



Yukon Legislative Assembly

Number 256

1st Session

33rd Legislature

HANSARD

Tuesday, April 19, 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

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

GOVERNMENT PRIVATE MEMBERS

Yukon Party

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

OPPOSITION MEMBERS

New Democratic Party

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

Liberal Party

Sandy Silver	Leader of the Third Party Klondike
---------------------	---------------------------------------

LEGISLATIVE STAFF

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

**Yukon Legislative Assembly
Whitehorse, Yukon
Tuesday, April 19, 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.

Are there any tributes?
Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Dixon: I would like to ask members to join me in welcoming a constituent, Laura Lang.

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?

INTRODUCTION OF BILLS

Bill No. 107: *Act to Amend the Elections Act with Respect to Political Contributions* — Introduction and First Reading

Ms. Hanson: I move that a bill, entitled *Act to Amend the Elections Act with Respect to Political Contributions*, be now introduced and read a first time.

Speaker: It has been moved by the Leader of the Official Opposition that a bill, entitled *Act to Amend the Elections Act with Respect to Political Contributions*, be now introduced and read a first time.

Motion for introduction and first reading Bill No. 107 agreed to

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

NOTICES OF MOTIONS

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

THAT this House urges the Leader of the NDP to explain why the NDP chose not to work collaboratively in proposing changes to the *Elections Act* regarding political contribution rules and why the NDP's recent proposal to amend the *Elections Act* was not made at any of the following opportunities over the past several years:

(1) when the Chief Electoral Officer requested input from all political parties following the 2011 general election regarding changes they would like to have made to the *Elections Act*;

(2) when the Chief Electoral Officer requested input from all political parties two years ago regarding changes they would like to have made to the *Elections Act*;

(3) when the all-party Members' Services Board discussed the *Recommendations for Amendments to the Elections Act* report submitted by the Chief Electoral Officer in December 2014;

(4) when the all-party Members' Services Board agreed on a list of changes to the *Elections Act* in summer 2015;

(5) when the all-party Members Services Board reviewed the draft legislation to amend the *Elections Act* at meetings held in the fall of 2015 and unanimously agreed to the content of the *Act to Amend the Elections Act and the Electoral District Boundaries Act*; and

(6) when the Legislative Assembly debated and unanimously passed Bill No. 91, entitled *Act to Amend the Elections Act and the Electoral District Boundaries Act*, during the fall 2015 Sitting of the Yukon Legislative Assembly.

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

THAT this House urges the Government of Canada to index the new Canada child benefit to the annual rate of inflation in order to protect the real value of the benefit over time.

Speaker: Is there a statement by a minister?

This then brings us to Question Period.

QUESTION PERIOD

Question re: Whistle Bend continuing care facility

Ms. Hanson: Mr. Speaker, the Yukon government's request to the federal government for infrastructure money was recently released. Included was \$109 million toward the projected \$146 million to build phase 1 of the proposed 300-bed continuing care facility. Just last week, the Minister of Community Services acknowledged that, despite the fact that Yukon had not received confirmation of funding, they are proceeding with construction. It is pretty basic to expect that the government would both know the total projected costs for a major capital project and have secured the source of financing in advance of building. In an economy where money is tight, \$109 million won't be easy to find.

When is confirmation of federal funding expected and, if it does not come through, how does this government plan to pay for the initial 150-bed continuing care facility?

Hon. Mr. Pasloski: Mr. Speaker, the opposition has had a few days to review the budget. I think that if they did review the budget, they would see that we have, in fact, in this fiscal year, in this budget, put forward \$69.9 million, I believe, toward the Whistle Bend long-term care facility.

We intend to pay for this. If the federal government is interested in partnering because it fits the criteria that they have for one of their new infrastructure funds, then we will welcome that money. But the good news is that this Yukon Party government continues to make investments in health

care in all areas of this economy, and we do it while we continue to run a surplus and have money in the bank.

