record a letter from the three northern chiefs who had expressed their concerns.

I do want to express my appreciation for the fact that the government did respond to that and did take a step back. After the letter was sent to the Yukon government on November 3, the department took relatively quick action and held meetings on November 12, 18 and 25 with the MOA working group. By holding those meetings, they were able to come up with some additional amendments. I want to thank the officials who provided us with some information late this morning about the amendments before us and the amendments that the minister will be introducing in Committee of the Whole.

Climate change is real. We have, at the very present time, representatives of this Legislature and leaders from around the world meeting in Paris to talk about reducing greenhouse gas emissions at the COP21 conference. By its very nature, resource extraction increases dependence on fossil fuel. That is why there have been significant discussions about the need to turn toward renewable energies and to establish a green economy that also creates jobs and opportunities.

As the participant on the all-party Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing, we heard both from industry and from representatives of the scientific community that the nature of the shale gas basins in the Yukon would require hydraulic fracturing in order to prove those up. As my colleague has said, at this time, when there’s a glut of oil on the world market and when the price is low, it is not the time to be rushing into oil and gas development in a jurisdiction like Yukon, which is even further away from markets.

The Intergovernmental Panel on Climate Change has written about the need to ensure that 60 percent of the known potential for hydrocarbons must remain in the ground. Yukon First Nations have spoken about the fact that they are opposed to hydraulic fracturing being used in the Yukon.

I want to speak for a moment or two about my support for the minister’s statement that we do need better data, and I want to do that in the context of referring to the recommendations that were made by the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing. The recommendations said that the government should respect First Nation final agreements as well. I’ll speak to the data first before I return to that.

There is no question that Yukon requires additional data on water — baseline data on groundwater and surface water, on the impacts and interactions of hydraulic fracturing fluids on groundwater, on the water flow and watershed capacity, and on permafrost. There are recommendations that research be conducted to determine whether well integrity can prevent migration of liquids or gases in the long term.

Mr. Speaker, it’s not sufficient for the amendments to simply require that the industry is responsible in perpetuity. That’s something that’s important but it might be very difficult to execute. The baseline data on what harm may be done if wells do have leaks is something that’s important. Better data is also needed on greenhouse gas and other air emissions. We need air quality baseline data and research done to develop a method to effectively measure and monitor greenhouse gas emissions over the full life cycle of natural gas.

Mr. Speaker, we heard this morning from the officials who walked through the amendments that will be proposed in Committee, as well as the amendments here, that, because of the discussions with the MOA working group, First Nations were now in support of the amendments.

Previously, the Yukon *Oil and Gas Act* had section 17, which established a good precedent for First Nation consent being required before oil and gas development occurred. The Yukon Party, earlier in their mandate, chose to remove that consent provision from the Yukon *Oil and Gas Act*.

Mr. Speaker, these are significant issues that affect the entire Yukon and its public. We are blessed to live in a jurisdiction with a geography of Arctic and subarctic terrain. We have mountain ranges and watersheds and habitat for fish and wildlife and birds. For thousands of years, First Nations have known how to take care of the land. Those values and those principles of how to take care of the land need to be respected when we contemplate any development under the legislation governing oil and gas development in Yukon.

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

**Hon. Mr. Kent:** Just to respond to some concerns raised at second reading by members opposite, I would like to take a little bit of time, first of all, to go through the entire consultation approach that we took with respect to these amendments and provide a bit of an update and perhaps some more detail with respect to the progress and what has transpired to arrive at this state where we’ve moved to second reading.
Again, Mr. Speaker, I wanted to talk a little bit more about some of the activity that we’re undertaking with respect to the oil and gas industry and how we see this is as an opportunity to diversify our economy. This is something that we fundamentally disagree with the opposition on. They believe that the oil and gas industry would not have significant benefits for the territory, economic or otherwise, and it’s something that we certainly disagree on.

Starting with consultation — consultation on the proposed amendments to the Oil and Gas Act and the disposition regulations occurred from July to September of this year. The proposed amendments were to extend the term of a permit to clarify benefits agreements’ provisions, improve well-abandonment provisions and add authority to cancel a licence and other minor amendments. During the 60-day consultation, Yukon and transboundary First Nations, the public, industry and environmental NGOs were invited to provide input and, upon request, meetings were held to discuss the changes.

There were two meetings that were requested by First Nations. The Carcross/Tagish First Nation — Oil and Gas Resources branch staff travelled to Carcross during that 60-day consultation period to meet with the CTFN land management team. A second meeting was requested by the First Nation of Na Cho Nyäk Dun. The Oil and Gas Resources branch travelled to Mayo to meet with the Chief and Council of Na Cho Nyäk Dun. This request was received after the conclusion of the consultation period but, again, branch staff did travel up there to talk to them about specific changes.

The MOA on oil and gas established a First Nation working group in 1997 to work in partnership on the development of a common oil and gas regime for public as well as First Nation settlement land. While this document is not a binding contract, it is of significant political importance and signified a strong government-to-government relationship between Yukon and Yukon First Nations.

The MOA working group itself, as part of the consultation, met on two occasions — at the beginning of the consultation and at the conclusion of the consultation — and then three times since the legislation was tabled — again, a requirement of our Standing Orders to table legislation within the first five days. My understanding is that you can table outside of that period with unanimous consent, but all bills before the House in this current Sitting were tabled within the first five days, including Bill No. 93, which we are discussing here today.

In addition to the formal MOA meetings, Oil and Gas Resources branch has been in regular contact with working group members throughout the process. Although draft legislation was not initially shared with the working group, it was, on October 27 of this year, provided to members of the MOA working group, as well as to Tr’ondëk Hwëch’in, Vuntut Gwitchin and Na Cho Nyäk Dun First Nations.

On November 2, as reference, we did receive the letter from the three northern First Nations with respect to their concerns about the proposed amendments. I instructed my officials to reach out to officials from those First Nations and the MOA working group to initiate further conversation on these amendments — thank you to First Nation officials as well as Yukon government officials for reaching the conclusion that they did, and that will result in the additional amendments that I’ll be tabling during Committee of the Whole.

Again, section 68, which was with respect to the benefits agreements — we dropped that prior to the tabling of the legislation. We had heard the concerns of First Nations during the initial consultation on that particular issue and have deferred any further conversations or developments on that to the MOA working group going forward. It does not appear in this current Act to Amend the Oil and Gas Act.

I just wanted to touch a little bit, Mr. Speaker, on what we are planning to do with respect to oil and gas development. This is a fundamental difference between our political parties. We see oil and gas as an economic opportunity, one that can be managed and regulated properly here in the territory. Although we don’t have significant land areas where oil and gas exist, there still are opportunities. We’ve seen them in the Eagle Plains Basin recently, as well as producing wells in the Liard Basin — in the Kotaneelee fields, which are in the extreme southeast Yukon, of course.

This type of development does remain a part of our economic growth and diversification plan. We see this sector as a way to provide significant benefits and opportunities for Yukoners and First Nations. The path to our self-reliance, we believe, includes safe and responsible natural resource development, and oil and gas is part of that mix, Mr. Speaker.

To date, Yukon has seen very little oil and gas exploration — as I mentioned, only 76 wells drilled. With this in mind, we are taking the time necessary to gather important baseline information and conduct research before further decisions are made.

We aim to seek out objective and balanced information to share with Yukoners, to fill gaps where possible and to explore innovative solutions as we go forward. The Yukon government recognizes that people have questions and concerns, people have requested accurate, readily available information that takes environmental sustainability, safety and economic concerns into account. We’re committed to making the baseline data publicly available and committed to engaging with Yukoners — and in particular, affected First Nations — to ensure an understanding of Yukon government’s position regarding oil and gas development.

