



# Yukon Legislative Assembly

---

Number 255

1st Session

33rd Legislature

---

## HANSARD

Monday, April 18, 2016 — 1:00 p.m.

Speaker: The Honourable David Laxton

# YUKON LEGISLATIVE ASSEMBLY

**SPEAKER — Hon. David Laxton, MLA, Porter Creek Centre**

**DEPUTY SPEAKER — Patti McLeod, MLA, Watson Lake**

## CABINET MINISTERS

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

## GOVERNMENT PRIVATE MEMBERS

### Yukon Party

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

## OPPOSITION MEMBERS

### New Democratic Party

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

### Liberal Party

<b>Sandy Silver</b>	Leader of the Third Party Klondike
---------------------	---------------------------------------

## LEGISLATIVE STAFF

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

**Yukon Legislative Assembly  
Whitehorse, Yukon  
Monday, April 18, 2016 — 1:00 p.m.**

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

*Prayers*

## DAILY ROUTINE

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

Tributes.

## TRIBUTES

### In recognition of National Organ and Tissue Donation Awareness Week

**Hon. Mr. Nixon:** I rise today on behalf of all members to draw attention to National Organ and Tissue Donation Awareness Week in Canada, which is April 18 to 25.

The fact is that Canada's rate of organ donation is lower than many other countries, including the US. Every year, too many people die while waiting for an organ donation. More than 1,600 Canadians are added to organ wait-lists yearly. According to Health Canada, 4,500 people are waiting for organ transplants today and, on average, 256 Canadians will die every year waiting for a transplant.

Ninety percent of Canadians support organ and tissue donation, but less than 25 percent have made plans to donate. While the vast majority of Canadians support organ donation, most of us do not formalize that support and, yet, it is so easy to do.

In Yukon, as of April 12, there were 3,827 registered donors out of 39,210 registered with Yukon health care. That is fewer than 10 percent of our population. I would encourage Yukoners who are interested to fill out an organ donor registration form. The form can be found in most doctors' offices and online at Health and Social Services' website. Your name will be placed in the Yukon organ donor registry and you will get a heart on your driver's licence to show the world that you are a donor. Most importantly, talk to your family about your wishes. They need to know how you feel because doctors will support the wishes of the family at time of death.

Let's face it, Mr. Speaker, after we die we no longer need our tissues and our organs. Why not let them save someone's life? One donor can benefit more than 75 people and save up to eight lives. Not only would this give our families comfort, it is a great legacy to leave behind.

### In recognition of Law Day

**Hon. Mr. Cathers:** Mr. Speaker, today I rise to recognize Law Day, a national event celebrating the signing of the *Canadian Charter of Rights and Freedoms* on April 17, 1982.

Built on the foundation of the Canadian Bill of Rights brought forward in 1960 by Prime Minister Diefenbaker, who

sought a unified nation where citizens of many origins and religions would be regarded and treated equally, the *Canadian Charter of Rights and Freedoms* constitutionally entrenched many of the bill's underlying principles and fundamental freedoms. This is exemplified under the *Canadian Charter of Rights and Freedoms* as the freedoms of religion, expression, association and peaceful assembly, as well as the rights to liberty and equality under the law. These are freedoms that Canadians revere and that many other nations are still trying to achieve.

The Canadian Bar Association introduced Law Day in 1983 as a means to commemorate the signing of the Charter and to educate the public about the law, the legal profession and the legal institutions that form the cornerstone of Canadian democracy and our rights under it. The *Canadian Charter of Rights and Freedoms*, as I mentioned, was built on the foundation of the Canadian Bill of Rights brought forward in 1960. At the time, Prime Minister Diefenbaker stated the Bill of Rights was needed to take a forthright stance against discrimination based on colour, creed or racial origin.

The Canadian Bill of Rights protects numerous rights, including the right to life, liberty and security of person, freedom of speech, freedom of religion, equality rights, rights to fundamental justice and rights to counsel and those rights are all reflected in the *Canadian Charter of Rights and Freedoms*, which we are celebrating here today.

Mr. Speaker, I would be remiss if I did not note what, in my view, is a flaw in the *Canadian Charter of Rights and Freedoms*, which is the failure to include an important part of the Diefenbaker Bill of Rights — that being the right to own property, which, at the time of the establishment of the Canadian Constitution in 1982, also supported the inclusion of property rights in that document and was supported by a motion in this Assembly.

Mr. Speaker, I would also like to note and acknowledge that the Bill of Rights and the *Canadian Charter of Rights and Freedoms* are not the origins or the foundations or the principles of legal rights within Canada's democracy. They themselves owe their existence and roots to other important and revolutionary documents, notably the Magna Carta, which celebrated its 800<sup>th</sup> birthday last year. The Magna Carta was signed in 1215 and it, and its companion document, the Charter of the Forest, set the groundwork for many of the concepts that continue to define democratic life today not only in Canada, but in many other countries. As symbols of justice, they also act as powerful reminders that those who govern do so only by the consent of the people. The Magna Carta is widely viewed as one of the most important legal documents in the history of democracy and there are many enduring principles of liberty within it that still resonate and inspire people today.

Some examples of the principles that never lose their relevance since they were included in the Magna Carta 800 years ago include: that nobody is above the law of the land; the rights of habeas corpus, being the freedom from unlawful detention without cause or evidence; and the right of trial by jury.

Early women's rights were acknowledged within the Magna Carta. Although they have been wisely expanded significantly since that time, the Magna Carta did provide some early protections for women's rights by, for the first time, protecting the fact that a woman could not be forced to marry and give up her property. The companion document to the Magna Carta, the Charter of the Forest, was originally issued in 1217 and held up the values of universal human rights, which set out protections of the common man and protection of the commons, which set clear limits to privatization and the importance of stewardship for shared resources.

This document holds a place in our hearts as the first in a series of instruments that are recognized as having special constitutional status and formed the early origins of the protections we enjoy here today. I should note that even democracies such as the United States use the Magna Carta as an important part and building block for the American Constitution. Last year, in celebration of the 800<sup>th</sup> anniversary of the signing of the Magna Carta, it came to Canada and was available for viewing at several locations, including Ottawa-Gatineau, Winnipeg, Toronto and Edmonton, and many Canadians, including the Member for Watson Lake, took the opportunity to view the Magna Carta. I'm envious of the fact that she had that opportunity as I would have liked to have seen it myself.

Today as we celebrate Law Day on the signing of the *Canadian Charter of Rights and Freedoms*, I believe it's also important to celebrate the origins of these rights and to continue to educate the public about the legal system, the legal professions and the legal institutions that form the cornerstones of Canada's democracy.

Law Day empowers the public at large through a variety of celebrations and activities to bring awareness to the importance of our evolving law, the history of our law and the administration of justice.

This year on April 19, Yukon Courts, Yukon Public Law Library, Yukon Family Law Information Centre, Yukon Public Libraries, Justice Canada and local lawyers are hosting a Law at the Library public information session called "Married vs. Common Law: Know Your Rights", which is aimed at providing information to Yukoners about the differences under our current legal instruments between married and common-law relationships and how matters like separation and division of assets and estates are viewed before the law. The free event is being held from 5:30 p.m. to 7:00 p.m. at the Whitehorse Public Library in the downstairs meeting room.

Also in celebration this year, on April 29 the Yukon chapter of the Canadian Bar Association will host the annual Law Day Charity Fun Run and Walk in Whitehorse. This event brings the community together to celebrate Law Day in support of worthy organization. Proceeds from this year's event will benefit the Victoria Faulkner Women's Centre.

Since the 1970s, the Victoria Faulkner Women's Centre has offered a safe and respectful space where women can connect with one another, access support and services, and

work together to make positive change for women in the community. The minister responsible for the Women's Directorate and I, along with the Member for Copperbelt South, all attended the 40<sup>th</sup> anniversary of the Victoria Faulkner Women's Centre just a few weeks ago.

Together, the team, staff and dedicated volunteers of Victoria Faulkner Women's Centre continue to work on a wide variety of issues facing women, including gender-based violence, systemic racism and discrimination, mental health, housing, poverty and food security.

Victoria Faulkner Women's Centre provides a variety of programs and services that help women facing precarious situations while supporting and empowering women to make positive decisions for themselves. It fills an important need in the Yukon. Each year there are an estimated 5,000 visits by women, girls and children, 15,000 community kitchen meals served, and over 130 families from the community who use the rural pregnant women's suite.

Yukon government is pleased to provide support to the Victoria Faulkner Women's Centre, including through the additional funding we recently announced to support their successful A Safe Place program. A Safe Place is providing women and their children year-round, drop-in, after-hours access to peer and professional supports, referrals to other community services and access to basic amenities. It provides options to vulnerable women at times when other options are otherwise limited.

In closing I would like to recognize Victoria Faulkner Women's Centre for their positive impact on our community and thank the organizers of the Law run for contributing to it this year, as well as encouraging Yukoners to run or walk in support of this organization in honour of Law Day.

I should note that the time of the run — it starts at noon of the visitor information centre, follows the Millennium Trail along the Yukon River. Registration is available at Sport Yukon until April 27 and, on race day, at the visitor information centre.

A sincere thanks to the Yukon chapter of the Canadian Bar Association for planning this annual event, and thank you to everyone who has played a role in developing the constitutional protections that we enjoy here in the Yukon and across Canada to this very day.

**Ms. Moorcroft:** Mr. Speaker, I rise on behalf of the NDP Official Opposition and the Third Party to acknowledge Law Day as a national event celebrating the signing of the *Canadian Charter of Rights and Freedoms*. The Charter was signed into law by Queen Elizabeth II of Canada on April 17, 1982, along with the rest of the *Constitution Act, 1982*. The Charter was preceded by the Canadian Bill of Rights which was enacted in 1960. However, the Bill of Rights is only a federal statute rather than a constitutional document. The Canadian Bar Association first held Law Day in Canada in 1983. Law Day is aimed at educating and informing the public about the justice system and the importance of the law. Law Day enhances the public's understanding of the law, the role of lawyers and judges and empowers the public at large.

When the Charter became law in 1982, the transformation in Canada's legal, political and democratic landscape was immediate and profound. If citizens could convince a court that the government had violated their rights, the court could take immediate and direct action to stop this abuse. On its face, the Charter represented an unprecedented shift in the power balance between the government and the people.

For women and other disadvantaged groups, however, the impact was less immediate. Section 15, the equality rights provision, did not become law until 1985. The minister has spoken about the hard work of the Victoria Faulkner Women's Centre, which is one of many advocacy groups seeking equality and continues to work today for women to achieve fully equality.

The Charter does have an effect in our daily lives. The new federal legislation on doctor-assisted death recently introduced in Parliament was a result of a Charter challenge. The Canadian Civil Liberties Association and the Canadian Journalists for Free Expression are asking that core provisions of the *Canadian Anti-terrorism Act* — better known as C-51 — be declared null and void. The Canadian Civil Liberties Association and the Canadian Journalists for Free Expression argue that the previous federal government's anti-terrorism law violates the independence and the impartiality of the courts and is thus a violation of the Charter.

I ask all members to remain vigilant to ensure that the rights we enjoy under the *Canadian Charter of Rights and Freedoms* are upheld. I was planning to attend the "Married vs. Common Law" event at the Law Library tomorrow. That same night, Equal Voice Yukon is holding another Charter-related event. They are holding an event to encourage women to engage in politics, so there will be many opportunities for us to consider how we remember the Charter and work to achieve its goals.

I would also like to wish all success to the Law Day organizing committee and the participants and the Law Day Charity Fun Run and Walk planned for later in the week.

### In recognition of World Heritage Day

**Hon. Ms. Taylor:** Mr. Speaker, I rise today to pay tribute to World Heritage Day. April 18 is a day for all jurisdictions across the globe, both large and small, to commemorate the importance of cultural heritage and its influence in our everyday life.

In 1982, it was suggested that a day be established to celebrate the diversity of heritage throughout the world. This project was in fact approved by the International Council on Monuments and Sites at their symposium in Tunisia. In 1983, the UNESCO General Conference passed a resolution declaring April 18 International Monuments and Sites Day, which we now know as World Heritage Day.

Mr. Speaker, the International Council on Monuments and Sites Canada is the Canadian National Committee of the International Council on Monuments and Sites, and as such it is the focus of international exchange in Canada, sharing preservation information and expertise worldwide.

To coincide with the Olympic Games in Brazil later this year, the International Council on Monuments and Sites has made the theme of this year's celebrations "The Heritage of Sport". The recognition of our sports heritage and heroes very much helps to raise awareness of their achievements and to connect with us their cultural significance.

Sports have developed from the origin of many years onwards and left a diversity of buildings and facilities related to their practice. Many of these around the world hold great value in terms of their historical development of architecture, art and techniques. From Greek and Roman stadia to modern, high-tech installations, many of these buildings have become part of our global cultural heritage.

Here in Yukon, Mr. Speaker, you very well know that we have a very long history of sport and one of our most well-known historical sporting events did occur in January 1905 when the Dawson City Nuggets, the local hockey team, made it all the way to the Stanley Cup. After a journey to Ottawa by foot, dogsled, trains and steamship, they were famously and thoroughly beaten, I might add, by fellow finalists and reigning champions, the Ottawa Hockey Club.

Also in Dawson, the town's curling club is one of the earliest clubs in western Canada. At the turn of the century, the community also boasted a downhill ski club. From the same period, archival photographs show Yukoners enjoying games of tennis under the midnight sun. In later years, others have helped guide and foster Yukon's young athletes. Father Mouchet was one of those people. He started a program called the territorial experimental ski training, or TEST, to develop character in children through skiing. The program went on to send the first aboriginal Canadian skiers to the Olympics. Martha Benjamin, a Gwitchin resident of Old Crow, was one of those skiers and in the late 1950s and early 1960s, she went on to ski at the national level and competed in Canada, the United States and Europe. In 1963, when she was 25 — and the mother of five children, I might add — Martha was named the senior Canadian women's cross-country ski champion in Midland, Ontario. She won the event a minute-and-a-half faster than the next woman — fast enough to have also won the men's event. Martha and fellow skiers brought high credit and distinction to their community and to Yukon as a whole. Martha Benjamin was inducted to the Sport Yukon Hall of Fame in 1989 for her accomplishments as a cross-country skiing athlete.

Today, cross-country skiing continues to thrive in Old Crow, thanks to the legacy of Father Mouchet and the men and women who make up the community's ski history. We can all be very proud of this territory's past and current contributions to the sport — this and many others. To this day, our skiers remain some of the best in the world.

Mr. Speaker, generally when we think about heritage, it's not sport that necessarily first comes to mind. For many of us, our heritage is commemorated at our historic sites, from museums, First Nation cultural centres and our own family histories, oral traditions, visual and performing arts and the literary arts. Each Yukon community has its own distinct history and our historic places tell the stories of our territory.

Over the past decade, our government has recognized nine Yukon historic sites that are considered to have heritage significance at a territorial level. From built heritage, such as the Sign Post Forest in Watson Lake, to historically significant sites, such as the whalers' community within the Herschel Island Territorial Park, Fort Selkirk and the Dawson historical complex, Yukon is very much home to a diverse range of heritage sites that Yukoners can experience and enjoy each and every day.