Ms. Hanson: It is basic due diligence to have a plan B in place, especially when federal funding makes up the vast majority of the estimated \$146-million project. Yukon has a \$400-million borrowing limit. If the federal funding request falls through, will this government be looking to add more millions of dollars to the \$187 million of existing debt currently buried in Yukon corporations?

This is debt that Yukon citizens, through their government, are ultimately responsible for. It is not the fiscal legacy we should be leaving for future generations.

Can the minister tell Yukoners what plan B is if the request for federal money fails?

Hon. Mr. Pasloski: I guess the Leader of the NDP didn't listen to the answer to my question.

We have fully funded the capital expense this year to the tune of \$69.9 million. If she looks in the outbound years, she will see that we have in fact allocated and budgeted for the remaining money that will be required to build this facility.

We're very proud to build this facility. This is a facility that we know — both of these parties have said that they would cancel this facility. We're very proud. We know how important it is. It's the right thing to do.

When it comes to their discussions — or the lack of understanding by both the Liberals and the NDP when it comes to debt — I will just go back to the fact that, when it comes to this, I will take the word of the Auditor General of Canada, who, in Public Accounts, has stated that this jurisdiction has no net debt.

Ms. Hanson: Mr. Speaker, if the minister is so confident, why is he asking Canada for \$109 million? For a government that claims to be fiscally responsible, they sure leave a lot of questions up in the air about how they intend to actually pay for phase 1 of this 300-bed facility.

What is at issue is, just as they decided to build this large facility and then sought evidence to justify it, they are now issuing contracts before having secured financing. This government has put nothing on the public record to indicate that they have a full cost accounting of the operation and maintenance costs of the facility, nor have they demonstrated that they have done any contingency planning should the money they requested from Ottawa fall through.

Will this government publicly release a full costing for this facility, including the projected operation and maintenance costs, which include financing options and costs should the federal money fall through?

Hon. Mr. Pasloski: Mr. Speaker, this is just another attempt of fiction peddling by the New Democratic Party leader. Clearly, if the federal government is willing to put some money in, then we can actually use our money to continue to build and invest in other areas. We will welcome that with open arms. We look forward to that opportunity, but what we have said is that, if this does not fit their criteria, we are more than willing and capable of building this facility — build this facility and continue to have a surplus budget and continue to have money in the bank.

Question re: Addictions treatment

Mr. Barr: Mr. Speaker, alcohol abuse and drug abuse are persistent and serious issues in Yukon. According to Statistics Canada, 32 percent of Yukoners self-identify as heavy drinkers — well above the national average of 19 percent. The result is a high level of need in our territory for drug and alcohol treatment services. Many choose to enter a residential treatment program. For others, regular counselling sessions as an outpatient client are a more appropriate treatment option. Some Yukoners wait up to eight months to receive urgently needed outpatient drug and alcohol counselling services. This is not helpful for people who are ready for change.

What is the current wait time and what is this government doing to reduce wait times for outpatient drug and alcohol services counselling?

Hon. Mr. Nixon: Mr. Speaker, I certainly welcome the question from the member opposite. This is something that is of great importance to this government and, in fact, something that we have invested heavily in over the last number of years. The member opposite will be well aware that the construction of the new Sarah Steele facility is well underway, and we certainly look forward to the opening of that facility later this year. We know that there will be expanded programming, specifically with a focus on youth in the territory, with new programs for youth and younger people who require those services.

Again, I thank the member opposite for this question and giving me the chance to highlight some of the good work that is being done today — but certainly some of the good work that we plan on doing and that this government has been planning for in organizing for the upcoming year.

Mr. Barr: Mr. Speaker, not everyone requires or is ready for residential treatment programs. This question is about outpatient services. Alcohol and Drug Services estimates that in 2016-17, they will provide an average of 227 clients per month with outpatient services for alcohol and drug dependency. This is an increase of only eight patients per month since 2014-15 and does not reflect the territory's increasing need for services. Meanwhile, many Yukoners continue to struggle with alcohol and drug dependency.