When it comes to First Nation relations, we’ll work government to government with our First Nation partners to discuss their concerns around oil and gas development as well as the opportunities that development could provide for their communities. We will work in partnership with them in the development of this industry, and we’re committed to obtaining the support of First Nations before we permit development of our unconventional resources that we’re targeting in the Liard Basin.

I have mentioned previously that those First Nations include the Kaska First Nations — Liard and Ross River are the two Yukon Kaska First Nations, and there are three in
British Columbia — as well as the Acho Dene Koe. They are a First Nation based out of Fort Liard in the NWT but they have asserted claims in asserted traditional territory that covers the Liard Basin section in the extreme southeast Yukon, so of course, we’ll be working with them as well.

When it comes to public engagement, we’ve been working to address the 21 recommendations of the select committee, including one calling on the government to lead an informed dialogue on oil and gas. We will be encouraging this dialogue through the use of various tools, but primarily through the use of our oil and gas website. As well, we’re planning on creating a Facebook page and other social media opportunities to talk about oil and gas topics in a moderated sense — where we can talk not only about opportunities in oil and gas, but innovation and topics of self-reliance, building an economy and an opportunity here in the Yukon where we can start to become a net contributor to the country as a whole through the responsible development of our natural resources, as well as looking for opportunities in other industries to continue to grow what we want to see here in the territory for economic development.

We will be encouraging this dialogue through the use of these various tools, and our goal through that is to lead a discussion that is tolerant, respectful and inclusive of all views, where all Yukoners have an opportunity to participate in the process. We will work to build understanding between the disparate views that exist among Yukoners and really focus on what has become a mantra, which is a zero tolerance for misinformation. We want Yukoners to be able to make an informed decision when it comes to whether or not they support or whether they do not support the development of this type of resource going forward.

Our oil and gas resources on the economic benefits side represent an opportunity that could provide heat and energy to our homes and business and, as such and as part of the select committee recommendations, we’ll undertake an economic study of the benefits of various development scenarios for the Liard Basin.

Harnessing our resources for public benefit means proceeding carefully, objectively seeking answers to tough questions, and managing development so that communities realize the most benefit possible while minimizing environmental impacts.

With respect to baseline data — we’ll be sharing all baseline data engaging Yukoners to develop our position with respect to oil and gas resource development. This baseline information, new innovations in drilling and production technologies and the evolving practices of regulations in other Canadian jurisdictions will be incorporated into our work over the coming years to ensure the most relevant data is collected and used to underpin best regulatory practices.

We are the only jurisdiction in Canada to invest in such multi-disciplinary baseline data collection in advance of development. That’s something that speaks to our ability to proceed — to go slow, I guess, is what I am trying to say — where there is no one banging on our door right now to develop. Commodity prices are in a situation right now where there is not a lot of pressure on Yukon to develop our oil and gas resources. We can take the time to get things right, ensure there is a proper regulatory system in place, ensure that the baseline data is in place and make sure that we can maximize the local benefits that come from this industry.

We recognize that we have a long and celebrated history of being a mining jurisdiction. We don’t have as long a history of oil and gas development, although the early drilled wells go back to the 1950s and 1960s. I think that snapshot of what we saw in the Kotaneelee fields with the producing wells and the infrastructure that exists to get that natural gas to market suggests that, from royalties alone, we stand to benefit significantly. We can use those royalties, as I’ve mentioned a number of times, of between $45 million and $50 million — $10 million of which was shared with First Nations — to provide opportunities and make investments in things that are important to Yukoners, including our education system, including our health care system, and including making significant investments in infrastructure that will benefit Yukoners not only today but moving forward decades into the future.

Our action plan on oil and gas development, to summarize, includes the public engagement, additional First Nation engagement, and technical studies and baseline data collection around the Liard Basin, in particular. We are excited about being able to move forward on that. As I mentioned off the top, this is certainly something where we disagree with the NDP Official Opposition as well as the Liberal Party. Their idea for oil and gas development is certainly different from what we want to proceed with. We believe that in order for us to have economic success we need to grow the economy as a whole. We don’t need to pit industry versus industry, as the Leader of the Official Opposition often would have us do. We don’t need to pick winners and losers. We can ensure that those Yukoners and, particularly, those young Yukoners who are in high school right now or in elementary school, can look to us as leaders to provide opportunities so that they can choose to work in the field — in the natural resource development sector — or they could choose to work in tourism or they could choose to work in the knowledge industry or the public sector. We want to provide as many opportunities as we can.

The unfortunate part about the NDP’S suggestion is that we need to have winners and we need to have losers in this Yukon economy, and we certainly don’t see it that way. We think that we can bring benefits across the board. As I’ve mentioned, I have family members who are actively engaged in the mining industry, and I want to see them have opportunities going forward. I also have family members who are in the hospitality sector, and I want to see them with opportunities to improve their businesses and their fortunes as well.

Again, when it comes to a plan for economic diversification, I’m proud to be a member of the Yukon Party and part of the Yukon government that sees opportunities across a multitude of sectors, rather than just the narrow focus of the New Democrats, when it comes to some strange plan
for economic diversification that means the elimination of certain industries. I don’t understand what they’re talking about when they say “economic diversification”, but we can’t have oil and gas and we can’t have responsible mining. It’s really discouraging and disappointing to hear that type of rhetoric coming from the New Democrats on a continual basis. We’ve seen it time and time again throughout this current Sitting of the Legislative Assembly.

So with that, Mr. Speaker, I will wrap up my remarks. I look forward to further discussions on the Act to Amend the Oil and Gas Act in Committee of the Whole and moving on to third reading and the eventual passage of this bill. I again thank members, not only on the government side for their support of the amendments and the process we undertook to get to those amendments, but I also thank those First Nation officials and officials in Energy, Mines and Resources and Justice for their hard work in helping us get to a situation where I am able to introduce some amendments that officials of the MOA working group and other First Nation government officials have endorsed.

Motion for second reading of Bill No. 93 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. McLeod): Committee of the Whole will now come to order. The matter before the Committee is continuing general debate on Vote 7, Department of Economic Development, in Bill No. 20, entitled Second Appropriation Act, 2015-16.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: 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 continuing general debate on Vote 7, Department of Economic Development, in Bill No. 20, entitled Second Appropriation Act, 2015-16.

Department of Economic Development — continued

Hon. Mr. Hassard: Thank you, Madam Chair. I would just like to take a moment to welcome Deputy Minister Terry Hayden, as well as ADM Steve Rose joining me here today to help answer all of the tough questions that we’ll be looking at.

Madam Chair, when I left off last time, I was just about to talk about small business development. Of course the department supports a variety of small- and medium-sized businesses through its funding programs and provides opportunities for business development as well as market expansion. This budget requests funding of $53,000, which will support projects such as the Yukon Chamber of Commerce to continue its daily operating and delivery of programs and services. The Yukon Chamber of Commerce remains a valued partner in the department’s efforts to support Yukon businesses and overall economic prosperity.

In the investment and attraction initiatives, the supplementary budget request of $30,000 will allow us to continue to promote our mineral exploration and development potential in partnership with the Yukon Mining Alliance to national and international interests while attending various investment forums in Europe, North America and Asia; as well as working toward enhancing the investment climate in Yukon by investing in infrastructure required to attract investment in the mining sector.

In the technology and telecommunications department, the supplementary budget is requesting $110,000 for technology and communications projects. Of course this government understands the importance of fast, affordable and reliable broadband services for Yukon’s social and economic prosperity. This supplementary budget request includes support for the diverse fibre link project. Of course we’ve had a fair amount of discussion about that. This is to provide the best option for an alternative fibre link to make communications disruptions much less of a headache than they have been in the past. This funding will assist Government of Yukon to choose the best option when talking about going with the Dempster route, as we have decided. It also includes funding for Bell to continue the expansion of 4G cellular services. The investment in the next generation 4G cellular service is making it possible for residents in every Yukon community to be able to use smartphones, making it easier for individuals and businesses throughout Yukon to take advantage of the social and economic opportunities available through smartphone technologies.