Mr. Speaker, historic sites can be designated at the municipal, the territorial, federal and world levels. In Yukon, a world heritage nomination is also currently underway for the recognition of the Tr'ondëk Klondike as a world heritage site. The project is being led by a community-based advisory committee chaired by Tr'ondëk Hwëch'in First Nation and includes a diverse group of representatives from the area. Yukon government is very pleased to support the continued work of the committee and the important discussions that are very much thriving and underway throughout the community.

Globally, there are over 1,000 UNESCO world heritage sites, including 17 in Canada. One of these is the combined park sites of Kluane, Wrangell-St. Elias, Glacier Bay and Tatshenshini-Alsek. Our own majestic Kluane National Park, as we very much know, is home to some of the tallest peaks in North America and is managed in cooperation with the Champagne and Aishihik First Nations.

I would like to take a moment to thank the many volunteers who make a tremendous contribution to Yukon's cultural heritage sectors by committing their expertise, knowledge and their passion in support of these very important areas. World Heritage Day is an opportunity to bring heritage to the forefront and to recognize the importance of our collective cultural heritage. We thank all those who have and continue to work hard on Yukon's behalf to keep the collective vision alive, so that cultural awareness and heritage appreciation continues today and well into the future.

**Mr. Barr:** I rise on behalf of the Yukon NDP Official Opposition to pay tribute to World Heritage Day, celebrated each year on April 18. Today we celebrate the world's cultural heritage and acknowledge the vulnerability of monuments and heritage sites, as well as the efforts required to protect and conserve them. World Heritage Day originated with the United Nations Educational, Scientific and Cultural Organization — UNESCO — with a resolution at its 22<sup>nd</sup> session in November 1983, recommending that member states examine the possibility of declaring April 18 each year International Day for Monuments and Sites.

Canada has currently 17 world heritage sites. These include — but not all: L'Anse aux Meadows National Historic Site, Viking settlements in western Newfoundland; Head-Smashed-In Buffalo Jump in Alberta — one of the oldest and best preserved communal hunting grounds in Canada; SGang Gwaay — hopefully I've pronounced that; I mean no disrespect — in British Columbia, which includes the remains of Haida civilization, illustrating past culture and way of life; and Rideau Canal in Ontario, the best preserved North

American slack-water canal. Mr. Speaker, these sites tell amazing human stories of the relationship to the land and environment, of great feats of determination and engineering and of the human propensity for good and for evil.

Dawson City and the Tr'ondëk Hwëch'in First Nation have been working hard to get Tr'ondëk Klondike a world heritage designation. The designation awarded by UNESCO would mean Tr'ondëk Klondike sites would be eligible for millions of dollars in annual grant money for preservation. Tr'ondëk Klondike is one of the legendary places on earth. For thousands of years, this remote land has been home to the hunter-gatherer people of Tr'ondëk Hwëch'in. At the end of the 19<sup>th</sup> century, it was the site of the Klondike Gold Rush, an international event that changed the land and peoples of the north forever. This is an extraordinary story of survival and adaptation in a challenging environment, of dramatic change and of accommodations between cultures that continue to this day. This region, including the Tr'ochëk fishing camp, the Chilkoot Trail, the Klondike goldfields, and the historic district of Dawson illustrates life before, during and after the Klondike Gold Rush of 1896 to 1898.

World heritage means more than preserving historic sites. The world's languages are our heritage and many indigenous languages are at risk of being lost forever and with that, the loss of a people's voice and way of being. Tr'ondëk Klondike is a significant site in Yukon's history, Canada's history and world history, and is the traditional territory of the Tr'ondëk Hwëch'in. For this reason we must preserve it.

**Mr. Silver:** I also rise today on behalf of the Liberal caucus to pay tribute to the International Day for Monuments and Sites, also known as World Heritage Day. This year, April 18 is dedicated the heritage of sports. Sports and physical expression are at the root of many cultures, demonstrating values, emotion and intent. The preservation of heritage provides an eye into the development of cultures, including architecture and art.

Sport and activity can be quite distinct around cultures. Each has its own character, from team or individual sport to dance and game. They create a sense of identity, promoting community involvement and physical and mental well-being. Here at home, we are lucky to be surrounded by cultural expression through art, dance and sport. The Arctic Winter Games, which recently took place in Greenland, brings many northern cultures together and incorporates aboriginal sport through the Dene games. In Yukon, there are a variety of First Nation dance and music groups — the Tr'ondëk Hwëch'in singers in Dawson, the Kaska drummers from Ross River and the Dakhká Khwáan Dancers, just to name a few.

Without preservation of culture, identities are lost. As the representative for Klondike, I would like to thank the Dawson City Museum, the Dänojà Zho Cultural Centre and the Parks Canada workers for their outstanding efforts to preserve culture and heritage in Dawson City and in the surrounding areas.

**Speaker:** Introduction of visitors.

## INTRODUCTION OF VISITORS

**Hon. Mr. Pasloski:** I rise today to invite all members of the Legislative Assembly join me in welcoming a couple of people. One is Michael Lauer, a long-time friend of mine, and with him, Kara Johnson, who is visiting here from Ontario. I invite everybody to join me in welcoming them today.

*Applause*

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

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

## NOTICES OF MOTIONS

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

THAT this House urges the minister responsible for the Workers' Compensation Health and Safety Board to conduct the comprehensive review of the *Workers' Compensation Act* contemplated in section 129 of the act, including, but not limited to:

(1) reviewing WCB's approach to post-traumatic stress disorder;

(2) modernizing the intent of the relationship between WCB claimants and the WCB;

(3) reviewing legislation from jurisdictions across Canada to identify best practices and incorporate them into Yukon's act; and

(4) reviewing the effect of retirement on entitlement.

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

THAT this House urges the Government of Yukon to fulfill commitments made on April 12, 2012 by the former minister responsible for the Yukon Liquor Corporation to amend the *Liquor Act* by removing "Indian Band", "band community" and similarly outdated terms of the *Liquor Act*.

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

THAT this House urges the Government of Yukon to amend the *Residential Landlord and Tenant Act* to allow victims of domestic violence to:

(1) terminate a lease early and without penalty; and

(2) remove an abuser's name from a lease.

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

THAT this House urges the Government of Yukon to support the continuing development of Yukon's private sector economy.

I also give notice of the following motion:

THAT this House do order the return of a copy of the MOU signed April 8, 2016 by the Government of Yukon regarding Bill S-6.

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

## QUESTION PERIOD

### Question re: Budget spending

**Ms. Hanson:** Mr. Speaker, this weekend, the C.D. Howe Institute released a study that shows that both the Yukon Liberal and Yukon Party governments overspent the territory's budget by an astounding \$675 million between 2000 and 2014. In doing so, Yukon has received a 53-percent ranking on the Institute's Pinocchio Index, the second-worst in Canada after Nunavut. Yukoners are not impressed by the rate at which economic forecasts continue to show the Yukon Party's fiscal ineptitude.

Will the Premier finally admit that, with three years of recession and yet another dressing-down by a national organization, he has failed to responsibly manage Yukoners' money?

**Hon. Mr. Pasloski:** Mr. Speaker, of course the greatest indicator of financial management is the Public Accounts, fully audited by the Auditor General of Canada, which shows that this government continues, in good times and in bad, to not budget deficits. We have also not raised taxes. In fact, this government has done nothing but lower taxes for all Yukon taxpayers and Yukon small businesses and has no net debt. Money in the bank and no tax increases are the best indicators of financial management in this territory.

**Ms. Hanson:** Mr. Speaker, this report only looks at the past, but there is no indication that this will be any different in the future under the Yukon Party. This is a government that consistently fails to do its due diligence when it comes to budgeting for everything from major capital projects to the everyday O&M costs of government. As we heard just last week, this government is going ahead with phase 1 of a 300-bed facility without having secured a source of funding. It is this kind of planning that leads to out-of-control spending. The truth is that the Yukon is not in the enviable position that the Premier keeps talking about.

Can the Premier give Yukoners an assurance that his government's overspending will end, or is it the Yukon Party business as usual?

**Hon. Mr. Pasloski:** Once again, the opposition is absolutely wrong. We have budgeted over \$66 million in this year's budget toward the first year's construction of the Whistle Bend long-term care facility. This is a budget that has come in with a surplus, as we have every year. I only have to look at a couple of recent budgets — the NDP budget in Alberta, a \$10.5-billion deficit. We know that their revenues are down, but what has the NDP government done? It has continued to increase spending. Of course, we can look at the newest Liberal government in Newfoundland: a \$2-billion deficit, increases in taxes across the board — personal taxes corporate taxes, gas taxes, and even an increase in HST, which they promised not to do — Liberal government breaking promises.

**Ms. Hanson:** I would remind you, Mr. Speaker, that it is under this Minister of Finance that he has written the surplus down from \$80 million to \$1.25 million.

We on this side of the House have been talking about the path to prosperity for years. It runs right through and includes a diversified economy that doesn't depend solely on the boom and bust of a resource extraction industry.

But the Premier seems to think that people like the C.D. Howe Institute, the Auditor General and all Yukoners who are having a hard time finding work are wrong. Mr. Speaker, the Premier is wrong and we're all paying the price.

When will the Premier listen to the economists, to the Yukon New Democratic Party and to Yukon citizens and admit that it's time for a new direction of our economy?

**Hon. Mr. Pasloski:** The NDP and Liberal government records are very clear with their last governments — mass exodus of the population, especially in the prime employment years, double digits on employment, and borrowing money to pay wages. That is the reality of past NDP and Liberal governments.

This Yukon Party government during this mandate has done nothing but deliver surpluses. We continue to have money in the bank — now the only jurisdiction in this country. We continue to invest a significant portion of our budget into infrastructure, creating jobs for Yukoners and building infrastructure for the future.

I am extremely optimistic for the future of this territory under a renewed Yukon Party government.

#### **Question re: Dawson City waste-water facility**

**Mr. Barr:** Two months ago the Government of Yukon announced that it would be taking responsibility for the Dawson City waste-water treatment plant. The plant was built in response to a court order that stated the city needed to deal with the waste it was dumping into the Yukon River by 2011. The facility was opened in 2012.

The original plan was that Dawson would take over responsibility of the facility after it met certain water quality tests. However, the facility consistently failed to pass these tests.

Is the facility meeting all of its water quality testing requirements, and what was the final capital cost of the facility?

**Hon. Mr. Dixon:** I don't have the final capital costs with me at hand today, but that's certainly something that we've provided in the past and I have no problem getting back to the member opposite with the ultimate cost.

Obviously, as we've discussed at length previously, there has been a lot of discussion about this particular project. It was announced a few months ago, as the member opposite indicated, that we had agreed to assume responsibility for operation and maintenance of the waste-water treatment plant, including the facility's water licence. We are currently working on a service agreement with the City of Dawson regarding the long-term operation and maintenance of that plant.

We have retained the company Corix, which specializes in building and operating waste-water treatment plants, to operate and maintain the plant for the remainder of the warranty period. Community Services is continuing to address remaining deficiencies, warranty issues and training needs. Community Services is working with the operations contractor and consultants to develop a plan to improve treatment performance in the summer of 2016 — this coming summer.

I have acknowledged previously that the plant is not working as we had hoped, and it's our intent and desire to see the plant's operations improved, bringing down, hopefully, the costs of operating the plant for the Yukon government.

**Mr. Barr:** Mr. Speaker, this year, the operation and maintenance costs for the Dawson City waste-water treatment plant will be \$2.4 million. In March 2014, when the Yukon government still held out hope that the City of Dawson would take responsibility for the facility, a Yukon government official estimated the yearly costs at \$340,000. Just two years later, this government is estimating an operation and maintenance budget over seven times higher. It is no surprise that the City of Dawson refused to take responsibility for the facility.

Mr. Speaker, how did the operation and maintenance costs of this facility skyrocket to \$2.4 million, and what will be the yearly operational costs going forward?

**Hon. Mr. Dixon:** Mr. Speaker, what I and a number of others have acknowledged numerous times is that the cost of operating the plant is significantly higher than we had hoped. That's obviously the case.

Mr. Speaker, we hope that we can get the plant running better than it is now, obviously. Our intent is to bring that operating cost down from where it is today. That will obviously come down to a certain degree once the warranty period runs out. At the end of the warranty period, if the plant continues to not function as it was originally intended to, then we would have to look at our alternatives for dispute resolution with the contractor.

Mr. Speaker, with regard to the costs of the plant, I don't know what the end operating costs will be, but obviously we want to see that number come down. We want to see the plant running better, meeting the requirements of the water licence and providing the service that was originally intended when the plant was constructed.

**Mr. Barr:** Mr. Speaker, Yukoners obviously want to see these costs come down also. The former Minister of Highways and Public Works stated that the Yukon government had — and I quote: "... invested significant additional capital in the development of the facility in order to minimize the longer O&M costs."

The current \$2.4 million O&M costs would suggest that this investment didn't have the intended impact. The design of this facility was unproven in the north and there was significant opposition from experts and Dawson residents, but the Yukon government went ahead with it anyway. Now the Yukon government is responsible for an unreliable and



expensive building to add to the growing list of mismanaged Yukon government capital projects.

Mr. Speaker, what is this government doing to rein in out-of-control O&M costs at the Dawson waste-water treatment plant?

**Hon. Mr. Dixon:** Mr. Speaker, we're working with the contractor on-site to try to bring operation and maintenance costs down for the plant. As I've indicated previously, the costs are exceedingly high; we acknowledge that. The City of Dawson has acknowledged that and that's why they were very pleased to see us agree to take on the plant. We felt that our fiscal resources were much stronger and we are in a better position to work with the contractor to bring those costs down. But, as I've said before, if it's determined at the end of the warranty period that the plant is not functioning as it should be, then we'll have to consider our other options with regard to dispute resolution.

With regard to the details of what the people are doing on-site to bring the operating costs down, I can't give a technical response, Mr. Speaker, but I am assured by engineers in our department that they're doing their best to try to bring those operating costs down by improving the operations of the plant.

#### **Question re: F.H. Collins Secondary School reconstruction**

**Mr. Silver:** I have a question for the Premier. One of the defining features of this Yukon Party government has been its inability to bring in projects on time and on budget. The new LNG facility was \$6 million overbudget. The two rural hospitals were both millions of dollars more than originally advertised as well.

Buried in the back of the Premier's budget documents was a financial update on the cost of the F.H. Collins school project. Can the Premier confirm that the cost of this construction job has now reached \$55.3 million?

**Hon. Mr. Graham:** Mr. Speaker, what I can confirm for the member opposite is that the actual construction cost of the new F.H. Collins school came in, in fact, under the \$34-million anticipated budget. That is the construction cost alone, Mr. Speaker. There have been several other projects associated with the F.H. Collins school but those are budgeted separately from the actual construction of the building itself.

**Mr. Silver:** Mr. Speaker, the high number should come as no surprise to anybody who has watched the Yukon Party's involvement in this project since 2010, involving a scrapped design of \$6 million.

The Premier's budget speech referenced the F.H. Collins project but neglected to mention that, between last year's and this year's budget, an additional \$4.3 million has been added. Therefore, the grand total does sit at \$55.3 million. On top of that, the contract to build the school was awarded to a company from Alberta. The government has been doing damage control on procurement with local contractors since then. After insisting that the project was on budget, Yukoners now know that this is not the case. Mr. Speaker, why hasn't

the Premier been up front with Yukoners about the ever-rising costs of this project?