Mr. Speaker, how many new spaces per month will the new Sarah Steele facility offer for outpatient counselling services?

Hon. Mr. Nixon: Again I thank the member opposite for his question. As I indicated in my first response, the area around alcohol and drug services is something that is a priority for this government. It is something that we have planned for and developed with regard to, not only the services, but with regard to infrastructure. Certainly I would like to at this time extend my thanks to the Minister of Highways and Public Works and his department for the collaborative approach that we've taken between the two departments in addressing this issue and enabling us to build a facility that will be used by those Yukoners who certainly require the service.

With regard to the member opposite's question, as I indicated in my first response, there will be a host of new programming that's available at the facility, including programming for youth and outreach programming for those following treatment at Sarah Steele. We look forward to opening the doors of the new Sarah Steele facility later this year. I certainly thank the member opposite for asking the question. This government is proud of the investments we've made pertaining to those types of services in alcohol and drugs for Yukoners when they certainly need it.

Mr. Barr: Mr. Speaker, clients need services before and now that they've been waiting on. Yukon has the highest rate of alcohol consumption in the country. Currently in this territory, Yukoners are being told to wait months on end to receive counselling services for drug and alcohol addiction. When Yukoners seek addiction counselling, they should receive immediate help. A wait of several months could be too late. We are in desperate need of drug and alcohol treatment professionals to provide outpatient counselling services to Yukoners.

What immediate steps is the government taking to address wait times here and now?

Hon. Mr. Nixon: Again, I thank the member opposite for this question. It just provides me an opportunity to highlight some of the partnerships we've had with many individuals and organizations in the territory. One that comes to mind is our strong partnership with First Nations in the development of the Jackson Lake treatment facility. Those are things that we have been working on over the last number of years. We've been working on services at the current Sarah Steele and working on some outreach for those who are living in the communities, and we'll continue on with that work.

Certainly, we look forward to opening the doors to the new facility in the fall — just in a few months, as a matter of fact. I thank the Premier for accompanying me on a tour of that facility just a number of weeks ago. We are certainly very proud of the investment that we've made for those Yukoners at a point of time in their life when they need those services — this Yukon Party government will ensure that those services are there for them.

Question re: Energy projects

Mr. Silver: In the summer of 2013, the Premier announced the government was moving forward on building a new hydroelectric dam. After the Yukon Party government and the previous Energy, Mines and Resources minister spent several years trying to sell our hydro system to Alberta, this was a welcome change. The government told Yukoners that there would be a business case completed by 2015 to proceed with the planning of one or two future hydroelectric power projects. That deadline has come and gone, Mr. Speaker.

Recently, the minister admitted that in fact no project or site had been selected. After spending \$2 million and two deputy ministers being let go, we still don't have a potential project.

Why has the government not lived up to the commitment that it made for itself back in 2013?

Hon. Mr. Cathers: First of all I have to take issue with the characterization the Liberal Party leader made to deputy ministers who have served Yukon citizens ably and with distinction. He should really apologize to them and retract that remark.

I would note as well that doing this long-term planning is something that is necessary, just as this government has benefited from the planning done by Yukoners in previous decades for hydro facilities. Hydro facility planning or any energy planning is expensive. That is a significant portion of the costs, but we believe it is important to plan for the future energy needs of the Yukon. In fact, as I have acknowledged, while the timelines for the next generation hydro planning are taking longer than originally anticipated, our focus is on working with Yukon First Nations and the Yukon public and our focus is on selecting the right energy path that will benefit future generations of Yukoners 20 to 50 years from now and beyond that time period.

Mr. Silver: The minister can try to twist out of this as much as he wants, but the reality is that the government hasn't stuck to the schedule that it set for itself or the budget. We have seen this time and time again. This is just the latest example, Mr. Speaker. While the Premier likes to talk about meeting commitments, this is another one that has fallen by the wayside like so many other politically driven projects that this government tackles.