4G cellular service is currently available in Burwash Landing, Carmacks, Dawson City, Faro, Haines Junction, Ibex Valley, Marsh Lake, Mayo, Old Crow, Pelly Crossing, Ross River, Tagish, Takhini Hot Springs, Teslin, Upper Liard, Watson Lake, and Whitehorse. Additional service is scheduled to be available in Beaver Creek in 2016 and service to Destruction Bay and Stewart Crossing is scheduled for completion in 2017. That means that by sometime in 2017, 4G cellular service will be available in all Yukon communities.

The department also supports an inclusive and comprehensive approach to developing regional economic interests. In this respect, the department is requesting $1,409,000 for the following Regional Economic
Development branch-related projects: $153,000 will go toward revotes for the regional economic development fund projects not completed by the 2014-15 fiscal year-end. Some examples of those projects to be funded include: $5,000 to support the Selkirk First Nation to complete a household survey on the socio-economic impacts of the Minto mine; $30,000 in funding for the City of Whitehorse toward the development of its economic development strategy; and $9,146 to support the Village of Haines Junction for a rural development workshop. Projects that are eligible under this fund include: business feasibility analyses; implementation of a municipal economic development strategy; due diligence on a potential First Nation business acquisition; and help for a community to maximize the beneficial economic impact of local capital projects, as well as attendance at networking and educational events related to economic development.

From April 1, 2015 until September 28, 2015, 13 projects from Yukon communities were approved for regional economic development funding for a total of $403,863. Since its inception, the fund has invested over $4 million in 254 Yukon projects.

Madam Chair, $1.106 million will go toward revotes for the community development fund projects that are not completed by the 2014-15 fiscal year-end. The primary goal of the CDF is to support projects and events that provide long-term sustainable economic or social benefits to Yukon communities. Some projects requiring support include: $14,842 for the Boys and Girls Club to complete renovations to their existing building; $11,500 to the Northern Cultural Expressions Society for the development of a governance structure that reflects the vision and mandate of the society; and $5,714 to the Granger Community Association for updates and an improvement plan for the Granger park.

From April 1 of this year until August 14 of this year, the Yukon government has approved over $2.7 million in funding toward 47 projects throughout the territory. It’s also interesting to note that, since 2003-04, the department has provided just shy of $38 million toward 1,155 community-related projects.

The total for the Regional Economic Development branch funding also includes $150,000 for funding toward the north Yukon READI pilot project. The north Yukon Regional Economic Action Development Initiative, or READI, is a pilot project that will provide support and advisory services to north Yukon businesses and will be delivered by a north Yukon regionally based agent. The goal of this project is to provide more responsive services to businesses in north Yukon, building on the region’s capacity, knowledge base, and project and resource planning. As previously mentioned, these funds will be transferred from previously approved funding for the Business and Industry Development branch budget.

On the capital side of the budget, we are requesting additional funding in the amount of $10,000 to continue supporting work already underway by Dana Naye Ventures for the delivery of the business development loan program. That is a loan that improves access to capital for Yukon businesses.

In conclusion, Madam Chair, through this supplementary budget we’re continuing the department’s work toward growing Yukon’s economy. We are creating Yukon opportunities and providing the tools that Yukon businesses and communities need to take advantage of them.

Yukon’s traditional economic pillars are mining and tourism. We continue to build on those strengths through our investment-attraction initiatives. We’re expanding our economy through the growth of small and medium enterprises, diversifying in such sectors as film and sound, and investing further in northern regions and community initiatives.

These are just a few examples of progress we are realizing as we pursue our mission to assist our partners in building a prosperous Yukon economy by creating and fostering development opportunities.

With the resources identified in Supplementary Estimates No. 1, 2015-16, the department will continue contributing to a healthy economy and a high quality of life here in the Yukon.

Ms. Stick: I am pleased to rise and speak to this department in the Supplementary Estimates No. 1. I would like to thank the officials for being here with us this afternoon.

When we talk about the economy in the Yukon, over the last three years there have been some troubling developments, and we see that. We’ve watched our annual surplus continue to shrink. Even in this budget, the annual surplus has dropped so that we end up with $4.613 million. We can take a look at the GDP and our track record there where we have watched it shrink over the last number of years until we would be considered to be in a recession. Even our tax revenues are declining from this spring from when the budget was tabled in all areas except for property taxes, grants-in-lieu and the Liquor Act.

When we look at our economic projections, we are looking at more trouble ahead if we look at different reports, including the Conference Board of Canada’s territorial outlook that came out in October, 2015. A few of the highlights from that include comments on the difficult three years of the Yukon economy, the decline in the real GDP in 2013-14 and the expected continued drop in 2015. It does reference public funds being invested in health facilities, schools and other infrastructure, and it credits the largest capital budget in territorial history as helping to keep the economy afloat. But all things considered — and this is a quote: “All things considered, this year will once again be difficult for the Yukon economy with the decline in the RGDP expected in 2015.” Mining, we know, is depressed. Resource prices continue to fall, and as a result we see exploration remaining depressed. We’ve seen mines close — some going into receivership. The point is we have one mine, Capstone, the only operational mine at this point.

The Conference Board further recently projected that mining production in the Yukon is expected to drop by 23.7 percent in 2015. I am taking this from the report that came out in October of this year. In the past, the government has used
high commodity prices to bolster the economy. While those prices remained high, what we didn’t see happening was real work on diversifying the economy for times such as these when commodity prices are so low. With an undiversified and struggling economy and no new mines in the near future, the government is spending record levels of public money to shore up the economy, and we see that in this capital budget of this year.

What we haven’t heard, though, is, if we should see mineral prices rebound — as they will at some point — what the government is doing to diversify the economy now and to make it stronger so that it will carry us through a future downturn. We know this industry goes up and down. That’s the way it works, so what we will be looking for is some comments on diversification in industry.

We’ve been clear, the NDP, that we welcome any mining company to the Yukon so long as they follow the rules, employ Yukoners, benefit Yukon businesses and clean up when they leave. We heard the minister earlier today talk about mining and that this is something we do not support, but that’s just not true, Madam Chair.

We hear from this government about building a Yukon where it’s the best place to live, work, play and raise a family, but we haven’t seen support for these claims when we continue to see a housing market that rises, rental rates that are still on the increase, vacancy rates once again dropping and record personal debt loads — not just here; this is certainly a Canadian problem.

One of the pieces of information I was able to pick up was that Canadians today owe $1.63 credit market debt for every dollar of disposable income, so our personal debt is reaching unsustainable high rates. It should raise concerns for all Yukoners and for this government, as we even outpace other developed countries in terms of this.

Tourism is a very important economic driver for the Yukon but, again, we have seen since 2013 that the Department of Tourism and Culture visitor tracking program estimated that there was a decrease. On this, the Conference Board of Canada also reported that this should be a good opportunity. With lower gasoline and fuel prices and a weaker Canadian dollar, we should be sure to see an increase. So we are hoping that will happen and that more will be done to encourage tourism in the Yukon.

The other issue that has come to our attention has to do with local procurement but, in particular, the agreement on local trade. In September of 2015, the Whitehorse Chamber of Commerce wrote a report on what we heard and some of their concerns of what was going on with negotiations. I would just like to highlight a few of those because I think they were feeling frustrated that they weren’t involved in this and had been left out.

They spoke to that, saying that in order to build the private sector in Yukon and create jobs and capacity here, the Yukon government needs to support Yukon businesses by creating a level playing field. In this House, we’ve asked questions during Question Period about the business incentive program — the numbers for that — and how can we strengthen that when looking at local procurement and contracting that this government does. This is an opportunity for this government to really involve local businesses and be sure that they’re benefiting from many of these capital projects.