**Hon. Mr. Kent:** Mr. Speaker, what the member opposite fails to reference with respect to the F.H. Collins contract is that the project averaged 75-percent local labour participation over the course of construction. I've mentioned a number of times on the floor of this Legislature all of the local subtrades that were active on that project as well. The project was delivered on time. We have a great school that opened up in January of this year and it will service the needs, not only of the students who are there now, but students going forward.

Again, as I mentioned — I believe in the fall when I was on my feet on the floor of this Legislature — it's interesting to note that the Member for Klondike put out two contradictory press releases with respect to the F.H. Collins project. The first one was when that initial bid came in at \$48 million. He was outraged at that price and asked us to consider redesigning it, moving it, and perhaps retendering it. Of course, we did retender it and it came in approximately \$14-million to \$16-million less than that \$48 million. Now he is mad because we redesigned it, retendered it, and moved the school.

It's very difficult to nail the member opposite down. It's often like trying to nail Jell-O to the wall.

**Mr. Silver:** Mr. Speaker, two ministers, and I didn't get an answer yet to my questions — talk about nailing people down.

We know that Yukon contractors are not happy with this government. We hear it every time that we meet with local business owners, including the two I met with just last week. They described as "window dressing" the government's belated attempt to ensure that local companies get a fair chance to win government contracts.

F.H. Collins is millions of dollars overbudget and the tech wing addition is well behind schedule. The Yukon Party repeatedly assured Yukoners that this project was going to be on budget and then quietly added \$4.3 million to the price tag and didn't even mention it in the budget speech. This is not an open and accountable use of taxpayers' dollars.

Is this the final school project's costs, or can Yukoners expect more bills to be slipped under the door by this government?

**Hon. Mr. Kent:** Mr. Speaker, with respect to the final costs of the F.H. Collins project, there is still one important aspect that needs to be done. That's the demolition and remediation of the old school. There are some hazardous materials in there. Once that work is complete, then we will have a better idea of what the final cost of the project will be and we will be in a better position to compare it to the design that we had moved away from — again, something that the member opposite in his first iteration, in his first press release, asked us to do.

Let me talk a little bit about local contracting for a second. Obviously there has been quite a lot accomplished on the procurement side of things. The previous Minister of Highways and Public Works set up the Procurement Support Centre. We've hosted two very well-attended and successful

procurement industry conferences. I know the Member for Klondike was at the most recent one that we had here in February. There is a procurement advisory panel that has been set up. The Premier, the Minister of Economic Development and I have hosted two roundtables with local contractors and suppliers to talk about what they would like to see as far as procurement goes.

Just a reminder that 14 of the last 15 major capital projects awarded between 2010-11 and 2014-15 went to Yukon-based companies. Yukon-based companies are doing a good job of competing for these projects and winning those opportunities for their staff.

**Question re: Off-road vehicle use**

**Mr. Tredger:** As another spring is upon us, I rise to ask the same question that the NDP has been asking for years now. Where is the government's action to balance responsible off-road vehicle use with protection of sensitive environment?

It has been many years since the government formed an all-party committee to study the way we use ORVs in the Yukon. The committee released a report, and then the Yukon Party government called for a consultation followed by a discussion paper, then made minor legislative changes followed by more discussion. One could be forgiven for wondering what the government has been doing all these years. Yukoners want to know.

Why has the Yukon Party government been spinning its wheels on meaningful and promised ORV regulations for its entire mandate?

**Hon. Mr. Kent:** Our government, of course, is proud of the changes that we made to the *Territorial Lands (Yukon) Act*.

Energy, Mines and Resources remains committed to implementing recommendation 14 of the Select Committee on the Safe Operation and Use of Off-road Vehicles. That recommendation focuses on protecting the environment from damage caused by off-road vehicle use.

There has been a significant amount of work undertaken by Energy, Mines and Resources officials over the past couple of years since that legislation was introduced. There has been a "what we heard" report produced and the regulation drafting process has been initiated and, of course, we'll be taking into consideration feedback received from the consultation that took place last year.

Again, I would like to thank the First Nations, the stakeholders and the public that have participated, not only in the initial select committee work but also the subsequent work on developing the legislation and the regulations.

**Mr. Tredger:** Meanwhile each year the spider web of trails expands.

After years of environmental destruction and years of studies, legislation was changed in 2013 to allow the minister to identify and protect sensitive spaces requiring protection from ORV use, but neither he nor his colleagues have actually exercised that responsibility.

Trails Only Yukon Association has been doing good, tireless work to promote responsible ORV use. They have

identified several endangered, sensitive areas. They're playing a leadership role because this government has refused to ask irresponsible ORV drivers to clean up their act.

Mr. Speaker, why has the minister refused to protect any sensitive Yukon wildlands? Does he feel that there aren't any parts of the Yukon that are in need of immediate protection?

**Hon. Mr. Kent:** We've received a request from the Laberge Renewable Resources Council, as well as TOYA, to investigate some areas that they would like the temporary closure to be enacted upon. Again, department officials are considering those requests right now. Obviously the spring is a little bit earlier this year than what we've experienced in the past, so I've asked the department officials to expedite that work. There are other Yukoners, though, Mr. Speaker, who would be affected by these temporary closures, particularly those who enjoy hunting in the backcountry but perhaps have mobility issues — or some of the elders in the community — so we want to take into account their needs and their wishes as well, especially since many of these areas are key hunting grounds and it's important to hear from those individuals as well.

Again, I have asked the department to expedite the work on whether or not we can proceed with these temporary closures, just given the timing and the earliness of the spring in the Yukon this year.

**Mr. Tredger:** There remain particularly environmentally sensitive areas that are in need of immediate protection. You know, Mr. Speaker, we have been asking for action on irresponsible ORV use for years. A few bad apples are tarnishing the image of the ORV community. In 2013, I echoed concerns about the increasing footprint of both ATVs and snow machines due to factors like longer seasons, wider use, improved technology and the resulting increased ecological footprint that permanently degrades the environment. With each passing year of Yukon government inaction, we are allowing more damage to be done to Yukon's wildlands. This is not something we will fix overnight, Mr. Speaker.

Why has the government failed, over the entire course of its mandate, to take any meaningful action to prevent misuse of off-road vehicles?

**Hon. Mr. Kent:** I think that our government, and indeed legislators in here, should be proud of the work that we've undertaken — not only during this mandate, but the previous mandate — and the work of the Select Committee on the Safe Operation and Use of Off-road Vehicles. Again, Energy, Mines and Resources focused on recommendation 14. We made changes to the *Territorial Lands (Yukon) Act*, we've consulted on the regulations and work is underway — the drafting process has been initiated for those regulations after we've heard from stakeholders, First Nations and the public. Of course in that legislation we did put in the ability for temporary closure by the minister. As I've mentioned, we have heard from the Laberge Renewable Resources Council as well as the Trails Only Yukon Association with respect to certain areas where they would like to see that temporary closure initiated. I've asked department officials to expedite

that work so that we can deal with it with the early coming of spring this year and the softening up of the ground to prevent any further damage.

Mr. Speaker, I think all members of this House should be proud of the work that we've accomplished on this file as a group, as well as the select committee that went out during the previous mandate to listen to Yukoners about their concerns about off-road vehicle use here in the territory.

**Question re: Shakwak reconstruction project**

**Ms. Moorcroft:** Mr. Speaker, under the Shakwak agreement, the United States agreed to pay part of the cost to maintain the Alaska Highway to a specific standard. In this year's budget, the government plans to spend \$12 million on the Alaska Highway improvement program. Since its signing in 1977, Yukon has benefitted hugely from the Shakwak funding, but the agreement has since expired and the funding has disappeared from the US budget. This is disappointing. The Yukon Party government has employed a lobbyist to press its case to the US government for continued Shakwak funding without success, as far as we know.

Has the Yukon government developed any new approach to secure funding from the US government for Shakwak?

**Hon. Mr. Kent:** Mr. Speaker, as I have said before here in the House, under the Shakwak agreement, funding for capital reconstruction is the responsibility of the United States, while the Yukon government is responsible for managing the reconstruction and maintaining the highway for year-round access. In 2012, the US government removed funding for the Shakwak project under their federal transportation bill, which is known as MAP-21. This means the US funding needed to complete the requirements of the agreement is no longer available, although the agreement does remain in effect.

The member opposite is correct. We have benefitted tremendously from the money that we have received from the United States to improve this highway. A very high percentage of the traffic that travels between Haines, Alaska, and the US border near Beaver Creek is American-based, whether it's residents from southeast Alaska or personnel who are transferred back and forth between Alaska and the Lower 48 or, of course, the many visitors who use the Alaska Highway.

The Yukon government and the Canadian government continue to step up with improvements to the Alaska Highway between Haines Junction, east through the Yukon and then south through British Columbia, with capital and O&M expenditures there. We will continue to work with the Canadian government. I did bring this up with the Minister of Transport, Marc Garneau, in Ottawa recently, and we want to see that funding restored, just as other members of this House do.

**Ms. Moorcroft:** Mr. Speaker, the loss of Shakwak funding is a serious blow to Yukon's highway improvements. Under the agreement, Canada agreed to manage the reconstruction, provide land and granular resources and maintain the highway after reconstruction. However, without

secured funding in place, Shakwak corridor reconstruction and maintenance efforts are in jeopardy. We have not heard about a new approach; only that the minister is working with the federal government.

Again, does this government have a plan to maintain the highway to current standards or can Yukoners expect the highway conditions to deteriorate once the Shakwak funds have depleted?

**Hon. Mr. Kent:** Mr. Speaker, in this current budget, we expect to spend close to \$12 million completing Shakwak program highway improvements. This falls well short of what is necessary to finish the work in the Shakwak area.

It is interesting to note that our highway maintenance costs are over six times higher in permafrost areas that we witness on the northern part of the Shakwak than in non-permafrost areas. As mentioned at the transportation ministers meeting that was held in Ottawa in early February, I brought this up with colleagues around the table. This is important to British Columbia and Alberta as well, as this is a major trade route. It is our major trade route through the Yukon to Alaska and connecting to southern jurisdictions.

I did speak to the minister for British Columbia as well as the federal minister of Transport Canada. This is an important project, not only for us in the Yukon, but this is an important part of our national highway system. We feel that the agreement that was in place was a fair one and one that we would like to see continued. Again, Mr. Speaker, we'll continue to work through the federal government with our Alaskan counterparts, with business associations — both here in the Yukon and Alaska — as well as First Nation governments to ensure that we do our best to try to restore the funding to this important piece of infrastructure for Yukoners, for Canadians and for Americans.

**Ms. Moorcroft:** Mr. Speaker, with climate change adversely affecting northern regions, permafrost melt is significant in the planning, construction and maintenance of Yukon highways. Today, a departmental press release mentions the completed research at the Beaver Creek permafrost testing site, but it is short on details on key findings of the research.

Mr. Speaker, here is what the travelling public wants to know: Is this government prepared financially, without US-shared funding, to deal with the issues that melting permafrost has on the highway?

**Hon. Mr. Kent:** In my previous response, I mentioned that the highway maintenance costs are over six times higher in permafrost areas than in non-permafrost areas. As well, thawing permafrost causes severe distortions of the road surface as well as significant cracking along the shoulders, creating significant safety issues for highway users and increased costs of all transported goods.

Mr. Speaker, of course safety remains a top priority for us in the Department of Highways and Public Works. We want to ensure that our roads are in the best shape possible so that our residents, visitors and commercial traffic that use the roads can do so in a safe manner. That's why we're investing heavily again this year in transportation infrastructure. I

believe close to \$60 million will be invested in our roads and our airports throughout the territory. We'll continue to work on the US government restoring funding to the Shakwak project. Of course, there are other opportunities and funding vehicles available to us as well — other partnerships — but again, when it comes to the Shakwak, we feel that high percentages — between 80 and 90 percent — of the traffic on that portion of the Alaska Highway are United States' residents. So we feel that this is a great partnership that has existed for many years; we want to see it continue and we'll do our best to make sure that that happens.

**Speaker:** The time for Question Period has now elapsed.

We will now proceed to Orders of the Day.

## ORDERS OF THE DAY

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

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

*Motion agreed to*

*Speaker leaves the Chair*

## COMMITTEE OF THE WHOLE

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

The matter before the Committee is general debate on Bill No. 22, *Interim Supply Appropriation Act, 2016-17*. Do members wish to take a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

### Bill No. 22: *Interim Supply Appropriation Act, 2016-17*

**Chair:** The matter before the Committee is general debate on Bill No. 22, *Interim Supply Appropriation Act, 2016-17*

**Hon. Mr. Pasloski:** I am pleased to be able to provide Committee of the Whole with some introductory comments on Bill No. 22, entitled *Interim Supply Appropriation Act, 2016-17*.

This appropriation act will allow the public service to continue to make certain expenditures while the main estimates for 2016-17 are being considered by the Legislative Assembly during this Sitting.

The interim funding requested for this period is for the period of two months ending May 31, 2016. The total amount

for which approval is sought is \$338,736,000 and is made up of capital expenditure appropriations totalling \$90,203,000 and operation and maintenance appropriations totalling \$248,533,000.

The amounts required have been derived by canvassing Yukon government departments to determine their expenditure requirements during this time. The amounts are significant, largely owing to the fact that a large portion of commitments and expenditures are made during this period.

I look forward to debating this interim supply appropriation bill in this Legislature and for its quick passage so that the operations of Yukon government can continue.

**Ms. Hanson:** As I had said when we were speaking last week to this, I have very little to say about Bill No. 22. It is in fact a fait accompli.

The fact that we're having to come forward with this *Interim Supply Appropriation Act, 2016-17* to really provide the authorization for a special warrant to provide legislative authority for the expenditure of Yukon taxpayers' resources is a further example of the defiance of parliamentary procedure, which would see that, in fact, it's the Legislative Assembly that gives the approval for expenditures, which would be achieved by the governing party actually introducing its budget in advance of the beginning of the fiscal year.

As I said, this could have been avoided entirely if the government had been acting with due diligence and called the Legislative Assembly back to perform its duties in advance of the commencement of the fiscal year.

**Hon. Mr. Pasloski:** Madam Chair, of course, the amounts subscribed within the special warrant are included within this interim supply bill.

**Mr. Silver:** Madam Chair, I just want to reiterate my colleague's comments. This is the second year in a row that this government has made a conscious choice to begin the spring session after the fiscal year has already begun. Of course, the normal course of events would be to start the session in late March to allow time to pass the interim supply bill before the fiscal year actually begins. Again, speaking to the democratic process, we're debating money that has already been spent or is being spent as we speak.

I guess the question would be: Are we sensing a trend here? Is this something that the Yukon Party, if elected in the next election and forms government, would intend to continue — to have these late sessions? We heard in previous years that the reason for the late session was based on March break and wanting to give people an opportunity to go on March break. Then, the year before that, it was earlier, but it seems that we're going later and later. We're wondering if this is a trend. Is this something that the Yukon Party wants to continue or is there a special circumstance for this year, seeing as it's an election year?

We do know that there was an awful lot of movement in the deputy minister positions around the Yukon in the territory. It must be hard to get a budget going when you have severance packages that you have to add to these numbers, and these types of things. Or is this a trend? Is the late session a result of election-year preparedness or is this something that

we would see continue if the Yukon Party were to be re-elected?