A business case that was supposed to be delivered by the end of last year was not ready. The minister himself admitted that the term of this government will end and no project or projects will be selected. The big hydro project was announced with great fanfare and has been followed up with some major delays.

Why hasn't this government been able to complete the job under the deadlines that it set for itself?

Hon. Mr. Cathers: It's truly unfortunate — as we saw yesterday, as time has gone on in this Legislative Assembly the Liberal leader is sounding more and more like his predecessor as Liberal leader with the same old tired, twisted messaging.

I would again note, Mr. Speaker, that the planning for next generation hydro has taken longer than originally anticipated, but that is because we listened to what we heard from the Yukon public and Yukon First Nations. I would note that doing this planning work takes time.

None of the energy options that the Yukon government and Yukon society have to choose from are perfect. They all have their drawbacks, they all have their costs. Our focus is on doing that detailed technical planning, on sharing it with First Nations and with the general public, and on hearing their input and working with them to select the energy option that best meets the needs of Yukoners for 20 to 50 years from now, just as we have benefited from what has been done by previous generations here in this territory. We are doing that long-term planning that is necessary to pick the path that is best for Yukon's energy future for future generations.

Mr. Silver: While this one-off and politically motivated project is going on, the Yukon Energy Corporation itself is

also reviewing its own 20-year resource plan. Talk about no coordination between plans. The minister and his predecessor repeatedly told this House the plan would be ready by the end of 2015 and the project would be selected, and that has not happened. It simply has not happened.

The delay in the new dam project means that the big decisions are going to be left to the next government. I believe that this was always the plan for this public relations exercise. The government wanted to look busy on this issue, but doesn't have the support it needs to go ahead, nor does it have the money in place to build it either.

Can the minister tell Yukoners how much money has been spent so far on this public relations exercise?

Hon. Mr. Pasloski: Yukoners appreciate the work and the energy that is going forward to do the due diligence to plan this project to ensure the long-term prosperity for Yukoners. As we have seen with the previous vision, when the dams that we have in place today were built and the increased capacity that this government has done through Mayo B and through a third wheel at Aishihik — this is quite different from the Liberal plan for energy, Mr. Speaker, and that is to raise taxes, create new taxes and do what they did in the past, which was to kill the economy and drive thousands of people out of this territory. Then we won't need extra power because we'll have fewer people here. Yukoners appreciate a vision that is full of optimism and a path to prosperity, and that's why Yukoners support this Yukon Party government.

Question re: Human-wildlife conflict

Ms. White: One of the realities of life in the north is our ongoing relationship with bears. While there will always be challenges managing the danger bears and humans pose to each other, there are ways to minimize these interactions. WildWise Yukon has published a report, entitled *Whitehorse Bear Hazard Assessment*. It recommends a number of ways the Yukon government, the City of Whitehorse and local First Nation governments can become more bear safe, including a number of waste management improvements.

Mr. Speaker, does the minister accept the *Whitehorse Bear Hazard Assessment* report's recommendations and how does the government plan to work with other levels of government to implement these important changes?

Hon. Mr. Istchenko: That is a timely question with the bears coming out this spring. The Department of Environment is using a wide range of strategies, Mr. Speaker, to help prevent human-wildlife conflicts. Some of the stuff that we're doing is working with the City of Whitehorse and WildWise Yukon; we're working on developing a hazard assessment for Whitehorse to form the foundation for the city's bear smart strategy; and we're working with the Department of Community Services and the private contractor to reduce wildlife access opportunities at the Yukon landfills. There are lots of things that this government is doing, Mr. Speaker.

I just printed this yesterday off the CO page on Facebook and it's about taking simple steps to keep bears wild and alive. There is a lot out there and we will continue to do good work.