The local business community felt left out — that there’s someone at the Agreement on Internal Trade who’s negotiating on their behalf and yet has not come and spoken to business about what they would like. We need to level the playing field with southern companies in order to develop capacity in the Yukon. There were some comparisons made to what happens in the Northwest Territories and whether theirs or ours were better or stronger in terms of supporting local business.

I just want to quote from this one conclusion that the Chamber of Commerce had in their report and it was: for Canada as a nation to maintain a northern presence, Canadians must live and work in the north. To work here, we need more than government employees; we also need a private sector. Our economy is small; our distances are great — all of which means that Yukon businesses are likely to have lower revenues and higher costs. That is a reality that Canada must face up to if it wants to plant the flag in the north.

From this report, Madam Chair, what I really heard is that the chamber and businesses were looking for stronger representation and to be involved in the negotiations that were going on with the Agreement on Internal Trade and wanted to be kept up to date on what was happening. They feel they have, not only an interest, but some ideas, and need to have their voice heard.

There were a few things that I will ask — just simple questions at the end or after — if the minister wants to speak to any of those issues I’ve raised, but I do have more questions. I will just leave it at this point and let the minister respond and then I’ll come back to this.

Hon. Mr. Hassard: There was a lot there. Let me work on it. Hopefully I touch base on all of it, but if not, the member will have to remind me of what I missed.

GDP — we understand that mining is the cornerstone of our economy and I don’t think that’s a secret to anyone. Mineral prices throughout the world are down so naturally things are going to be down in the Yukon. I don’t think that anybody can argue with that. The one bright side to the economic overview that the member talked about was that our GDP is forecast to grow in 2016. We do understand that things have been slow. There has been a downturn in the economy, but things are turning around.

She also talked about no new mines in the near future — and I guess I have to disagree with that to a certain degree. I mean, just in the past few weeks we have seen public announcements from Wellgreen, which received somewhere in the neighbourhood of $11.5 million in private financing, and Kaminak, I believe, was just over $20 million — I believe it was $22 million, but I could stand corrected. I think things are turning around. I think the mining sector is starting to change and there is a bright future, as far as I’m concerned.
That’s why this government has the vision to invest in education and infrastructure. Energy, Mines and Resources is working on a mine licensing initiative project. Those, Madam Chair, are all in anticipation of a turnaround in the future and we need to be prepared so that, when that turnaround does come, the Yukon is in the best possible position to move forward.

The member opposite talked about other ways of diversifying the economy. It’s interesting, considering that before this conversation started, we were discussing oil and gas. I see that as a definite positive in diversifying the economy. I don’t believe that the members opposite agree, but it’s all part of the fun of being government, I guess.

In terms of housing, I have spoken many times in this House about the work that the Yukon Housing Corporation has done in terms of housing — the lists go on and on — with over $100 million in new housing projects since this government took over. I don’t think there is any point in spending a lot of time on that. We have debated housing in the Legislature here already.

In terms of tourism and procurement, I probably would leave those alone. I believe that tourism is up on the slate today after Economic Development, so the member opposite can bring questions to the Minister of Tourism and Culture. Questions regarding procurement — I believe the Minister of Highways and Public Works has answered a lot of those questions and will continue to answer those questions.

In terms of the business incentive program, the Leader of the NDP and I have had this discussion on the floor of the Legislature in the recent past. Some people say, as the member opposite mentioned, that we should go more to the style of BIP in the Northwest Territories. Of course, we know that is impossible. The Northwest Territories’ BIP is different from ours and it was grandfathered that way. I mean, there is no chance of us ever moving to that model so that’s out of the question as well.

The BIP program — I talked last week or the week before about how many dollars the program has put back into local businesses. Of course, it is a program that you have to apply for. It’s not a mandatory thing. It’s not something where the government goes through contracts and hands out the money. If people don’t apply for it, obviously we don’t reimburse them any money. There has been a lot of debate about how best the BIP should be run. It is one of those subjects that I’ve spoken to several contractors about, and I get several different responses on what is the best way to move forward. The government continues to look at these programs and try to determine the most effective way to administer them to give the most benefit to Yukon businesses.

In terms of AIT, the government tries to consult with as many people as they can on as many issues as we can. I mean, that’s our job. We’re here to talk to people and listen to people and try to determine the best way to move forward on all fronts, not just on AIT. That’s why, just in the past few days, the Department of Economic Development has met with both of the chambers here in Whitehorse — the Yukon Chamber of Commerce as well as the Whitehorse Chamber of Commerce — to talk about this exact thing and get their input, ideas and concerns so we can make the best decision possible to move forward.

Of course, it’s always important to remember that the government’s job isn’t to create an economy. In my opinion, the government’s job is to provide an environment so that the private sector can succeed.

I think I touched on all of the member opposite’s topics, but if I haven’t, I guess she will let me know and I will see what I can do.

**Ms. Stick:** I want to go back to one of the things the minister was speaking to previously, which had to do with telecom and the provision of 4G in the communities. That is a good thing — to have those services available.

I had a couple of questions and comments, because we’ve heard back from some of the communities where, in fact, with the 4G coverage, it doesn’t cover the same area that it used to. Some people are having more difficulty in being able to use their cell phone because the cellular service is not reaching out as far as it did previously.

The other question going along with this is that one of the areas close to town here that does not have the coverage it used to is around the Annie Lake area.

There was a tower out in that area that was taken down and nothing has been put in to replace it. So there’s a stretch between Carcross and Whitehorse where there is no coverage for cell. I’m just wondering if that’s going to be rectified.

It’s not just that community; it’s also other communities we’ve heard from. We’ve heard from Teslin, we’ve heard from Carmacks and we’ve heard from people in Tagish that there is this new service, but where it once was, it no longer reaches their residences.

If I could have a comment from the minister on that please?

**Hon. Mr. Hassard:** I’ll touch on the last one first. It is the telecommunications company’s decision to install or remove towers. If they feel it’s not economical or it’s not being utilized, then I guess they would remove one or install one somewhere they felt it was more important.

In terms of the 4G service as opposed to the CDMA phone, she’s right, the technology doesn’t have the same reach in the 4G service, but of course it has a much more robust technology so we get a lot more width. When we have service, we have a lot more options, I guess is one way of putting it. I know you mentioned Teslin and Tagish. I know that recently the services improved dramatically along the highway. Not that I was using my phone while driving, Madam Chair, but my phone now rings in the past few weeks where it never rang before, I’ll put it that way.

We definitely have seen improvement out toward my neck of the woods. We’ve been here for the past few weeks, so I haven’t been out and about as much as I would like to be, so I don’t know in other communities how it has been affected lately.

**Ms. Stick:** If we’re working with the provider of these services, it’s wonderful that there’s more service and broader band and all of that, and that’s great for those who get it, but
for the ones who had it previously and now don’t, is this government looking at ways to provide service to those individuals who had service and now don’t have that cellular service? In fact, if possible, they have to go back to depending on landlines once again. We recognize now that landlines are becoming less of a — more people have never had a landline and have just had cell. What remedies is this government looking for?

**Hon. Mr. Hassard:** Of course, the government continues to look at ways to make everything better. It’s interesting that the more we wish for — a year ago or two years ago, everyone wanted to have 4G service and to get rid of the old stuff. Of course there are costs with everything. We know that the technology is different. The technology doesn’t have as far a reach. Sometimes we have to make trade-offs on things. As we continue to move forward and we continue to look at better ways of providing service, we look at better ways of giving people what they need, I guess. We are always looking at ways of advancing things and will continue to do just that. Of course, service is a customer relations issue and we continue to work with the provider and encourage them to look at new and better ways of providing that service to the customers as well.

**Ms. Stick:** Unfortunately, I don’t think that is going to help those who had cell service in their residence in the communities and now don’t have it. For them, it’s not an improvement; it’s going backwards. I would hope that there would be a stronger or better response in terms of how this will be addressed because it does impact a lot of people. Like I say, if they depended on cell service as their form of communication and now, no longer are they able to access it in their own home, then they are looking at other options like landlines, which people are trying to get away from. Well certainly, Madam Chair, younger users of landlines are getting away from them.