**Hon. Mr. Pasloski:** One of the comments that we made earlier was that we were indeed looking for the federal budget to see the contents of that budget — with the ability to have enough time to review it before tabling our own budget. This was an interesting year in terms of the budgeting process with the federal government. We began to be engaged with the federal government very quickly after the October election. In fact, I was in Ottawa in November. I spoke to a number of Cabinet ministers at that time. Many of our Yukon government Cabinet ministers were in Ottawa at the end of January. There have been ongoing discussions, building those new relationships with the new government. It certainly was prudent for us to watch and see what in fact was being committed by the federal government.

What I will commit to the Legislature and to Yukoners is that we'll continue to focus on the priorities that Yukoners have told us are their priorities. We have been to 60 community meetings in all of the communities and we've heard from hundreds of Yukoners.

We'll continue to focus on the economy and doing what we can and focus on jobs. While we're doing that, we will continue to do the great work we are doing in education, in health care and in diversifying the economy, but all while ensuring that we continue to do it in a fiscally, financially responsible manner. We're very proud of having — during this mandate — no deficits at a time where deficits and debt have become the fashion. In fact, I did say during my budget speech that the accumulated debt between provinces and territories at the subnational level is approximately \$600 billion and that we're very proud to be the jurisdiction without that net debt.

Madam Chair, we can put all of our dollars and all of our revenue into program services and investment in capital infrastructure, and Yukoners know that whether it is in good economic times or bad, this will be a government that will continue to focus on their priorities and ensure that we do it in a manner that's responsible, so that our children and grandchildren are not paying for programs or delivery or emergency room visits that occur today.

**Mr. Silver:** I will get back to the special warrant.

We do have ministers that are responsible for Crown corporations. Crown corporations' debts are being paid off on the interest, not the principal. We will have debt for our future generations. That is a whole other topic, but I would ask the Premier if he would answer the question about whether this will be a trend. Special warrants are only used in exceptional circumstances; for instance, if a new government has just been re-elected and needs for time for budgeting or if there are unanticipated emergencies. Having a government that would routinely reconvene the Legislature so late that a special warrant is being issued, we are wondering if this is the trend of the Yukon Party government moving forward, or was this, like I said, more of a one-off for the final year in a mandate? Let's say that.

**Hon. Mr. Pasloski:** As I said, I will continue to pledge that a Yukon Party government, within a renewed mandate, will continue to focus on the priorities of Yukoners. We're very proud of the fact that since the party came in — earned the right to serve in late 2002 — we've seen an increase of approximately 20 percent in population, primarily levered around the resource sector. As a result of the growth we've seen in that resource sector, we know that those mining jobs result in — well, the number is somewhere probably between five and eight jobs in the economy for every mining job that occurs. We will continue to stand up for the resource industry as a government and, as we do and as we see the growth in our population, it creates those greater opportunities to diversify this economy. This is what we've heard from Yukoners and that will be our priority going forward.

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

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Schedule A*

*Schedule A agreed to*

*On Schedule B*

*Schedule B agreed to*

*On Schedule C*

*Schedule C agreed to*

*On Title*

*Title agreed to*

**Mr. Elias:** Madam Chair, I move that Bill No. 22, entitled *Interim Supply Appropriation Act, 2016-17*, be reported without amendment.

**Chair:** It has been moved by Mr. Elias that Bill No. 22, entitled *Interim Supply Appropriation Act, 2016-17*, be reported without amendment.

*Motion agreed to*

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

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

*Motion agreed to*

*Speaker resumes the Chair*

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

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

### Chair's report

**Ms. McLeod:** Mr. Speaker, Committee of the Whole has considered Bill No. 22, entitled *Interim Supply Appropriation Act, 2016-17*, and directed me to report the bill without amendment.

**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.

## GOVERNMENT BILLS

### Bill No. 22: *Interim Supply Appropriation Act, 2016-17* — Third Reading

**Clerk:** Third reading, Bill No. 22, standing in the name of the Hon. Mr. Pasloski.

**Hon. Mr. Pasloski:** Mr. Speaker, I move that Bill No. 22, entitled *Interim Supply Appropriation Act, 2016-17*, be now read a third time and do pass.

**Speaker:** It has been moved by the Hon. Premier that Bill No. 22, entitled *Interim Supply Appropriation Act, 2016-17*, be now read a third time and do pass.

**Hon. Mr. Pasloski:** Mr. Speaker, the purpose of this bill is to seek the authority of this Legislature to approve interim spending for the government in an amount not to exceed \$338,736,000 for the two months ending May 31, 2016. This bill will permit government departments to make expenditures in order to provide public services to Yukoners until the main estimates are approved.

Mr. Speaker, I move that Bill No. 22, entitled *Interim Supply Appropriation Act, 2016-17*, be now read a third time and do pass.

**Speaker:** Does any other member wish to be heard?  
*Motion for third reading of Bill No. 22 agreed to*

**Speaker:** I declare that Bill No. 22 has passed this House.

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

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

*Motion agreed to*

*Speaker leaves the Chair*

## COMMITTEE OF THE WHOLE

**Chair (Ms. McLeod):** Order. Committee of the Whole will now come to order. The matter before the Committee is general debate on Bill No. 23, entitled *First Appropriation Act, 2016-17*.

Committee of the Whole will recess for five minutes while we await officials.

*Recess*

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

### Bill No. 23: *First Appropriation Act, 2016-17*

**Chair:** The matter before the Committee is general debate on Bill No. 23, entitled *First Appropriation Act, 2016-17*.

**Hon. Mr. Pasloski:** I am pleased to rise in Committee of the Whole today to present the introductory remarks for Bill No. 23, entitled *First Appropriation Act, 2016-17*, more commonly referred to as the 2016-17 main estimates.

Allow me to start today with my concluding comments from last year's Committee speech for 2015-16 budget. These words resonate. The words have meaning and the words reflect our fundamental principles that have allowed us to table important balanced budgets on behalf of Yukoners.

Our government's commitment to sound financial management remains strong. As a result, we have positive net financial resources. In other words, we're not relying on future revenues to fund past and current expenditures. We have an accumulated surplus. This highlights our economic resources, both financial and physical, available for the provision of future programs and services, and we have an annual surplus. This means that our revenues exceed our expenditures, allowing us to build the bank and to save. As it has in recent years, our savings account will allow us the flexibility to be responsible on behalf of Yukoners when it is needed the most.

Madam Chair, I'm extremely proud of these efforts of our government to provide for a wide range of programs, services and capital investments on behalf of all Yukoners, while maintaining a very healthy long-term fiscal position.

Our government represents all Yukoners and we have delivered on the mandate bestowed by Yukoners. Each of our budgets has been designed to maximize benefits to Yukoners through strategic spending. This budget continues on that theme. It's our obligation, and also our pleasure, to balance strategic spending with fiscal discipline — a combination that serves Yukoners today while also providing for our citizens tomorrow.

This approach has afforded our government the opportunity, through multiple mandates, to make significant investments for the benefit of all Yukoners. Our government is proud of our record. We have a strong fiscal position and continue to invest wisely and strategically on behalf of Yukoners. This budget continues to build on our past successes, as we anticipate our next mandate.

Looking to our multi-year forecast tabled with this budget, future years remain positive with revenues projected to exceed expenses for each of the next four years. This forward-looking healthy fiscal framework is what Yukoners can take great comfort in. Indeed, Yukon remains financially well-positioned for the future. Our government has, once again, delivered a notable and sound budget.

The 2016-17 budgets build on the work of our previous years and allow our government to provide significant investments now and into the future for Yukoners. Madam Chair, we will speak of the expenditure/revenue details in some depth during general debate; however, to quantify my

introductory remarks, allow me to make the following observations at this time.

This budget provides total expenditures of \$1.391 billion; operation and maintenance expenditures of \$1.085 billion; capital expenditures of \$306.6 million; annual surplus of approximately \$9.5 million; net financial assets of almost \$57 million; accumulated surplus of \$1.36 billion; and this budget continues to provide for sustainable and affordable fiscal management.

This is now the fifth year that the Yukon government has included consolidated financial information with the budget documents. I'm confident that members opposite will appreciate and recall my previous comments indicating that this consolidated disclosure contributes to the transparency and accountability in government reporting. I will not elaborate again here today.

Madam Chair, allow me to focus the members opposite on the unconsolidated entity, the amounts to be appropriated and the resulting financial results that are supported by Bill No. 23, entitled *First Appropriation Act, 2016-17*.

Members will find the non-consolidated summary starting on page S-5 of the 2016-17 estimates document. Focusing on the unconsolidated side, the members opposite will observe that total expenditures or appropriations identified in the 2016-17 main estimates are \$1,391,649,000, of which \$1.085 billion is allocated to operation and maintenance and \$306.6 million represents our government's investment in capital. Once again, Madam Chair, our government has provided a strong budget for all Yukoners. Our fiscal position continues to be sound, with an annual surplus of \$9.483 million and projected net financial assets of \$56.991 million.

Shortly I will speak of some of the expenditure highlights contained in this budget. Suffice it to say our government continues to deliver on our "Moving Forward Together" commitments and to make significant expenditures on behalf of all Yukoners in the delivery of programs, services and capital investments. Madam Chair, we have done this without breaking the bank. With all the decisions to date considered, our 2016-17 budget forecasts an annual surplus of \$9.483 million. This means revenues for the Government of Yukon are projected to exceed expenses for the 2016-17 fiscal year.

Of course, surplus is not the only indicator of our financial well-being that should be considered. As I have stated previously in this Legislature, and I am sure to repeat a few more times, the pre-eminent measure of the government's finances is net financial assets. We have a net financial resource position of \$56.991 million forecast for the year ended March 31, 2017. Yukon government continues to maintain a healthy financial position and avoid net debt.

Madam Chair, most other Canadian jurisdictions are reporting net debt. This fact alone is significant, but let me phrase this in a different way. Net debt provides an indication of future revenue requirements for government. That is, net debt provides a measure of the future revenues required to pay for the past. The significance of this should be a comfort to

Yukoners, as probably now the only jurisdiction in Canada not in a net debt position, it will not be necessary to allocate future revenues to offset or pay for past expenditures. Our government can say we are paying as we go and, yes, we do have positive net financial resources to invest in future programs and services. As I have said, our strong net financial resource position is the most important indicator of our government's fiscal health. This indicator speaks to the future. As I have observed previously, the 2016-17 main estimates forecast our net financial resource position to be a very healthy \$56.991 million.

One final comment on our financial health — our government continues to manage Yukon's finances over a multi-year horizon. Our government saves when it is prudent to do so; our government makes expenditure investments when it is necessary. Madam Chair, we see many needs and we are taking the opportunity to address those needs. We do this on behalf of and for the benefit of Yukoners. As legislators, we need to look beyond the short term and consider the long term. We continue to plan and spend accordingly for our plan. We have done this without mortgaging the future.

As I have stated previously, our financial health is extremely strong. Our history of significant investments continues with our government's 2016-17 budget as our strong financial framework provides us the flexibility to be responsive to emerging priorities and opportunities as they are presented to Yukon.

Before I move on to a few observations about our expenditure investments, allow me to repeat: our fiscal position continues to be sound with an annual surplus of \$9.483 million and projected net financial assets of \$56.991 million.

I noted in my earlier comments that this 2016-17 budgets reflects total expenditures of approximately \$1.391 billion, of which just under \$307 million is directed toward significant capital investments for the benefit of Yukoners. Approximately \$1.085 billion is allocated for operation and maintenance. As I have emphasized previously, our commitment to fiscal responsibility remains strong, while we continue to invest strategically in the Yukon and for the benefits for all Yukoners.

It would be easy to go through a laundry list of what the 2016-17 budget provides in terms of specific expenditure items. Today, I prefer to speak about how our 2016-17 budget supports our multi-year vision — where and how the Yukon Party is making a long-term investment, and therefore a difference in the well-being of Yukoners. Of course, my comments will be primarily focused on a number of strategic initiatives. Individual ministers will, however, be happy to provide full details for their respective portfolios once we get into line-by-line debate.

An important theme of our 2016-17 budget is putting Yukoners to work. It is therefore understandable that my comments will focus on many of the capital elements of our 2016-17 budget. Our government has a string of significant capital budgets — nine successive years where capital

investments have exceeded \$200 million. This year of 2016-17 is no exception. Our 2016-17 capital budget calls for a 10<sup>th</sup> year of significant investments in Yukoners and Yukon infrastructure with a budget of over \$300 million.

A recurring theme throughout my comments is our government's commitment to invest, not only in Yukoners today, but also to invest in Yukoners for tomorrow through a balanced approach in managing Yukon's finances. Managing with tomorrow in mind is key. According to our Bureau of Statistics, in 2003, Yukon's population was just under 30,000, at 29,976. In 2015, Yukon's population exceeded 37,000, at 37,343. For 2022, Yukon's population is projected to be approximately 42,000. I have spoken at great length over the last few sessions about Yukon's increasing population and the infrastructure required to support it. Individual ministers will be pleased to speak in more detail during line-by-line debate; however, allow me this opportunity to comment on the high-level investments identified in this budget.

As I have noted throughout, our 2016-17 budget includes \$306.6 million for capital expenditures, covering a number of important investments across a number of sectors, including: \$55.8 million in support of the territory's transportation infrastructure; \$28.6 million to support a variety of investments in municipal and community infrastructure; and \$127.3 million for the planning, construction and maintenance of a number of facilities.

The ministers of Energy, Mines and Resources and Highways and Public Works have spoken at some length about our government's commitment to the IT sector with core investments of \$9.5 million, up three million from prior years. In addition, it seems apropos to also mention here that we have additional investments of almost \$4.8 million for the e-health initiative and \$1.85 million related to school-based information technology requirements. These are some impressive levels of investment in targeted sectors. I am confident that these investments will indeed put Yukoners to work.

I spoke earlier about how the 2016-17 budget continues to plan for long-term and strategic investments for the benefit of all Yukoners. Allow me this opportunity to bring just a few to your attention. Yukon continues to work with Canada to finalize the details on the new Building Canada fund arrangements. Through this new infrastructure program, approximately \$342 million will be invested right here in Yukon over the next 10 years. With \$21.9 million allocated, our 2016-17 budget continues the work related to the emergency room and hospital expansion. This is an important multi-year project with an additional \$17.8 million identified for the 2017-18 fiscal year.

Finally, I have just described some basic statistics that our government and the members opposite are fully aware of, of the anticipated growth in Yukon's population. We are all aware that more and more Yukoners are choosing to stay in Yukon throughout their retirement years. I spoke of this in my Budget Address, Madam Chair. It is anticipated that by 2031, Yukon residents over the age of 65 will make up almost 20 percent of the Yukon population. This is a reality we are

facing, and our government continues to plan to provide care for our seniors.

This budget includes \$66.9 million to advance the new care facility in Whitehorse. In consideration of potential growing demands, this facility will be built with the idea of future expansion. These initiatives that I have mentioned here today are just a few of the investments that we are making on behalf of all Yukoners. We are able to make these types of investments based on our successful record of planned and disciplined management of our finances. We continue to manage Yukon's fiscal framework over the long term. Our government continues its work to be ahead of the curve by identifying, planning and implementing long-term and multiple-year expenditure plans now. My colleagues and I look forward to discussing our 2016-17 budget in more detail during general debate.

In closing, Madam Chair, I conclude as I began. Our government's commitment to sound financial management remains strong. As a result we have positive net financial resources. In other words, we are not relying on future revenues to fund past or current expenditures. We have an accumulated surplus. This highlights our economic resources — both financial and physical — available for the provision of future programs and services. We have an annual surplus. This means that our revenues exceed expenses, allowing us to build the bank and save. As it has in recent years, our savings accounts will allow us the flexibility to be responsive on behalf of Yukoners when it is needed the most.

I'm extremely proud of the efforts of our government to provide for a wide range of programs, services and capital investments on behalf of all Yukoners while maintaining a very healthy, long-term fiscal position.

Looking to our multi-year forecast tabled with this budget, future years remain extremely positive, with revenues projected to exceed expenses for each of the next four years. Our forward-looking, healthy fiscal framework is what Yukoners can take great comfort in.

The 2016-17 budget leverages our previous efforts of sound, disciplined and rigorous management to provide for today and to provide for tomorrow. To reiterate, this budget reinforces the principles of fiscal discipline and balanced management that allows us to be representative to the future needs and priorities of Yukoners. Indeed, Madam Chair, the Yukon remains financially well-positioned for the future.

I will now be prepared to entertain any discussion on this budget that is general in nature.

**Ms. Hanson:** It was an interesting turn of fiction over fact, with the fact that the Minister of Finance has defied the evidence over the last five years and has presented a very interesting narrative that really does not jive with any of the objective assessments that have been provided to him as Minister of Finance, as Premier, to the citizens of the Yukon by entities as diverse as the C.D. Howe Institute, the Conference Board of Canada and many others — including the Fraser Institute, for goodness' sake — that don't quite share that glowing assessment of this government's performance over the last five years.



By any measure that the Premier has spoken about, the reality is that the Yukon Party has confused the notion of spending huge and significant amounts of money transferred from the federal government with effective governance. What we've seen is a government that talks the talk about decreasing dependency on the federal government while, at the same time, ramping up that dependency.

When the Yukon Party took power, this territory generated about 21 percent of its own-source revenue. We're now down to about 13 percent under this Yukon Party. That doesn't speak to a fiscally conservative or an entrepreneurial spirit, which is what we, in the NDP, had hoped — and would be putting forward — and had promoted.

Madam Chair, when the minister opposite talks about the numbers of jobs that are created currently — currently, Madam Chair — in the mining sector, I would remind him what the current reality is. Under this government's watch, it has been one piece of bad news after another — not only that, but they compound it with their unwillingness to do both the due diligence that's required of good governance.

They've fallen back into the old patterns of the federal government, which was both the promoter and the regulator, and focused on the promoter aspect instead of taking the due diligence and recognizing the liability that accrues to Yukon in the future — to future generations — and we see how they mishandled the operations at Yukon Zinc. We currently only have, under this government's watch, one partially operating mine. There have been, in this forecast, virtually no employment gains in this sector over the next couple of years.

Madam Chair, if that's the basis for the sound projections of this government, that's a frightening kind of reality. This government rode to power on high commodity prices and, while those prices remained high, they were really blind and have continued to be blind to the need to build, not just a resilient mining sector, but also a more diversified and resilient economy. I spoke at length in the response to the Budget Address. I wasn't anticipating that we'd be getting another Budget Address from the Minister of Finance. I thought we would actually get into the nuts and bolts of the Department of Finance, but that's fine if that's his objective this afternoon — to go on for a long time. That's perfectly fine by us.

The question I would have for the Finance minister — and I've asked this before, but I've never received an answer — is: if mineral prices were to rebound tomorrow — which as we all know, given world commodity prices and what we've seen on the markets around the world, not just in Canada — what would the Yukon Party government do differently to ensure Yukon's economy will survive another mining downturn? I posed that question in quite a bit of depth during the Budget Address debate because there are — and we have proposed, as the Yukon Official Opposition, the New Democratic Party, a number of concrete measures that we could be doing to build a resilient and durable local economy. I have heard nothing of that from this Yukon Party government.

So, what we've seen, under this Premier's watch, is the notion — the reality — of a real GDP shrinking. We've seen this government and this Premier, this Finance minister, preside over a recession with the lowest growth rate in Canada. We've heard today from the C.D. Howe report — and I quote from *Controlling the Public Purse: The Fiscal Accountability of Canada's Senior Governments, 2016*, wherein they state that we can assess how successfully Canada's senior governments have hit their target budgets over the past 15 years, and Yukon, with an average overshoot of 6.3 percentage points, had one of the worst records of all. Their public projections were among the worst guides to results among all jurisdictions.

The question is: How does the Minister of Finance deal with this reality of government mismanagement of finance under his direction? He sets the tone. He sets the direction. Under him, there appears to be a failure to conduct life-cycle costing to ensure O&M budgets are not pressured with unforeseen costs. I commented last week that we were pleased to see, after 15 years, the Yukon Party finally understanding that results-based management is a basic tenet of public administration. What we will be looking forward to in the next five months is that they can actually begin to implement it because it clearly doesn't understand that basic function.

We have seen under this watch by this Finance minister the real return to the territorial government, and he talks about this vibrant economy that he and the Yukon Party have created. The reality is that, in his estimates, the corporate tax returns to the territory in terms of us building a buoyant and boisterous economy that we would take away the dependency on the federal government — that we should be seeing a more active private sector. The reality is that our estimates for a corporate tax have gone from \$26 million in 2015-16 to \$14 million, approximately, this year. That speaks to me of a significant decline in the private sector under this Finance minister's watch.

There is a difference in the reality and the fantasy that is being portrayed by the Minister of Finance. We have heard the Minister of Finance talk about his projected \$9-million surplus going forward for this fiscal year. The fact of the matter is that this Finance minister went from an \$80-million annual surplus ending last fiscal with \$1.25 million. So somehow he is going to generate some money this year, but he is going to be cutting somewhere, I would suggest, because he only has a \$1-million surplus this year.

I have heard a lot from the minister opposite about his projections around the various capital projects, and one that just caught my ear at the last of it there — he's going on about the need and the investment in the ER expansion. You know, if one starts deconstructing what happened there, it goes right back to a Yukon Party minister who said, "Do you know what? Despite what the experts said when we built the new hospital, I don't think we need it to be quite as big as it was forecasted to be necessary to replace the old federal hospital," said this wise Yukon Party minister, "and I don't think we need the ER to be as large as you say it should be." So they cut it back, Madam Chair.

Now, almost 20 years later, we're saying that we need to build it, and then we heard, "Guess what. We're going to ask citizens to fundraise for an MRI." They said to the citizens, "It will cost you \$2 million for the MRI." Then they said, "Oh no, guess what. That has to be matched by the territorial government to make it \$4 million." Then — guess what. It cost \$72 million to expand the hospital to place that MRI and to expand the ER. That's Yukon Party planning. That's what causes Yukoners to say, "Why? Why would we put any confidence in this government going forward?"

There are many, many questions — and we don't need to give the Premier the platform to do his pre-election speeches yet again. This is almost the third time we've heard it in the very short few days since the beginning of the Spring Sitting.

There are many serious issues that we need to follow through on and we intend to do that as we track the decline in the GDP — the real GDP for this territory — and the realities of building a diversified economy: the fact that the Yukon Party has no vision for renewable energy and a green economy; and the fact that this government has forced a decline in the economy by its antagonistic rejection of the main tenets of the new agreements among Yukon First Nations and the territorial government — and, as a result of that, it is making this not a place where people want to invest.

We will want to talk with the Minister of Finance, when we get into the Department of Finance, about the personal debt load and its implications for the economy in this territory, real job forecasts, real costs and real assessments about diversifying the economy. We have noted — and we are not the only ones, as I have said before. The Conference Board of Canada has said it has been a difficult few years for the Yukon economy. We stood alone in many ways in terms of our enviable position in terms of potential. It is like Charlie Brown, in a way — this government across the way. They seem to be trying to achieve that. There is nothing worse than a great potential for them because they do not know how to realize it.

The issues that need to be addressed are beyond the rhetoric of this government. When the minister opposite says that he is proud and it is based on that pride that he goes forward, I would just caution that hubris can be a dangerous thing and that pride often goes before the fall.

I would encourage us to actually get into the substantive matters of the budget and see if we can actually get some fact-based answers, some evidence-based answers, as opposed to broad conjectures about what the Premier is going to be selling on the campaign trail over the next couple of months.

**Hon. Mr. Pasloski:** Madam Chair, before I get into that diatribe, I am going to take the opportunity to introduce to the Legislative Assembly my Deputy Minister of Finance, Katherine White. I am pleased to have her here, and I would like to acknowledge the incredible work of her and her team in putting together this 2016-17 budget. Certainly, this was an effort that all need to be commended for.

I just listened to 20 minutes of the Leader of the New Democratic Party, and it is difficult for me to decide where to start. Of course, the Liberal leader has to paint this incredible

picture of doom and gloom. I, conversely, have a very optimistic and exciting view of the future of this territory that can be attained with the re-election of a new mandate for the Yukon Party government. She can go off all she wants; the proof is in the pudding, Madam Chair.

We can do the comparison, in terms of looking at the financial statements of this government, of this jurisdiction, compared to other jurisdictions, and we don't have to go any further than looking at the financial situation in Manitoba and in Alberta right now.

As I said earlier today in Question Period, the Alberta New Democratic Party has just tabled a budget that includes \$10.4 billion in deficit. Madam Chair, this is the province that has been the economic engine in this country for decades now, and they are now resorting to borrowing money to pay daily wages.

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

**Hon. Mr. Pasloski:** We will have this, as I listened quietly to the rhetoric from the NDP leader — she will try to talk off-mic while I'm speaking. I know the Yukoners listening appreciate that.

Madam Chair, the Alberta NDP government — \$10.4 billion — we know their revenues are down. They rely on resources, as does this jurisdiction. The opposition doesn't connect those dots. The difference is that, in the face of dramatically reduced revenues, what has the NDP done? Increased spending, because that's responsible, and as a result, they are now paying wages and have tabled a \$10.4-billion deficit.

Let's talk about what has happened in Ontario. They have just tabled a budget — the Liberal government of Ontario. They have acknowledged that their net debt is \$315 billion. They have budgeted this year \$11.4 billion to service their debt. They'll only spend more money on health care and education. It is the number three expense item in the Ontario Liberal government's budget for this year. That's \$11.4 billion that they are not spending on programs or services, or on innovation or on investing in the future, because of that debt.

I turn to Newfoundland. Their new Liberal government just tabled their budget — a \$2-billion deficit, tax increases across the board. They've increased personal tax, they've increased corporate tax, they've increased tax on fuel and they've increased the HST and, to compound all that, they've also announced significant job cuts.

What's interesting on that is that the former government was moving forward with an increase on the HST, because they said upfront that this was necessary to help with the situation they were in. They were ridiculed by the Liberals and committed to not raising the HST. So they won the election and they eliminated the two-percent increase in HST — to only a couple of months later, in their new budget, increase the HST by two percent.

Madam Chair, we could go on and on about previous or existing Liberal tax-and-spend governments. We will stand very proudly, in spite of what the opposition wants to talk about, with the fact that we have, for the fifth consecutive year in this mandate, tabled a budget with a surplus, and we will

deliver a surplus, as we have in each year. We have money in the bank and now, sadly, are really the only jurisdiction left in this country that has net financial resources. We are not borrowing for services today and asking our children or our grandchildren — or, in the case of Ontario, maybe six or seven generations later — to pay for it.

I find interesting the comments from both leaders around federal transfer payments. Of course, the actual territorial formula financing agreement was actually fought for and achieved by Yukon's former Member of Parliament, Erik Nielsen, who was our Member of Parliament for approximately 30 years and Deputy Prime Minister as well. It was his persistence and his vision that came forward with this formula. What it does is ensure that the territories can have comparable programs and services at comparable levels of taxation.

We know that we have seen Liberal governments alter that in the past. In fact, back in the 1990s, the former Prime Minister Chrétien and his Finance minister, Mr. Paul Martin, balanced their books by making dramatic cuts in transfer payments to provinces and to the territories. We saw a recent cut by the new federal Liberal government through a methodological change. As I have said in the past, we are in year two of a five-year agreement, and if there are to be changes, we think it's appropriate to discuss those changes and have them part of a new agreement. Our goal, in the long term —

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

**Hon. Mr. Pasloski:** Now we have the Liberal leader talking off-mic as well.

Our goal will be to ensure that this territory, in the long term, can pay its own way — that it isn't held ransom to the whims of whichever political party is in office in Ottawa.

I guess the question for the NDP and the Liberals is: If they are so opposed to these federal transfers, then what exactly would they be cutting? Which programs and services? What is it that they would refuse? Obviously, they would refuse the money because they seem to be so opposed to it. We will be interested to see what their response would be to that.

I continue to listen to comments made by both parties about the economy, about the mining sector, trying to tell Yukoners that this is the only resource-based jurisdiction that is struggling right now. I know that Yukoners are smarter than that. They can look to the other jurisdictions that have a resource-based economy to see their economies struggling. The difference is that they are running deficits and have a massive amount of debt and this government does not.

What we know is that there have been mine closures, not just here but in many other jurisdictions as well. This really speaks to our commitment to the resource sector and why this government and this party now more than ever will stand up for the resource sector in this territory, because those mining jobs create a tremendous amount of jobs in this territory. I know that the Chamber of Mines has said that number is between six and eight jobs.

For every mining job, there are six or eight other jobs in the economy. Closure of mines because of lower commodity prices has an extreme ripple effect through this economy, and this is exactly what we are dealing with today — but, as we have said many times, we're not sitting on our laurels, waiting and hoping for commodity prices to come back. We are doing what we can. We continue to make record investments in infrastructure. We continue to work on our regulatory and permitting regimes to streamline them. We continue to work with First Nations and industry on mine licensing. Through these processes, we are engaging the YESAB and the Water Board.

We continue to focus on areas such as training, converting Yukon College into a Yukon university, the creation of the Centre for Northern Innovation in Mining, the mobile trades training trailer, the investments we have in the Yukon Research Centre, and then the investments we're making strategically in other sectors, such as the knowledge economy, increasing a \$6.5-million IT envelope by an additional \$3 million this year, which will create a number of good-paying jobs here in Yukon for Yukoners.

While we believe that the mining and the resource sector is key to the long-term success and prosperity of this territory, we know that we use these opportunities, like the 20-percent increase in population in the past decade as a result of that industry, to continue to diversify, so we can reduce the downturn in our economy when we see the downturn in the mining sector.

We're proud of the investments and the partnership we're doing with the Yukon Mining Alliance — I think it's a million dollars in the next three years on the promotion of mining — not just across this country, but across the world, in Asia, in North America and in Europe. Combined with the money the Yukon Mining Alliance is putting in, we will continue to advocate for the responsible mining that occurs in this territory and for investment to occur here.

I know the NDP talks about mining but, as I've said publicly many times, the NDP very much supports mining, so long as it's done somewhere else. They enjoy using the metals and minerals on a day-to-day basis; they would just rather see that they should be mined in some other jurisdiction, which really doesn't speak to their role as a global citizen.

We believe that we can perform the mining, or have a strong mining industry, and do it responsibly so it creates good-paying jobs here for Yukoners. I have said I would love to know that the copper in my phone came from Capstone, because I know that the mine is working responsibly. They have a tough regulatory process; there are inspections; there's money we're holding for reclamation and for mine closure. I know they look after workers.