I just wondered if we could have an update on how the negotiations are going with the *Agreement on Internal Trade*. What are the government’s goals for these negotiations?

**Hon. Mr. Hassard:** I just have to go back to the 4G service question for a second. I don’t think that anybody would ever find it economical to run both systems. I think the telecommunications company has to make a decision at some point on which is better and which is going to provide the best service for the most consumers.

On the *Agreement on Internal Trade*, of course the 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*, focused on the areas of government procurement, goods, services, investment, technical barriers to trade, and regulatory cooperation. Of course, it’s a 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.

**Mr. Tredger:** Last week in debate on Energy, Mines and Resources, I asked the Minister for Energy, Mines and Resources a question and he directed me to the Minister of Economic Development, so I’ll repeat the question here.

The Auditor General of Ontario recently released a report. In it, he questioned the ministry’s marketing strategies as perhaps being ineffective — and this was for the mining industry — so it has led to a question; How much is Yukon spending on marketing the mining industry?

I know the Premier, ministers and other members of the Legislature, as well as department officials, have gone to a number of conferences and trade shows and done fairly extensive lobbying. There has been considerable time and money spent in partnership with the Yukon mining chamber of commerce. I noted recently at the very successful Yukon Geoscience Forum that there was increased industry involvement, and there are new publications, new programming and new marketing programs out. I know that the marketing at the annual Cordilleran Roundup in Vancouver is well-attended by Yukon departments and we sponsor a number of events there. Yukon Night is back this year. Many of these have been, by word of mouth, relatively successful and I know that the mining industry appreciates it.

My questions for the minister are: Who are we targeting with this? Are we targeting investors or miners? How successful have our interventions and the junkets been? Do we have a way of determining the success? Is there one method that has been particularly successful? How does the government evaluate the effectiveness of the dollars we spend on marketing mining? What feedback has the minister received? Will the minister produce a report, or has the minister received a report, outlining the total costs across the government, targeted audience, and audiences’ expenditures and determinants of success? If the minister has received such a report, will he share it with the Legislature? Further to that, what mining NGOs and chambers are supported with public funds, and what is the total cost to the Government of Yukon for that?

**Hon. Mr. Hassard:** There was a lot in that so I’ll try to get as many of them as I can.

In terms of a report, Economic Development is principally responsible for the investment part of it. We haven’t gone across all of the other departments and got those numbers. We do know that: for Roundup for 2016, our budget is $51,725; Cambridge House is $30,000; and PDAC in Toronto is $70,000. The goal of the investment attraction is to enhance the development of Yukon’s private sector economy. Attracting external investment to investment-ready sectors is one of the government’s strategic focuses and, of course, mining is a major one of those sectors. The department’s continued focus for the past number of years has been to promote investment in several key markets around the globe, and part of that focus includes showcasing Yukon on the global stage by making presentations to investors at several key investment conferences such as China Mining and Money.
Mr. Tredger: I thank the minister for that answer. Other than anecdotal evidence, does the minister have any reports, or any feedback? How is he determining whether or not the money spent is effective?

The other part that I would ask the minister is — he spoke for a number of initiatives in his department. Is he responsible for, or does he track, what other departments are spending in terms of promoting the mining industry or any other industry?

I assume that the silo — that one department and the other department would know what they’re spending so that their department doesn’t overlap and become redundant.

Is it the Minister of Economic Development who would have the overall strategic plan that would put investments into, in this case, the mining industry — but could it be another industry? Because the Auditor General had pointed it out, I’m wondering: How do we determine how much money we’re spending across the board and its effectiveness?

Hon. Mr. Hassard: Any time that we’re doing any of these promotions, we work very closely with the other departments so that we aren’t doing things that are duplicating what we’re doing. It’s very important. If we’re going to be successful, we need to go there collectively and have a single focus.

In terms of monies, the total that Economic Development spent last year with the YMA was just south of $270,000 and YMA attributes just over $10.4 million of the investments directly to what Economic Development spent on the investment attraction. We’ve determined that for every dollar invested by Economic Development, Yukon receives $38.75 in investment in return.

Mr. Tredger: When the minister gave me the figures that Economic Development spends for the Cordilleran Roundup, does that include salaries and does that include what other departments have spent?

Hon. Mr. Hassard: That’s just our budget for that particular event.

Mr. Tredger: Is the minister aware of whether other departments spend money to support mining at the Cordilleran Roundup?
importance, how do we determine the strategic plan’s effectiveness and who is in charge of that?

Hon. Mr. Hassard: Through the YMA, all participants report back to us. Over the past few years, we have seen over half a billion dollars in foreign investment coming here to the Yukon. I hope that answers the member’s question.

Mr. Tredger: One final question on this. I am wondering if the minister would commit, since other departments are keeping him informed of costs spent, to giving the Legislature a report that outlines the total amount of money the Yukon government, across departments, is putting into promotion of the mining industry. How have they determined what’s effective and what’s not? What’s guiding their decisions for the coming budget as to where we can effectively put our money?

Hon. Mr. Hassard: As I have said before, Economic Development is in charge of investment attraction. I don’t think I would commit to my department going out and trying to get all of the information from every other department to do what the member is talking about.

Mr. Tredger: Is the minister aware of anyone in the government who is tracking that, and would they share a report?

Hon. Mr. Hassard: I am not aware of that through my department or through myself, but I guess if someone else wanted to stand up and answer that question, they certainly would be more than welcome.

Mr. Tredger: One final question on this that I had asked earlier — and the minister may have answered it, but I was busy writing something else down. Does the minister have a total for the amount of money that the Yukon government is putting into mining NGOs and chambers that support the mining industry in Yukon?

Hon. Mr. Hassard: I don’t have that information with me at this time, but I can commit to providing that to the member opposite.

Mr. Tredger: Thank you. I appreciate that answer and look forward to getting it. Earlier in the day, the Minister of Energy, Mines and Resources said that the Yukon government was considering allowing hydraulic fracturing in southeast Yukon as a means to diversify the economy. He said that they were working with the First Nations and would proceed with their approval. Is the Minister of Economic Development, who mentioned the oil and gas industry — would the minister say that as part of a diversification process, we are considering hydraulic fracturing?

Hon. Mr. Hassard: Of course the Department of Energy, Mines and Resources is completing an assessment of the unconventional oil and gas resource in the Liard Basin, anticipated to be completed in 2016. Once that assessment is complete, the Department of Economic Development will undertake its analysis of the economic impacts of potential future development.

Mr. Tredger: So at this time the Yukon government is not considering hydraulic fracturing in southeast Yukon?

Hon. Mr. Hassard: The role of Economic Development is to undertake an analysis of the economic impacts, once Energy, Mines and Resources has completed their assessment — that’s the role of Economic Development.

Mr. Tredger: The minister spoke earlier of the advantages of the oil and gas industry and the need to expand it as a method of diversifying the economy. I’m not sure how that fits in with his saying that their role is not to promote a particular industry.

Hon. Mr. Hassard: I guess I don’t understand the question. As I said before, Economic Development’s role with hydraulic fracturing is, once the assessment is complete, through Energy, Mines and Resources, we will undertake the analysis of the economic impacts of potential future development.

Mr. Barr: I had brought up some questions in Tourism and Culture and it was suggested that possibly the Minister of Economic Development could answer a couple of these. Through the Department of Economic Development, are you providing — I heard from the executive director — a number of feasibility studies in support of a travel guide for First Nation art, branding and PR campaign and production development workshops in the communities? These are all initiatives that we perhaps — not within the Department of Tourism and Culture — do, but can the minister update this side of the House on these?