Conversely, by putting their heads in the sand and not worrying about where those products come from, when they refuse to support those industries, these parties really — just look at the context of some of these other places, where mining exists, where there is essentially zero or very little environmental protection or protection for workers. This party will continue to support an industry that creates tremendous

wealth — and not just tremendous wealth, but also giving back.

We listen to the NDP leader sort of chastising people giving money toward an MRI. You know what? I will say people were very proud to help work toward a cause to provide something for this territory that will make health care better and, really, shame on her for that comment. We'll let Yukoners make the decision on that, but not only were there Yukoners, but there were tremendous amounts of local companies that put in a lot of money.

Yukon Hospital Foundation collected \$2 million in two years. Their goal was three years. They did it in two years. A lot of that money — the big money — where did it come from? It came from companies, either mining companies or those industries that were directly related to the mining industry. They are very proud supporters of arts and culture and health care in this territory and we're very proud to stand with them as well.

I just will probably let it rest there soon. I have already talked about how we're investing in diversifying the economy; how we're investing in providing the programs and services that are necessary with the huge increase in population that we've seen and the fact that we are planning for more increases, because we remain very confident that, with a Yukon Party government, we will see some mines open in the next mandate here. We believe there could be two to four mines that could be open and those will be a game changer again for this territory. The differences are very clear between the Yukon Party, the NDP and the Liberals. Where they are focused on ideology, we are focused on real solutions.

I will just talk again about carbon tax for all those people who are listening, because we know that both the NDP and the Liberals are supporters of a tax on carbon — a new tax for Yukoners. Any time you add a cost into any process, that cost just keeps getting passed down the line until you get to the last user, and that user is the business owner or the consumer. In our jurisdiction where there are very limited options, this is going to mean that everything will cost more money — everything from your fuel to your food, milk, diapers, clothing and home heating oil. Everything will cost more. If these parties were really interested in doing their part — and that's exactly what we say; we all have a part to play and to do our part. But if they weren't so focused on ideology and focused on real results, they would acknowledge that our plan is working. Our climate plan is working — more effective energy systems, seeing that government reduces their greenhouse gas emissions as we will see considerably just with the retrofit of this building that we're in today; and investing in energy incentives for Yukoners.

Our plan is quite simple. We can reduce our greenhouse gases — actually show a reduction in greenhouse gases — but we can also create jobs and we can do that without raising the cost of everything.

That certainly will be a question for all Yukoners to ask themselves as to whether they support parties that are really bent on ideology and ensuring that everything costs more

money, or the Yukon Party who will look for real solutions that will work for all of us.

**Ms. Hanson:** I just wanted to make the observation that, unlike the Premier, both previous NDP premiers were involved in mining, worked for mines, understood well what mining was about and, to this day, a former NDP Premier is actively involved with significant mining interests in this territory. So this is not theory, Madam Chair. The New Democratic Party has always supported mining and has three basic ideas around that. We simply ask that mining, as with any other resource sector, follows the rules, employs Yukoners and benefits Yukon business and cleans up when they leave. That's pretty straightforward. Yukoners agree with that.

It's interesting that the Premier has lost himself in his rhetoric, because he speaks to the notion that it's an ideological thing that people will begin to look at how we make the transition to a low-carbon economy, when in fact the Mining Association of Canada made it clear last week that there should be no notion of an exemption for the north. They made it clear that they do support a price on carbon across all sectors in Canada's economy. As the NDP has said on this side, how we approach this gives us an opportunity to look at how we can support low-carbon technology. We think there needs to be a public debate. The Premier has shut that down, as he shuts down many other democratic debates in this territory.

So I'm not going to get into a big long thing, but I do have a question for the Minister of Finance with respect to his responsibilities as the minister responsible for the financial dealings of this government. It has to do with a report on the CBC last week and then subsequent publications from the G20 summits that are occurring and the plans from G20 finance ministers and a Central Bank Governors meeting that occurred on April 15, 2016. The large focus of the conversations of the finance ministers, including the Finance minister of Canada, have to do with the volatility of the financial — the global recovery that all governments globally are attempting to work toward. One of the big concerns that has been expressed is the whole issue of ensuring — and we saw this most recently with the release of what are called the Panama Papers and the commitment made at the federal level by both the Prime Minister and the federal Minister of Finance to ensure that where there is tax avoidance, that circle is wound in and tightened, so that taxes due and transparency necessary to ensure good corporate governance is carried out.

On April 12 on CBC there was an interview with the director of Canadians for Tax Fairness. He noted that Yukon has been singled out as a place where companies can avoid paying tax. The statement was made that the Yukon government needs to crack down on tax evasion.

Apparently, as part of the review that has been going on internationally through the G20 — and is on the agenda for discussions that are occurring now and into the spring looking at international standards for transparent tax reporting — there are a number of principles that guide that. The Panama firm that was exposed actually advised their clients that Canada

and the Yukon is a good place to set up a shell company and hide their assets. My question for the Minister of Finance is: What conversations has he had with the federal Minister of Finance and the federal Minister of National Revenue, responsible for Revenue Canada, with respect to the proposed new strategy to stop tax evasion and tax avoidance? My understanding is that the organization that I referenced, Canadians for Tax Fairness, actually met with advisors from the Department of Finance last week, and Finance Minister Morneau's advisors, and the Finance minister's advisors also mentioned Yukon as a jurisdiction with very lax corporate rules. It's on their radar — the federal Finance's radar as well.

Does the Minister of Finance see this as an issue and, if he does, what action is the territorial government taking to rectify it?

**Hon. Mr. Pasloski:** I'll just go in the order in which we heard it from the NDP leader. Again, I guess I will just reiterate — she spoke of previous years and previous Liberal and NDP governments. I will again remind Yukoners that, through 1997 to 2002, we saw a mass exodus of population from this territory because there were no jobs. These were people who were 25 to 45 years of age, in the prime of their employment years, who fled this territory because they couldn't find work.

I know that. I ran two businesses in this town during that time and know how difficult it was during those administrations — double-digit unemployment, and they were borrowing money to pay wages, something we hear is now going on in other NDP and Liberal governments across this country.

We've heard the NDP leader again. The reality is, when she speaks, truth is not relevant to what she has to say — I think she has coined the term "fiction-peddling" — and this really goes to the fact that, yes, the Mining Association of Canada did make a statement, as has the Canadian Association of Petroleum Producers.

When the president and CEO of the Mining Association of Canada, Pierre Gratton, was on the radio here on CBC's *A New Day* with Sandi Coleman, his quote was: "Actually, I just listened to what your Premier said and I'll be honest, I have trouble disagreeing with him and what you just quoted him saying and our principles I think speak to a lot of the issues that he was making in your Legislature. We do talk about in our principles the importance of recognizing the sort of geographic circumstances and the premiers and the Prime Minister, when they met in Vancouver made the same recognition."

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

**Chair:** Mr. Pasloski has the floor.

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

**Chair:** Order, please. Mr. Pasloski has the floor.

**Hon. Mr. Pasloski:** The president and CEO was very clear and, in fact, when I spoke to the Prime Minister and to the other premiers of this country — not only was I, but the Premier of the Northwest Territories and the Premier of Nunavut collectively were very clear about what a tax on carbon will do in the north. It will not only increase the cost of

everything to northern people, but will make businesses less competitive. As I said, this party has a plan where it is not about ideology but actually reducing greenhouse gases and creating jobs for Yukoners. That will be our priority. Managing this economy, preparing ourselves for what we believe is a very bright future.

I wasn't sure when the NDP was going to bring up this idea of the taxes. I guess I need to thank the NDP for soliciting some news releases from their friends while they were down at the NDP convention in Edmonton. I will speak to amendments to the *Securities Act* and amendments to the business law act as well. I will remind the NDP and the Liberals that those amendments passed — one of these amendments was during the previous mandate, but two of these amendments occurred to these acts during this mandate. On both of those occasions, those amendments were passed unanimously by everyone in this House. We will be very excited to speak to Yukoners about that. We continue to hear some rhetoric on one side and then the other. I know it mostly comes from the Liberal leader, but here is an example of supporting amendments on the record, unanimously, and then turning around and making accusations. We do support the federal government in their initiatives to make changes to ensure that people who are avoiding taxes, which is a different issue altogether, can ensure that all Canadians pay the due tax that they deserve to pay — that they owe, to pay to this country. Everybody in this Legislative Assembly should also know that we have a tax collection agreement with the federal government.

They do collect our taxes on our behalf and, of course, this government fully supports the actions or the initiatives that the federal government will make to ensure that we eliminate those loopholes or tax havens where people are getting away with not paying the taxes that they deserve. It is important that it happens.

I will remind listeners and the opposition that, since the Yukon Party came into power in late 2002, we've opened the *Income Tax Act* — I believe it's about 15 times now. Each and every time it has been to reduce taxes. We have not increased taxes since we have come into power as a party. We have lowered taxes. For 2015 all Yukon taxpayers were paying less tax. I know people are doing their taxes right now and realizing that they're getting more money back than they anticipated, and that's because we made that commitment to lower taxes for Yukon taxpayers.

We lowered taxes for Yukon small business in 2014 by 25 percent — no tax increases, lower taxes, no deficits and money in the bank.

**Ms. Hanson:** Let the record show that the minister did not answer my question.

Has he been in contact with the minister responsible for the Canada Revenue Agency and the minister responsible for Finance — Finance Canada — with respect to the concerns raised? The identification by the Minister of Finance of the potential for unintended, perhaps, consequences of territorial legislation — but have there been conversations? If so, can the

Minister of Finance inform this House about what actions, if any, are contemplated with respect to the concerns raised?

**Hon. Mr. Pasloski:** The department and officials are in contact frequently with the federal counterparts. Let me just say categorically for the House that chasing down tax cheats is a priority for this Finance minister.

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

**Hon. Mr. Pasloski:** Again, I would like to actually recognize the incredible work that was done by this Yukon Party caucus this year to put this budget together.

We know that these are difficult times, and Yukoners know that these difficult times don't exist just here in this territory but we have to just look to the east or to the west and south to those provinces that rely on the resource industry to generate revenues to help them pay for the programs and services that they deliver.

We understand, and Yukoners understand, how important those mining jobs are to this territory and truly how easy it is to connect the dots between what happens — so goes mining, so goes Yukon. I have said that many times, Madam Chair.

When we see commodity prices down and mines close in this territory — as they have in other jurisdictions because of the low commodity prices — we have unfortunately seen a reduction of other jobs within our economy as well because of the fact, as I have said, that each mining job can potentially create anywhere from five to eight additional jobs in the territory.

I know it's difficult for some people to connect the dots between the person who works at the grocery store or where they can buy their TV or their vehicle or the local airline or any other job in this economy in this territory, but that's the reality and that's why we are absolutely focused and will stand up for the resource industry in this territory. We'll continue to partner — we're very proud to see the incredible results from our investments in tourism. We've committed almost a million dollars a year for three more years to the Yukon Now marketing campaign — the largest tourism marketing campaign in the territory's history. We're asking the federal government to continue to the same level of support as they did in the previous two years, but we've also assured the tourism industry that if that, in fact, does not happen, we will be there for them. Why can we be there for them? Because we have the resources to do it. We don't have to borrow money to provide services today because we have been responsible with the money, and truly that is the envy of the rest of this country. We will continue to focus on real solutions that make a difference for Yukoners, and that will be the focus of this government. It has been the focus through this mandate and we proudly say that it will be the focus of a renewed Yukon Party mandate. We will look for the opportunity and earn the opportunity to continue to serve Yukoners.

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

We're going to move on then to general debate on Vote 12, Department of Finance. Would members like to take a recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

### Department of Finance

**Chair:** The matter before the Committee is general debate on Vote 12, Department of Finance.

**Hon. Mr. Pasloski:** I'm pleased to stand up to discuss the Department of Finance, Vote 12, located at 11-3 in your binder. I'm pleased to have with me again Kate White, our deputy minister of Finance. We are looking at a department that has a very small appropriation as a percentage of a budget of approximately \$1.39 billion, and looking forward to answering questions that are related to the Department of Finance.

**Ms. Hanson:** I have a question with respect to the revenue section of the Department of Finance, page 11-5. We see that in 2015-16, the estimate was \$122,548,000, and that for 2016-17, that estimate is revised now to \$107,204,000. Could the minister please provide an explanation or rationale for that drop?

**Hon. Mr. Pasloski:** I will describe two things. First, the 2015-16 *Supplementary Estimates No. 2* indicates the following decline in tax revenue: (1) personal income tax revenue declining \$5.8 million to \$58.5 million — this is \$10.5 million less than the main estimates — \$3.1 million of this reduction is from prior tax year adjustments; and (2) the corporate income tax revenue declining \$8.4 million to \$7.3 million. This is \$19.2 million less than the main estimates. \$10.5 million of this reduction is from prior tax year adjustments. For the record, I'm going to give you that now, because that will come forward.

For 2016-17, the main estimates indicate the following tax revenue changes: personal income tax revenues increasing compared to 2015-16 *Supplementary Estimates No. 2* by \$9.3 million to \$67.8 million. This is \$1.2 million less than the main estimates of the previous year, mainly due to changes in the northern residence deductions. Corporate income tax revenue increase and compared to 2015 *Supplementary No. 2* by \$9.1 million to \$14.5 million. This is \$12 million less than the main estimates of the previous year.

**Ms. Hanson:** The latter part there — by my reckoning, the corporate tax estimate in 2015-16 was \$26,537,000 and the estimate for this year is \$14,517,000. Could the minister clarify that please?

**Hon. Mr. Pasloski:** I think that's what I just said — that the corporate income tax revenue increased, compared to the 2015-16 *Supplementary No. 2*, by \$9.1 million to

\$14.5 million. This is \$12 million less than the main estimates of the previous year.

I would like to just comment that there is a substantial time lag between when tax revenue is recognized by the government and when the books are closed on a tax year by Canada. For example, tax revenue in the budget 2016-17 will not be finalized until March 2019. In the interim, Canada makes payments to Yukon based on a series of evolving estimates, using inputs from Finance Canada as well as from Yukon. When a tax year is finalized by Canada, an adjustment is calculated to reconcile the estimates to the actual income tax for that year, Madam Chair.

**Ms. Hanson:** Let's move on then to third-party recoveries. I note from the budget briefing that one of the objectives with respect to the innovative budgeting process that's being driven is to identify additional sources of third-party recoveries that are owed to the territorial government. I note that there was a significant drop — \$40 million. Could the minister explain why that drop happened and what is the basis to believe that it will rebound by that \$40 million?

**Hon. Mr. Pasloski:** I have a couple of comments that I wanted to make first. I have just a general comment about tax revenues because it is not a secret — and we have certainly said it many times publicly as well — that it is the result of a jurisdiction that relies significantly on a resource industry at a time when commodity prices are lower and we have seen a reduction in the corporate revenues and in personal tax revenues. It is certainly easy to understand that. I think that plays very much into the importance of the resource industry to this economy and to the revenues of this territory — our own-source revenues from both personal and corporate income taxes. As I said earlier in general debate, the closure of a mine and the loss of those direct mining jobs have a significant ripple effect across the entire territory in that each of those jobs actually generates a significant number of additional jobs in the economy. With the closure of a mine, as a consequence of that, you do see a reduction in revenues.

In spite of that reduction in revenues and in spite of the fact that we did not receive all that money through the federal transfer that we had assumed that we were going to get, we have still been able to table a budget proudly in this Legislative Assembly that shows a modest surplus and that we continue to have net financial resources.

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

I'm sorry — I lost my train of thought because the NDP leader continues to talk off-mic. I'll ask her then to just reiterate her question.

**Ms. Hanson:** To be clear, what I said off-mic was, "Answer the question."

The question was with respect to third-party recoveries. Somehow the minister got off on a tangent. I asked the minister to please explain what basis he has to believe that he will find another \$40 million in third-party recoveries.

**Hon. Mr. Pasloski:** Madam Chair, the biggest difference in the third-party recoveries is in the credit card incentive. Depending on how much you use the credit card is

how much of an incentive you get. To make it in the simplest terms I can: we did not use that credit card for travel and associated things enough to get the same amount of incentive. We will work toward maximizing our incentives to the greatest extent we can in the future.

**Ms. Hanson:** That is most interesting. We are going to create more revenue by government people spending more money on credit card expenditures. Why, Madam Chair? Are there other sources of third-party recoveries that the government will be pursuing? That is almost like a Monty Python skit — what the minister just explained there. Perhaps he could explain if there are other sources of third-party recoveries that, as part of the innovative budgeting, the government will be seeking over and above those credit card expenditures that he just identified.

**Hon. Mr. Pasloski:** I guess just to her comment, let's have some perspective on this. When we are talking about a credit card incentive, we are talking about \$40,000. That is the amount of money that we are talking about. There are thresholds for the amount of incentive or rebate that is available. I don't know whether the member opposite has a Real Canadian Superstore MasterCard. She would get points for every time she bought food there or maybe she has an Aeroplan card where she gets points toward travel as well. We are talking about it in the context of a \$1.39-billion budget. The question to me there is about \$40,000. We did not use the credit card enough to warrant reaching the threshold to get the additional incentive.

When it comes to the innovative budgeting, I have said in this House already that this is a public service initiative. This is about innovation without reducing programs, services or employees. It is \$2 million within the context of a budget of just under \$1.4 billion and is not that significant, but it is in the context of what it means. We were very proud of the non-partisan professional public service and proud of the leadership of the Deputy Minister of Finance on this initiative that she will be working on in combination with all the deputy ministers across the government. I am confident that they will not only meet the goal within the innovative budgeting, but will probably surpass that goal as well.

**Ms. Hanson:** Madam Chair, I have a question for the Finance minister with respect to the Supreme Court of Canada decision on Daniels, which dealt with the issue of Métis and non-status Indian people.

The question is: Has the Minister of Finance commenced discussions within government regarding the implications of that decision for the territorial government in terms of financial implications? What discussions does he anticipate having at the federal, provincial, territorial levels with other ministers of Finance as well — just in terms of getting a sense of the scope of the financial implications of the Supreme Court decision regarding Métis and non-status Indian people as it may pertain to the territorial budget under his purview as Minister of Finance?

**Hon. Mr. Pasloski:** It certainly was a landmark Supreme Court decision that recognizes Métis and non-status

Indians, as persons, of being Indians under section 91(24) of the *Constitution Act, 1867*.

Certainly this will take some time to digest — not just the federal government, but in fact all governments across this country.

What I would like to say is that it is great to see Canada recognizing generations of individuals of First Nation descent. I think that it was a significant day and we look forward to the discussions that will occur. This will be a process that will take some time but we will take the time immediately to review the decision and begin those conversations with the Government of Canada.

**Mr. Silver:** Thank you to the deputy minister for her time here today.

Most of our questions are definitely for the individual departments that are going to be spending the money, but I do have some specific questions for the minister responsible for Finance.

I want to just go back to the innovative budgeting that we heard of in the budget speech. I want to draw down a little bit more information if the minister will be willing to give us some more.

Madam Chair, just to reiterate, this year's budget includes an innovative budgeting line item that is supposed to save us \$2 million in one year alone. I'll just start by asking: How does this type of budgeting save us money?

**Hon. Mr. Pasloski:** This initiative that we're describing is innovative budgeting. I invite the member opposite to Google it and see what he finds out there, but it will build on the principle of really making every dollar count. I think that's really what it is. This initiative will focus on one simple question and that is: Can we get more for our money?

The goal of the initiative is not about cutting services, but rather finding innovative ways to increase efficiencies and to reduce waste. The target, as the member opposite articulated, is \$2 million for this fiscal year.

Our public service employees in all departments will be key participants in identifying strategies for improvement and successful implementation. The efficiency and effectiveness of current service delivery models will be evaluated, which could result in summary organization or proposed shared service models.

Again, I will reiterate that this is an initiative that is being driven by the public service. It will be led by the Department of Finance, focused to begin on day-to-day support services of government, budget planning and monitoring financial operations, information technology and other support systems.

As I mentioned, I think this is a modest goal, and I feel very confident, with the leadership of the Deputy Minister of Finance and engagement of employees across this great organization, that they will be able to meet and to exceed the goal of about \$2 million.

**Mr. Silver:** I guess what I'm looking for is a little bit more than that. I did go online. I took a look at the MIT course. The minister speaks of shared service models and also mentions a few different department subsets that he is going to apply this to, but again, we are looking for something more

specific than that. What triggered the addition of this type of budgeting into our process? How about that question? Again, back to the original question — if he could let us know specifically how this budgeting is going to help us save money, how it's going to be implemented and how it works specifically for Yukon, compared to the course that we saw from MIT. Thanks to the departmental officials for putting us in that direction.

**Hon. Mr. Pasloski:** I guess to use an example perhaps would be to continue to look at how we can access third-party funds. I think of the relationship that we've had with the federal government on the program that's had many different acronyms — THSSI, THIF — it's additional health care dollars that have been used by the three northern territories to look at innovation. A lot of that money was spent, I think, in the other two jurisdictions, on medical travel, but there was a lot of collaborative, pan-territorial work, but also individual focuses within the three jurisdictions. An example of innovative budgeting would be the ability to look at access to third-party funds.

**Mr. Silver:** Okay, I'll move on. As with every year, changes have been made to the federal taxes. I'm wondering how these changes affect the Yukon government and Yukoners. Also, will this government adapt some of the new changes? Will the adjustment, for example, to the northern living allowance affect our budget and if so, what is that impact?

**Hon. Mr. Pasloski:** As I mentioned just not long ago, we do subscribe and have a tax-collecting agreement with the federal government. We will be supporting their initiative in terms of the increase in the northern residents deduction. That initiative does have an impact on this territory. I believe it's a \$2-million reduction in revenues. The implementation of the increase in the northern residents allowance or deduction will result in lower taxable incomes for Yukoners, which will mean that it will reduce our revenues by \$2 million.

Where we are deviating from the federal government is that they will reduce the child fitness tax credit and the art tax credit by 50 percent this year and eliminate it next year. As the member opposite knows, we have tabled amendments to the *Income Tax Act* to ensure that those tax credits will remain in place for the Yukon portion of those tax credits, as we have heard very clearly and loudly from Yukoners that they very much support and subscribe to those tax credits. We believe that it's an important tax credit to maintain for Yukoners, so we have proudly tabled amendments to our *Income Tax Act* to reflect that.

**Mr. Silver:** Yes, we have debated on this floor the changes to the tax amendments in regard to the arts tax credit and child fitness.

I guess what the plan is — this would have been a combined tax before \$75, and \$75 for the Yukon and the federal sports tax credit was on income up to \$1,000 and resulted in about a \$150 saving. That would mean that in the next year, the territorial government will be paying that \$75, and then I guess they'll move on to the \$150 after that. I'm not sure if that's how it's actually going to roll out.



It's good; it's great to have these credits. I believe that will take into consideration the \$6,400 that the federal Liberals are going to be giving to the income — to single mothers — and on the average of \$2,300 given to the parents for their children. That additional \$75 to \$150 will definitely be important — but there are more questions about how many of Yukon's children will be affected by that increase.

Madam Chair, the children's fitness and arts tax credits were claimed by over 2,000 households last year. This is a significant portion of Yukon's children, but it's still not beneficial to all Yukoners, to all Yukon households with children. Many children are living close to the poverty line, if not below it. Because this benefit is given in the form of a tax credit, it immediately only benefits those households that have a greater income, basically.

This is something that needs to be considered by our government. Let's ask this: Have other options more inclusive to all Yukon children been considered for these taxable deductions?

**Hon. Mr. Pasloski:** This government applauds the initiatives. Part of the debate last week was about the fitness tax credit. What we weren't debating were the consequences, or what everybody thought about the Canada child benefit that the new federal government is doing. Any time that families with children get more money — and their program will be not tax deductible — I think that's good. I know that, on the other side, there are people who are disappointed in the lack of ability to do income-splitting. There are a number of single-income families who have the ability and choose to make the sacrifice to keep one parent at home to raise their kids and who benefited from income-splitting.

I will remind the member opposite that the children's fitness tax credit is a refundable tax credit, so even if you're not paying taxes, you still will get a refund. Quite simply, what we are doing is continuing on the Yukon portion of these tax credits from what there was. The federal government is going to eliminate them. Our amendment is that we will continue to offer the Yukon portion. It is also good to note for those people who are listening that he was correct on the \$1,000, but he would also have been correct if he had said that it doubles for children with disabilities.

I also agree that it is not everything, and it is certainly not everything that this government does. Last year, we made a significant increase in the Yukon child benefit — an approximate increase of 30 percent. It was effective on July 1 — \$820 annually for each dependent child, less 2.5 percent of family net income in excess of \$35,000. Not only did we raise the amount of the benefit, but we also raised the threshold so more people would be eligible to get the Yukon child benefit.

The other thing that we did was — and I know all Yukoners who are submitting their 2015 taxes right now know — that we lowered the Yukon tax rate for all Yukon taxpayers in 2015. We have left more money in taxpayers' pockets, we have increased the Yukon child benefit by approximately 30 percent, and we will also retain the Yukon portion of the child fitness tax credit and the arts tax credit.

**Mr. Silver:** There are also other financial support systems in place for low-income families to afford putting their children into extracurricular activities. Another example would be the Sport Yukon recreation fund. How many kids in the Yukon qualify for the Sport Yukon kids recreation fund and how many apply?

**Hon. Mr. Pasloski:** I know that the Minister of Community Services cannot wait to answer that question as to specifically how many children are in there. I thank the member opposite for recognizing the tremendous support that this government in the last 14 years has had funding competitive sport and recreation, active living, wellness programs, after-school programs — especially in the communities. Maybe that would be a nice graph to illustrate to Yukoners — some of these great increases in investments that this government has done, all the while maintaining no deficits and money in the bank.

**Mr. Silver:** It would be nice if the Minister of Finance knew the uptake number and how many applied. I guess the question begs — whether this fund better serves low-income families than the children who are on the tax credit, for example. We would hope that the Minister of Finance would be having that conversation with his Minister of Community Services.

I will move on and look forward to asking that question of the Minister of Community Services and see if he has an answer.

I am going to move on to numbered companies. How does this government track taxation, including the payment of income tax by numbered company vendors?

**Hon. Mr. Pasloski:** I guess, for the record, I'll say that we have a tax-collecting agreement with the federal government, which is responsible to collect taxes on behalf of the Yukon government. The only comment I would have regarding corporations is that it's based on where the corporate activity is and not where you register. That is the interpretation I think is one of the reasons also for the volatility that we see in corporate tax revenues from one year to the next year as well.

**Mr. Silver:** I'm not sure if I got my question answered as far as how this government tracks that taxation between the numbers of companies — yes, including the payment of income tax, absolutely — but not just limited to the income tax of these company vendors. I'll move on though.

I just have a couple more questions here in general debate for the Department of Finance. A number of years ago, the Government of Yukon made a 30-day investment in asset-backed commercial paper — some \$36 million. That money has been frozen for many years, but should be close to thawing, I guess.

Can the minister update this House on the status of this investment from the Yukon in asset-backed commercial paper? How much interest have we received over the life of this investment and are we going to be getting our \$36 million investment back and when?

**Hon. Mr. Pasloski:** I welcome this question, because those of us who didn't sit in this House during the

32<sup>nd</sup> Session of the Legislative Assembly heard the former Liberal leader stand up — I think almost on a daily basis — to talk about asset-backed paper. So there has been a lot of restraint on this leader to wait until the fifth year to bring this up. Actually, I think there was one other time that he did bring it up earlier.

I would like to inform this House and all those people listening of course is that there will be full repayment of the notes expected in early 2017. Over \$3 million in interest payments have been received to date.

**Mr. Silver:** I do appreciate the answer from the Minister of Finance.

I am going to move on to — I guess, we still weren't answered about if we're getting the full investment back. We'll move on to the final question here and again I would like to thank the representative of the department for her time today.

While the Yukon has no net debt, we still owe millions of dollars — mostly our Crown corporations the Yukon Development Corporation and the Yukon Hospital Corporation. Public Accounts last fall pegged the debt at approximately \$189 million. That was back a couple of months ago — sorry, last fall. I guess the question is: What is the total amount today that we owe on these debt dollars through our Crown corporations and what is the amount per year that is being paid to service that debt, including costs to the Crown corporations?

**Hon. Mr. Pasloski:** Just for the record, the comment at the end about the asset-backed paper, just for clarification — we will receive all of our money back, plus interest — just in case there was some uncertainty around that.

When it comes to the statement of net financial assets, I know that we've heard some disbelief from the Liberal leader and from the NDP leader, and there is another individual who has labelled himself as an authority on a lot of different topics. All I have to say about that — and I've said it before — is that our books every year are audited completely by the Auditor General of Canada. The Auditor General of Canada has stated that this government is in a position of net financial resources, Madam Chair. We have very strong financial strength.

As I've stated, this year we will be the only jurisdiction left in this country that has net financial assets. Sadly, everybody else is using a portion of their revenues to pay to service debt, to pay interest on debt. That is money that they cannot invest in programs and services — whether it's for nurses, doctors or teachers, or building roads or improving airports, or investing in innovation or building fibre optic lines or anything else. This territory spends all of its money on programs, services and capital investments. We don't have to pay interest on debt. I use the example of Ontario. The Liberal government there has \$315 billion of net debt and has budgeted \$11.4 billion — almost a billion dollars a month — to service their debt.

One other thing that I think would be of interest to Yukoners, from the debate we just had earlier with the Leader of the New Democratic Party. Here are a couple of snapshots — some numbers from the year 2000 and the year 2014. In

the year 2000, the population in the Yukon was 30,776; in 2014, it was 36,667. That's a change of 5,891, or 19-percent increase in population. In 2000, the unemployment rate in Yukon was 11.5 percent; in 2014, it was 4.3 percent. The average weekly earnings in Yukon in 2000, was \$743.13; in 2014, it was \$1,036.48. That's a change of \$293, and that is a percentage increase of 39 percent.

This government and former Yukon Party governments have focused on creating an opportunity for prosperity for Yukoners. That was done through continuing to support the resource industry and using the growth as a result of that to help us grow other sectors of our economy, like the iconic tourism industry that we have, and all the confidence that we have in the strategic investments in the knowledge economy that we will see that part of our economy continue to grow and prosper. The result of that investment will create significant prosperity for Yukon in the future.