Also, the Department of Economic Development and the Yukon Arts Centre had commissioned a study to determine how many Yukoners make all, or part, of their living from arts and culture. I understand the last major study in Yukon’s cultural industries took place in 2004. Could we have any updates on that?

Hon. Mr. Hassard: The Department of Economic Development has issued a request for proposals to conduct a study to measure the size and impact of Yukon’s cultural labour force, and the report is intended to update a report that was completed in 2004 and use the two studies as a way to identify, measure and help address challenges facing the industry as they continue to grow.

The project is done in conjunction with the Yukon Arts Centre and has benefited from the assistance of a steering committee comprised of representatives from various cultural sectors. Following a competitive process, the contract was awarded to a local contractor and a draft report was reviewed by the committee in September 2015. The next steps will be to provide a detailed list of edits and concerns by section to the contracting team to address in the final draft.

The objective of the steering committee is to have a high-quality report finished sometime in December 2015, so I have not seen that report yet but we’re hoping that it comes soon.

Mr. Barr: Will the member opposite make that available to this side of the House when it comes out?

Hon. Mr. Hassard: Of course, obviously the department needs to look through it before it goes out, but it will be out in due course.

Ms. Stück: I’m not sure if this question is the right one for this minister, but I will go ahead and ask it. There is a new office building being built on Alexander between Third Avenue and Fourth Avenue, and I understand it is going to be
a consolidation of the Economic Development offices around town. My question would be: Will there be a cost-savings to the department with this consolidation? The second part of that question would be: How many leases will end, and is there any payment that has to be made for those leases that will be ending for the consolidation?

Hon. Mr. Hassard: The answer to the first part of the question is, yes, there will be space in that building for the Department of Economic Development, and, yes, it is to consolidate staff from different offices throughout the city, but I believe it is probably best to ask the Minister of Highways and Public Works in terms of how many dollars and how many units, et cetera.

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

We will then go on to line-by-line debate.

On Operation and Maintenance Expenditures
On Business and Industry Development
Business and Industry Development in the amount of $750,000 agreed to

On Regional Economic Development

Ms. White: Can I please get a breakdown of this line item?

Hon. Mr. Hassard: That’s revotes approved for the following projects not completed by the 2014-15 fiscal year: Regional Economic Development fund projects, $153,000; Community Development project funds of $1.106 million; and the internal transfer for a transfer from Business and Industry Development for funding of the north Yukon READI pilot project. I talked about those in my opening remarks — if there are any other questions.

Regional Economic Development in the amount of $1,409,000 agreed to
On Total of Other Operation and Maintenance
Total of Other Operation and Maintenance in the amount of nil cleared

Total Operation and Maintenance Expenditures in the amount of $2,159,000 agreed to

On Capital Expenditures
On Business and Industry Development
On Dána Náye Ventures Business Development Program
Dána Náye Ventures Business Development Program in the amount of $10,000 agreed to

On Total of Other Capital
Total of Other Capital in the amount of nil cleared

Total Capital Expenditures in the amount of $10,000 agreed to

Department of Economic Development agreed to

Chair: We’re going to move to Vote 54, Department of Tourism and Culture, in Bill No. 20, entitled Second Appropriation Act, 2015-16.

Do members wish to take a brief recess?

All Hon. Members: Agreed.
and continuing to build on growth in our key gateway cities of Vancouver, Calgary, and Edmonton.

There is another new product — I see that Air North has partnered up with a number of different entities, marketing the culinary experience later — I believe it’s next spring in the territory, again, really taking advantage of the air access but being able to take advantage of some of the culinary talents that we have here in the territory and all of our respective products over the years.

So we are very pleased to be able to speak to the supplementary budget and I look forward to questions from the members opposite. I just want to thank again our officials for joining us here this afternoon in the Assembly and to thank also our Department of Tourism and Culture — the whole team — throughout the territory for their ongoing work in collaboration with the tourism and cultural industries in the territory. It’s a very engaged group of individuals — very passionate about what they do. Tourism has and remains a key economic generator and contributor to our economy. We want to build on those statistics in terms of GDP and in terms of total revenues accrued from each of our industries housed and to be able to build upon those sectors and there are lots of opportunities. There is a lot more work to be done — there always is — but we believe that we have all of the key elements in place.

With that, I will sit down and I certainly look forward to entertaining any and all questions from the members opposite.

Mr. Barr: I would like to thank and welcome back the officials. It’s always nice to see the folks here and it’s always great to be able to stand up and talk about tourism and culture in the territory.

I know we did have quite a bit of discussion already in November and I understand the Leader of the Third Party had several questions, as I was not in the House on that afternoon and I was unable to be here for part of that, but I did want to thank the minister for putting forward the tribute today for those who brought home awards and those who were finalists in the awards today. It was great to see folks in the House and recognized. I did hear that commercial this morning and I do have some here.

I’m going to go to the hot springs. I’m kind of vertically challenged, but I might be six foot six if I can get my hair spiked up and frozen, so I think it’s going to be fun. I encourage everybody out there to get out to the hot springs. I see one of the officials here — my spike will be very much larger than theirs. Anyhow, I think that’s a fun thing to do. People get together and do some antics in the Yukon — it is light and it’s great. I plan on doing that this winter at the hot springs, at the pools there, and I would just again thank the minister for the tribute on behalf of all members of the House. It was very good.

I would also like to say how much I appreciated being part of the Yukon First Nations Culture and Tourism Association Sharing Our Stories conference, which the last time we were up for debate had been encouraging all to attend. I know that members on the opposite side of the House did attend much of that conference.

It was a huge success and there were, I believe, 175 registrants, including representatives from every Yukon community. What was striking to me was that, just when you walked in the room, there was a feeling of comfort with the couches, the spruce in there and the smell. The canoe was over at the end, and it was a different kind of a conference. It just welcomed people and it was very relaxing. I really appreciated the speakers from Outside who came to speak, from as far away as New Zealand and other parts of the world.

I remember the clear message from the CEO, Keith Henry, that the time is now to build on the momentum and interest in authentic experiences within the First Nation tourism sector. It was clear from the CEO of the Aboriginal Tourism Association of Canada, Keith Henry, that when we invest in First Nation tourism, we invest in our communities.

It has been a long time that First Nations have understood this — that culture brings back a sense of belonging, a sense of identity, a sense of self-esteem, and recognition, not only all over the Yukon — there has been a resurgence in the many dance groups and visual arts, and the Northern Cultural Expressions Society is going throughout the territory, doing various workshops. There’s mask-making and film — I think of Dennis Allen, of some of the films he has produced here, and Allan Code and some of the things that have gone on in the territory — and how that’s only going to benefit us.

I know that economic development initiatives like market readiness and product development training would go even further to support the creation of good jobs in Yukon’s First Nation communities.

I don’t have many questions, because we did discuss at length in the House previously — but just a few since we did have that conference, to not only acknowledge the conference and how much of a success it was. But some of the comments that brought me to this question are: Can Yukon’s First Nation tourism sector look forward to more funding, more specifically for tourism industry training in Yukon First Nation communities?

Hon. Ms. Taylor: I want to thank the member opposite. I too had the opportunity to take in a lot of the conference. I would have been there the entire time had it not been for the Assembly Sitting. I know the same goes for the member opposite. I too share that it was an absolutely overwhelming success. It really was. It was the first of its kind — the Sharing Our Stories conference. I know it had been in the works for many months in the past year, but to actually see it come to fruition was amazing, from the speakers to the panel discussions to the entertainment to the food. Everything that we had was very incredible. I definitely want to congratulate our Yukon First Nations Culture and Tourism Association for hosting a really successful conference on developing cultural tourism in First Nation communities.

Also, in the networking sessions, I saw so many individuals from across the territory and from the Northwest Territories, speaking to presentations on the Deline experience. From the World Indigenous Tourism Alliance, we had Ben Sherman and Keith Henry from Aboriginal Tourism Association of Canada. There was a fantastic wealth of
knowledge. In fact, it was just nearing the end of the last day of the conference that we took the opportunity to sit down with Mr. Henry and Mr. Sherman and members of the association to hear their perspectives on how Yukon experiences are doing and what their observations were. Indeed, we have so many key elements around the territory, from infrastructure to tourism experiences to growth, and we saw that with the awards ceremony on the last night. I know the member opposite was performing during the last evening at the gala performance.

I have to say, it was very moving for me to be part of that — to see businesses that we have seen come over the years and now see them at a place where they are exporting their products, their experiences, and sharing that with the rest of the world. It’s incredible. I always go back to how far we have come over the last decade or so. I’ve said that we’ve experienced a cultural resurgence through the sharing of the stories, songs, dance and art in First Nation communities. The new festivals — Adäka — we have just paid tribute to them today, celebrating their fifth year now. That started back in 2007 with the Canada Winter Games and the creation of the gathering of nations at that time, which then became the Yukon First Nations Art Festival and it slowly came into this Adäka.

The tremendous growth in dance groups — the Dakhká Khwáan Dancers — and we have seen their performances all over the world on the world stage — its tremendous growth, similarly to other celebrations. I always seem to not get this term right, but it’s H’a Kus Teyea. That is another fantastic biennial gathering in Teslin. The Teslin Tlingit Council of course hosts that every other year. It’s huge how that particular festival has grown. Likewise in Champagne and Aishihik First Nations, they hosted their very first — again I think they’re looking at biennial — dance and drum festival at their new cultural centre, the Da Kų Cultural Centre.

When we see all of this growth, the momentum, I think that this gathering, the Sharing our Stories conference, was really a great opportunity to reflect on how far we have come in terms of sharing all that makes us very proud. It’s a key part of the Yukon history and heritage and is also a very key part of what distinguishes us from the rest of the world, in terms of providing those new experiences for potential visitors to come here and to experience those rich cultural traditions. It’s a really key piece of what attracts visitors to our territory and what makes us so very unique and special.

The key is to continue that momentum and I think that building on the success of the Sharing our Stories conference, as the member opposite had referenced, the training initiatives — that is something for which the Department of Tourism and Culture has really stepped up to the plate. For example, one of the successful pan-northern consortiums and one of the new initiatives that has come out of working with our two sister territories has been to leverage additional dollars to not only ensure that we remain on the national scale, in terms of those commercials that we continue to see on the national front, but also in terms of providing new market, trade-ready initiatives. It’s a number of training workshops that we have been able to leverage — I believe it’s $175,000 for the Yukon — with the other territories to work together.

It’s the first of its kind. It’s something that we’ve been working on for the past couple of years, but it’s really to see the development of tourism market and trade readiness, common across the three territories, identifying what we have in place, what’s missing — in terms of providing those learning resources for operators to make it easier to sell those experiences, and to promote those experiences and services to our key markets. In particular, it is to really make it easier to work with the travel trade, so to speak. Becoming market-ready enables our tourism businesses to market and promote themselves to not only the consumer one on one, but also use those different trade channels so that they will be able to widen their distribution networks to include tour operators, tour wholesalers and travel agents.

That’s one front that we are working on and, in fact, it’s a budget of $240,000 that we have been working with all three territories combined. Again, in each of the territories, it will probably look a little bit different because we’re at a different level compared to Nunavut or a different state of readiness in terms of comparing ourselves to Northwest Territories, but it is seen as a key priority in moving forward.

We want to ensure that we continue to support the Yukon First Nations Culture and Tourism Association as well as the Tourism Industry Association of Yukon. My hat’s off to YFNCTA. They’ve been leading the way in terms of hosting those conversations in our communities and really opening the door and building that capacity and building that trust and those relationships which are so key to developing any tourism industry in the country.

We think that tourism and culture have tremendous potential to provide economic development, but also to showcase and protect our cultural heritage, which is so important, while offering a very authentic appeal to visitors looking for that connection with our culture and providing those very real experiences.

It was a great opportunity to connect with a lot of the movers and shakers in the industry at Sharing Our Stories, and we are very committed to working with YFNCTA, but also working with Aboriginal Tourism Association of Canada as well. One thing I did want to note is that just recently there was an MOU that was just signed in the last few days between — sorry, all these acronyms — the Aboriginal Tourism Association of Canada and Destination Canada. That’s the first of its kind. It is wonderful to see that, in order to be able to really raise awareness about aboriginal tourism in our country.

I know that when Keith Henry was here, he was very sincere in terms of working with our territory, working with YFNCTA and our government to help guide those discussions as we go further in terms of really completing their business plan and setting the stage, the strategy and strategic goals in the next three to five years and being able to work with our communities, which are all at different stages. As we’ve seen over the years, some communities may be champions more than others. We have to work with the readiness that is shown...
by those communities, but we are very proud of the work that is going on and look forward to working with our partners.

Mr. Barr: Thank you, Madam Chair. I must agree with the minister as to where things have come I know that this has been a great deal of work on everyone’s part, to where we see the success of the Yukon First Nations Culture and Tourism Association Sharing Our Stories conference.

I’m glad the minister spoke of the efforts that the association has put forward in bringing together all the communities in the territory, and working at the different levels, knowing the amount of work it does take to pull off what we did see, and that there is much work to do in identifying specific strengths and needs for individual communities — to be able to then see where we support and hold up. With some being at different levels of readiness or skill or whatever you have — products — to present, and so on and so forth — it does mean different dollars for different places and different supports, whether it’s money or other supports that either come from training from YTG or in-house or bringing in others from Outside.

I do hear that. I believe that I know, from past conversations and listening to those in the Yukon First Nations Culture and Tourism Association, that they have been operating on the same dollars for many, many years. There was money put in to help do this conference. Without that, that wouldn’t have happened.

In order for them to continue to do their great work, it’s quite obvious they are going to need more dollars. We are at a pinnacle point. I think they have proven themselves — for all the work they’ve done and what we saw with the success of this conference. I’m happy to hear of the MOU that the minister spoke of with the Aboriginal Tourism Association. I’m sure that will be made public, and I look forward to seeing that MOU. Maybe there will be some answers for this side of the House, when I see that.

I guess I am concerned with the association and knowing that, for them to continue — can we look forward in this new budget, hopefully from the minister’s efforts in convincing the executive council, that it’s really time? I would state that, if there are other ministers and everybody is vying for the pot — to really hear what the Minister of Tourism and Culture has to say.

It is a huge economic driver in the Yukon — tourism and culture — and it can only grow. It always has grown, so the more we can do, the more we all benefit — local businesses in all our communities. I would be looking for a response. If that is in the mind of the minister opposite — to increase the monies, and the will to do that. It hopefully is the will of the government to put more dollars in First Nation tourism and culture.

I’ll ask one more question, because at this point I don’t think there will be any more, but there might be. I was also thinking back to the spring TIAY gathering that we had in Dawson this summer. That was another great event — another opportunity for all in tourism and culture, outfitting, and so on and so forth, to be able to come forward with ideas. There was a great speaker, Ron James, there. One point that the minister brought up previously about our airline, Yukon’s airline — about the direct flights that we have to Ottawa. It had been made apparent there that, with the Yukon Now — domestic travel — the department had put forward billboards in some of the eastern communities. It was brought forward then that, with an Air North direct flight to Ottawa, there was no billboard in Ottawa.

Has that been remedied, given that there is a direct flight? If not, will that be coming forward also?

I thank the minister opposite for her other responses.

Hon. Ms. Taylor: Just going back to the YFNCTA, it has been a real pleasure to work alongside — it used to be YFNTA, without the C in the word. It has come a long way. As the member opposite has pointed out very accurately, this organization has grown in leaps and bounds in terms of providing direction and leadership on many different fronts.