**Mr. Silver:** I would like to thank the Minister of Finance for that speech, but it surely didn't answer the question. It is worth noting that the Minister of Finance just mentioned that other jurisdictions using their revenue to pay down a portion of their debt, or to service their debt, is exactly what this government did just a short year ago, with transfers of \$27 million, I believe, to a Crown corporation to pay down the debt. So that did happen.

Again, let's go back to the actual question. If the Minister of Finance could actually answer the question please — last fall, we had the Crown corporations' debts totalling \$189 million. The question is: What is the total amount that we owe today and what is the amount per year that is being paid to service that debt, including the cost to the Crown corporations?

**Hon. Mr. Pasloski:** I have a couple of comments. One is that the interest earned on investments exceeds the interest paid on loans. The net result is actually an increase in revenue for the government.

Where the Member for Klondike is confused is around the debt surrounding YEC/YDC. That corporation is mandated, through legislation, to carry 60-percent debt and 40-percent equity. That is the law. They must carry 60-percent debt. Actually, I believe that for BC Hydro it's 80 percent. I might have to be corrected on it, but I believe at one point — or it was one of their latest large projects they were doing where they would have 80-percent debt.

The reason for that is obvious to many. If you use your own money and if you have the capital, the utility board will still, on behalf of the ratepayer, have an expectation that there will be a return on that money. Very frequently the reality is that debt is cheaper than equity, and that is why utilities and YEC/YDC are actually legislated to carry 60-percent debt.

**Mr. Silver:** There is no confusion over here, and I thank you very much for that information again, but we would like to get an answer to the question please. Public Accounts last fall pegged the debt at \$189 million. What is the total amount we are owing today, and what is amount per year that is being paid to service that debt, including cost to the Crown corporations?

If this a question that the minister cannot answer, then I will wait until we see the Crown corporations appear as witnesses and ask them.

**Hon. Mr. Pasloski:** Madam Chair, I can have the deputy provide or I will provide you with the answers. I have with us some of the numbers on the debt side. What we do not have with us are the revenue numbers. I will state for the members opposite that our Public Accounts are fully audited every year by the Auditor General of Canada. The Auditor General of Canada each year has stated that we are in a net financial asset position. We are proud of that. I will mention again that we will be, this year, the only jurisdiction left that will be in that position — truly the envy of the rest of the country.

We will endeavour to provide those numbers because we do not have them with us, but, as I said, Madam Chair, when it comes to assertions made by the leaders of the other two parties or other individuals in the community, I will listen to the Auditor General of Canada who has provided us each year with a fully unqualified position and we are very proud of that.

**Chair:** Does any other person wish to speak in general debate on Vote 12?

We are going to move on to page 11-6 in Finance, which is Treasury. We are going into line-by-line debate.

**On Treasury**

**On Operation and Maintenance Expenditures**

*On Administration*

*Administration in the amount of \$1,018,000 agreed to*

*On Financial Operations and Revenue Services*

*Financial Operations and Revenue Services in the amount of \$3,875,000 agreed to*

*On Fiscal Relations*

*Fiscal Relations in the amount of \$277,000 agreed to*

*On Management Board Secretariat*

*Management Board Secretariat in the amount of \$1,865,000 agreed to*

*On Banking Services*

*Banking Services in the amount of \$1,015,000 agreed to*

*On Public Utilities Income Tax Transfer*

*Public Utilities Income Tax Transfer in the amount of \$213,000 agreed to*

**Treasury Operation and Maintenance Expenditures in the amount of \$8,263,000 agreed to**

**On Capital Expenditures**

*On Information Technology Equipment and Systems*

*Information Technology Equipment and Systems in the amount of \$12,000 agreed to*

*On Prior Years' Projects*

*Prior Years' Projects in the amount of nil cleared*

**Treasury Capital Expenditures in the amount of \$12,000 agreed to**

**Treasury Total Expenditures in the amount of \$8,275,000 agreed to**

**Chair:** Moving on to page 11-8, Workers' Compensation Supplementary Benefits.

**On Workers' Compensation Supplementary Benefits**

**On Operation and Maintenance Expenditures**

*On Supplementary Pensions*

*Supplementary Pensions in the amount of \$426,000 agreed to*

**Workers' Compensation Supplementary Benefits Operation and Maintenance Expenditures in the amount of \$426,000 agreed to**

**Workers' Compensation Supplementary Benefits Total Expenditures in the amount of \$426,000 agreed to**

*On Revenues*

**Ms. Hanson:** I would appreciate it if the Minister of Finance could just explain what the anticipated indices are for the grant from Canada. So in Public Accounts in the last three or four years we have seen it variously been noted in the Public Accounts — in one period there was a projected five-percent increase and then it has sort of been going down three percent. What's the forecast going forward? What's been negotiated with respect to the overall — not the complex little components of it, but the overall factor for indexing the grant?

**Hon. Mr. Pasloski:** Two of the totals — the Canada Health Transfer and the Canada Social Transfer — are fixed as a percentage based on population. There is some discussion that we look forward to with the federal government regarding health and the new health accord that was prominent in the Liberal government's platform. We are looking forward to those conversations that will occur. Certainly if it's not substantive by the time that the premiers meet this summer, I know that it will be a topic of interest by the premiers at that time.

I spoke earlier about the TFF and there were in fact changes that were notified to us in December that affected our TFF for the current year that we are now in of 2016-17. The federal government has served notice that they would be making some legislative changes. I believe those changes will come into effect with the completion of the five-year agreement that we're in right now.

I believe those changes will come into effect with the completion of the five-year agreement that we're in right now and I guess that is the best answer that I can provide at this time.

**Ms. Hanson:** Even with the minor adjustment to the \$6.5 million, there was still an overall increase. What I'm asking for is that in Public Accounts, when we go back, and I didn't bring the Public Accounts with me from last year — but each year there are remarks made by the Auditor General about how this is the year-over-year increase. I'm asking the Premier: What are the forecast indices for an increase in the TFFA?

**Hon. Mr. Pasloski:** I think that's a difficult question, again, to answer until we actually get to Public Accounts. At that time, there is an accurate explanation as to what it is. We are forecasting approximately two and a half percent, although, again, I can't confirm that that's in fact what it will be. I know that the member opposite, who chairs the Public Accounts Committee, knows that there is an explanation provided by the Auditor General when they go through Public Accounts.

**Chair:** Are there any further questions regarding revenues?

*Revenues cleared*

*On Government Transfers*

*Government Transfers cleared*

*On Changes in Tangible Capital Assets and Amortization*

*Changes in Tangible Capital Assets and Amortization cleared*

**Department of Finance agreed to**

**Chair:** We're going to move on to Vote 7, Department of Economic Development.

Would members like a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

**Chair:** Committee of the Whole will now come to order. The matter before the Committee is general debate on Vote 7, Department of Economic Development.

### **Department of Economic Development**

**Hon. Mr. Hassard:** Madam Chair, if I could begin by thanking Deputy Minister Justin Ferbey as well as Assistant Deputy Minister Stephen Rose, who is formerly known in this Assembly as just "Steve". I would also like to put on the record that a few short years back, Steve Rose was a page, not in this Assembly but in the Northwest Territories.

In the 2016-17 fiscal year, the Department of Economic Development will be concentrating on three main objectives. We will remain focused on assisting our partners in building a prosperous Yukon by creating and fostering economic opportunities, opportunities to create investment, to create an environment to allow for development, retention and expansion in the small business sector. We will continue to pursue economic initiatives with a shared vision of prosperity, partnership and innovation, and we will continue to forge, maintain and expand partnerships with First Nations in the economic development of Yukon. Over the course of the past year, we have worked hard to lay the foundation Yukon needs to succeed and we are well on our way to achieving these objectives.

I would like to begin today by revisiting the context in which the department operates and how it contributes to the continued development of a prosperous economy for the benefit of all Yukoners. It is through the Department of Economic Development that the Yukon government implements the vision outlined in *Pathways to Prosperity: an Economic Growth Perspective, 2005-2025*. This vision is further articulated in the department's strategic plan and guides its day-to-day activities.

Our 2012-17 strategic plan explains our strategic goals and what we are doing to achieve them. It outlines our vision, mission and values and provides a description of the context in which we work. The department's investment attraction

strategy is used to guide its work in our cornerstone industry, mining. This industry is rooted in partnership, making collaboration the foundation of success for this initiative.

Yukon is an area of opportunity for many reasons: our long history of mining in the territory, our advancing infrastructure, and our attitude toward long-term partnership development. Building on traditional pillars of mining and tourism, the Yukon government will continue to support the growth of small and medium enterprises. Assistance and support of our local businesses and industry will be a major focus of this department. We will continue to seek out new and innovative ideas to make this happen.

Madam Chair, the department will continue to increase the diversification and sustainability of Yukon's economy by identifying and exploring significant economic development opportunities. This requires the capture of external wealth from a number of diverse sources. This includes working with our partners, both Yukon-wide and abroad, locally, nationally and internationally, to achieve the best outcomes for Yukon now and into the future.

In order for Yukon businesses to sell their products and services to the world, Yukon will need to invest in economic infrastructure, including transportation, energy and telecommunications, improvements to infrastructure, including roads, energy, ports and fibre optic connectivity, to make the Yukon more competitive.

This, along with our support of small and medium enterprises, development of external markets and broad investment attraction initiatives will result in progressive development, increasing the quality of life for all Yukoners.

Our role at Economic Development is to foster responsible development opportunities that contribute to a sustainable and diversified economy. We are here to increase the benefits that Yukoners, businesses, First Nations and communities receive from economic projects and activities. The department works with a wide range of partners from the private sector, First Nation government and development corporations, industry associations, NGOs, other Yukon government departments and other governments.

Our activities expand beyond our borders to represent Yukon's interest in multijurisdictional concerns such as pan-northern infrastructure and national and international trade issues. To carry out these activities in 2016-17, we are introducing an operation and maintenance budget of \$15.9 million and a capital budget of \$1.2 million.

With those figures in mind, I would like to provide an overview of Economic Development's planned programs and initiatives related to business development, investment attraction, technology and communications, our film and sound industry, regional economic development and trade.

The department supports the diversification of Yukon's economy by identifying and exploring significant economic development opportunities and strategic industries. It is through the Business and Industry Development branch that Economic Development helps to identify and assist the development of industries and strategic projects with the potential for broad-based economic benefits.

This branch supports the growth, development, expansion and creation of Yukon businesses and industry sectors through a range of programs and financial supports. Personnel at the Business and Industry Development branch work closely with companies and industry organizations to undertake strategic projects that will enhance key industry sectors and contribute to Yukon's overall economic prosperity.

In 2016-17, the department will continue to support industry development with a transfer payment budget of over \$1.9 million. The strategic industries development fund provides funds to projects focused on natural resources, tourism and culture, research, innovation and commercialization. From April 1, 2015 to January 28, 2016, the fund supported 22 projects from across a variety of strategic sectors. For the 2016-17 fiscal year, \$800,000 has been allotted to the strategic industries fund for the development of Yukon strategic industries in this regard. The funding is intended to assist the private sector address barriers to development and to improve the competitiveness of their businesses. This is available for projects that act as enablers or catalysts for the growth of Yukon's strategic industries and would generate secondary benefits and business opportunities within the territory.

Projects made possible through the strategic industries fund will help deliver increased economic activities, successful business arrangements that provide positive community economic impacts, positive long-term impacts on employment and wealth creation, increased private sector employment and a more diversified economy.

The government's industry support and relationship-building efforts have led to significant investments by foreign investors in Yukon-based projects. By investing in these types of activities, we strengthen Yukon as a whole, working toward sustaining and enhancing the prosperity of our region for the benefit of all who live here. Strengthening Yukon means we're investing in our future and our future includes attracting investment. We believe partnerships are important to attracting investment — partnerships to develop energy, infrastructure and telecommunications that will promote long-term prosperity.

To help achieve this, the Government of Yukon will be committing \$717,000 toward investment attraction and marketing. The goal of investment attraction is to enable the development of the private sector economy. The Government of Yukon's investment attraction activities focus on the territory's investment-ready sectors, natural resources, technology and tourism. As part of the Yukon's investment attraction strategy, our focus has been to promote investment in several key markets around the globe. For a number of years now, the Government of Yukon and our strong industry partners — the Yukon Mining Alliance, Yukon First Nations, the local business community and industry — have led a global effort by showcasing Yukon nationally and internationally, raising the profile of Yukon mineral potential and mining projects.

Over the past year, the Premier and a number of Cabinet ministers have showcased Yukon on the global stage by

making presentations to investors at Cambridge House, PDAC and the Precious Metals Summit Colorado and, of course, the Yukon Mining Alliance investors tour. These events provide opportunities for Yukon mining companies to introduce their projects to investors and raise the profile of Yukon's mineral potential and mining projects. The government continues to build a strong relationship with European, Asian and North American markets through these targeted events.

The Government of Yukon recently highlighted the territory's investment readiness at the Invest Yukon pavilion during the Vancouver Resource Investment Conference — the world's largest investment conference dedicated to resource exploration. It provided the territory's leading exploration, development and mining companies with an ideal venue to present projects to mining investment interest and helped investors understand that Yukon is a well-connected, modern and business-ready jurisdiction.

We work closely with several different partners on this event and were once again pleased to showcase Yukon's mineral resources and investment opportunities. This event also highlighted the strong industry and government partnership established over the past number of years and supported by the Yukon Mining Alliance.

In 2013, the Government of Yukon and the Yukon Mining Alliance launched strategically planned investment attraction initiatives in a manner that is led by industry and supported by Yukon government. Building on the success of that collaborative partnership we have committed to its continuation by providing almost \$1 million toward mining attraction initiatives to be undertaken over the next three years. Of that, over \$301,000 has been allocated for this upcoming year. This cooperative effort has provided for strong collaboration and valuable global investment attraction promotion projects to attract capital investment from North America, European and Asian financial markets and is a significant component of the Yukon mining investment attraction strategy.

This funding allows the Government of Yukon and the Yukon Mining Alliance to continue to shape the investment landscape in Yukon for the benefit of all Yukoners and position the territory for the rebound of mineral commodities.

In addition, we're collaborating with First Nations in ways that demonstrate our commitment to encouraging participation in Yukon economic growth and prosperity. We're working closely with the Yukon First Nations Chamber of Commerce to enhance the role of First Nation development corporations and investment attractions and we are pleased to be collaborating with the Yukon First Nations Chamber of Commerce in this regard, as it brings forward First Nation business interests in the mining and exploration sector.

In order to continue to shape the investment landscape in Yukon for the benefit of all Yukoners and to position the territory for a rebound of mineral commodities, we will use this budget to continue supporting investment attraction events. This will allow us to share the unique and compelling Yukon mining story with the world and that Yukon will be ready for the next big turn in global commodity markets.

Undertaking strategic and targeted opportunities that distinguish Yukon's potential as a leading jurisdiction in Canada and internationally serves to create long-term sustainability for the mineral sector, along with a prosperous Yukon.

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

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

*Motion agreed to*

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

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

*Motion agreed to*

*Speaker resumes the Chair*

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

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

#### **Chair's report**

**Ms. McLeod:** Mr. Speaker, Committee of the Whole has considered Bill No. 23, entitled *First Appropriation Act, 2016-17*, and directed me to report progress.

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

**Some Hon. Members:** Agreed.

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

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

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

*Motion agreed to*

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

*The House adjourned at 5:27 p.m.*