I know there are probably about 10, if not more, initiatives that are underway right now with YFNCTA working in collaboration with the Department of Tourism and Culture and with Economic Development — and others, to be sure. We have worked on everything from their business plan — we provided some assistance in terms of providing a business plan. I talked about that — providing the strategic direction in years forward to the cultural retail gift shop product workshops assistance.

I know there is a tremendous amount of work being done right now for developing a new welcome guide. We saw a preview of that at the Sharing Our Stories conference. You can tell how things have changed a lot since that previous one had been published many years ago. I think that there is a lot more to share in this welcome guide and a lot more relevance to today’s Yukon as well so we look forward to seeing that too.

In terms of the Adäka Festival — we’ve seen that growing in leaps and bounds. It is true that we have been providing core funding for a number of years and that funding level has not changed in many years — very cognizant of that. But at the same time, it is also to be noted that there have been funds provided through the arts fund, and through in-house resources as well, in support of Adäka and in support of the Sharing Our Stories conference as well.

What we’ve heard though — and I’ve met with YFNCTA to discuss some of their opportunities and where they would like to go, sharing with us their vision. As such, I very much have instructed our department officials to work with YFNCTA in the coming days and weeks to really come up with kind of a workplan in terms of what we are looking to in the next year and the longer term vision of YFNCTA, and how we can continue to collaborate with them on a broader scale as well.

We’re very cognizant of funding requests and funding pressures all around — and there are, in pretty much every different area — but we also recognize that this is a key economic driver. They’re doing some fantastic work. They have been able to pull in every single community of the territory, and they’ve really been able to nurture those tourism experiences and bring together the culture and the tourism
together. They are clearly a very sound venue for doing very culturally relevant, very appropriate and meaningful work, and we know that the collaboration and the partnership are there. We want to move forward to strengthen that. I will just leave it at that.

In terms of tourism cooperative marketing initiatives, the member opposite made reference to the Yukon Now investments, and Ottawa is one of our key gateway cities. So too is Toronto and the Greater Toronto area and some of our western cities — but we have been targeting and we will continue to target the Ottawa area in support of Air North, Yukon’s airline’s direct flight to Ottawa via Yellowknife. It is very important — in fact, with the placement of our winter and new summer television commercials and online initiatives and through the tourism cooperative marketing fund as well.

We’re very much committed — and it was back in September when the Mayor of Whitehorse and I were very pleased to lead a tourism economic trade mission to Yellowknife for the first time ever to promote that particular leg that nobody else is providing. Likewise, we want to continue on with that momentum by providing a similar tourism, or trade-related, mission to Ottawa in the new year to take advantage of the Ottawa link as well.

What started it off was the Mayor of Whitehorse and I had signed off a tourism MOU renewing our commitment to strengthening tourism in our respective areas. One of the ideas that I’ve always had, front and centre, was how we could take advantage of this leg to Yellowknife. We have so many different organizations — the Yukon Convention Bureau, for example — and we know that Northwest Territories has just come up with their own visitor bureau. It’s a matter of sharing and collaborating with them. In fact, I know that, at the Sharing Our Stories conference, the two bureaus were able to meet up again and talk about further collaboration and how they can partner with one another and have a stronger northern presence in some of our southern jurisdictions — in the United States — at some of these trade shows.

That is but one example. On the supporting end of it, or whether it’s business-to-business or tourism entities, we have so many fantastic premiere winter festivals here. Whether it’s the Yukon Quest or Yukon Sourdough Rendezvous, how can we strengthen the power of numbers and being able to share our respective assets with other festivals going on in our jurisdiction to the east in Northwest Territories, in Yellowknife? There is Snowking and many other festivals.

Those have really started the discussions going as well. Likewise, we as a government continue to work with Northwest Territories industry and trade investment with the NWT government. As I just mentioned, by being able to partner with one another, we have been able to leverage significant dollars over the years in terms of supporting trade market readiness support, whether it’s training or workshops across the north, bringing in standards and raising the bar on how we can promote our respective jurisdictions to the rest of the country and beyond. Likewise, we are promoting ourselves in television commercials. Right from the very beginning of Canada Winter Games 2007 to where we are today, we continue to be in that marketplace as well.

We know that the Yukon Convention Bureau has also been targeting Ottawa for a number of years. They have been working with Ottawa and meeting planners to bring meetings from the nation’s capital to the territory. We have seen more and more of that business coming our way. It’s a very unique setting, and we have some phenomenal infrastructure here that is fairly recent and some that has been around for awhile. It is a perfect landscape and a perfect place to host because of our direct air access.

We’re obviously also very pleased with the launch of the television commercials. We have invested in banners in years past, but the big thing right now is launching those commercials in Ottawa, Toronto, Vancouver, Calgary, Edmonton, and in Kelowna — all those key gateway cities that we have that air access to.

That’s really where our emphasis will continue to be, and working with our many partners to expand their relationships to leverage that reach into our key markets.

We look forward to working with Air North. I just want to give a bit of a shout-out to Air North. They were deemed business of the year by the Whitehorse Chamber of Commerce. They’ve earned a series of awards over the years, and it’s great to see. They have really grown their company — over 300 employees now, most of whom reside here in the territory. They do some phenomenal work. They’re great ambassadors for the territory. I don’t think there is one of us who hasn’t been touched by their service and all the community support that they provide, in support of some very important initiatives.

Again, I was just co-hosting the Whitehorse Lions Club annual auction — their television/Internet auction — and sure enough, Air North had again invested a number of different flights and different tourism packages to the territory and beyond. It’s just another example of how Air North continues to be a really incredible partner. We’ve seen increased access to some very new markets in the Canadian marketplace. Now they’re looking beyond our domestic borders, working with Condor and working with other airlines, even getting into the charter business in British Columbia and beyond.

It is incredible, but well-deserved. Congratulations to Air North.

Mr. Barr: I would like to thank the minister for her response. I was happy to hear about the welcome guide. I know it’s long overdue and there is so much more to be included in the guide now. I look forward to the release of the updated new guide.

I am also happy to hear about the ongoing initiatives with our gateway cities, including Toronto and Ottawa. I know that Yellowknife and the bureau, working with theirs — from thinking back to the TIAY conference in the spring of how we were travelling through here to get there and back here from there, and how we’re going to help local businesses capitalize on the movement. I think that’s very important and I’m happy to hear those talks have continued and truly support that.
I had mentioned wildlife viewing — when they're going to Alaska, how we market in a global way the opportunities that are there, as people are going back and forth.

I was speaking specifically to the billboards. It just struck me as odd that they wouldn't be there, given that direct flight is there. I didn't hear that in the response. However, I am happy to hear of the other initiatives that the minister did speak of, going on with the mayor and such. I would just like to thank the officials and thank the minister for her responses. Those are all the questions I have for today.

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

We are going to move on then to line-by-line debate.

Mr. Barr: Madam Chair, pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all lines in Vote 54, Department of Tourism and Culture, cleared or carried, as required.

Unanimous consent re deeming all lines in Vote 54, Department of Tourism and Culture, cleared or carried

Chair: Mr. Barr has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all lines in Vote 54, Department of Tourism and Culture, cleared or carried, as required.

Is there unanimous consent?

All Hon. Members: Agreed.

Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures

Total Operation and Maintenance Expenditures in the amount of $584,000 agreed to

On Capital Expenditures

Total Capital Expenditures in the amount of $64,000 agreed to

Total Expenditures in the amount of $648,000 agreed to

Department of Tourism and Culture agreed to

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

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

Motion agreed to

Mr. Elias: Madam Chair, 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. 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: Mr. Speaker, I move that the House do now adjourn.

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

Motion agreed to

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

The House adjourned at 5:19 p.m.

Written notice was given of the following motions December 7, 2015:

Motion No. 1110
Re: removing members of the Yukon Human Rights Commission (Cathers)

Motion No. 1111
Re: removing deputy chief adjudicator of the Yukon human rights panel of adjudicators (Cathers)