Ms. White: The WildWise assessment calls for better waste management practices to keep bears out of our garbage, but it also addresses private storage systems. When you go camping in Kluane National Park, Parks Canada loans you a bear-proof resistant canister, because they are expensive and everyone is better off when bears can't access food. The Whitehorse bear assessment report recommends a similar program — a bin-loaner program for recycling and livestock feed. This might seem ambitious, but it is a practical way to improve bear safety in Yukon.

Mr. Speaker, would the minister consider implementing the report-suggested bin-loaner program for recycling and livestock feed?

Hon. Mr. Istchenko: Another thing the department has done here is completed a three-year pilot program focused on reducing human-wildlife conflict in the Whitehorse-Southern Lakes area through education, community partnerships and intervention. The program was given \$75,000 per year for three years and employed a seasonal human-wildlife conflict prevention officer. The department is currently in the process, Mr. Speaker, of maintaining and upgrading all the bear culvert traps across the Yukon to improve both bear and public safety in advance of bears exiting their dens and our department officials have worked diligently when it comes to bear-related issues. I'm confident the work that the department is doing — I would like to thank them for their hard work — sometimes it does get busy and sometimes it's late at night — and I think they do a wonderful job.

Question re: Shakwak reconstruction project

Ms. Moorcroft: Mr. Speaker, yesterday I brought to the attention of this House the fact that the Government of Yukon had contracted the services of a professional to help the government in lobbying the US government to restore Shakwak funding. The minister's response was — and I quote: "We'll continue to work on the US government restoring funding to the Shakwak project."

This government is paying a lobbyist to press its case to the US government for continued Shakwak funding. How much has the government paid to date for this lobbyist's contract? How much has the government budgeted in 2016-17 for lobbying?

Hon. Mr. Kent: Mr. Speaker, I believe that contract was through the Executive Council Office for that particular individual and firm to work on our behalf in Washington DC. I don't have the numbers with me as to what was spent and I don't believe there is anything budgeted for this year.

As I mentioned yesterday, the Shakwak project is an important project for the north. We should also take the opportunity to thank the late Senator Ted Stevens from Alaska for his work on this file in the 1970s and through to the 1980s and 1990s, when the funding was in place. It certainly was a boon for us not only in ensuring that our road network has been safe and easy to travel, but also for all the jobs and opportunities that have been provided to Yukoners as a result of those capital investments.

As I mentioned, this is an important section of road. The vast majority of the travellers on that road are United States citizens. It is part of the national transportation system. We will continue to lobby the US government to restore funding and continue to look for other options.

As I mentioned, the maintenance in that section that has permafrost — the section north of Burwash Landing — is six times higher than in non-permafrost areas. The maintenance camps are doing a good job of maintaining that section of road. Again, we'll continue to try to identify funds to make capital improvements there.

Ms. Moorcroft: It has been four years since the US government removed the funding for the project from their transportation bill. Perhaps the government can get back to us with the numbers on how much money has been spent on lobbying since that time.

The minister has also said that a high percentage — 80 to 90 percent — of the traffic on that portion of the Alaska Highway is US residents, whether from southeast Alaska, tourists or personnel who are transferred back and forth between Alaska and the Lower 48. What value has this government received for the funds it has spent employing the lobbyist? For instance, has the lobbyist reported if the United States government accepts this government's numbers that 80-plus percent of the Shakwak traffic is American?

Hon. Mr. Kent: Mr. Speaker, of course this is an important corridor for United States residents. As I mentioned yesterday, it's a vital link between southeast Alaska and central Alaska, where some of the larger cities — Anchorage, of course, and Fairbanks — are. Many of the state representatives and state senators use that corridor to travel back and forth from their districts to the capital city of Juneau using the Alaska marine system as well.

As I've mentioned, the department has let me know that the numbers in that area are 80 to 90 percent with respect to the traffic — 80 to 90 percent US residents. That's why we feel that the deal we had in place — where the US government would fund the capital improvements to that section of road and we would continue to do the maintenance — was a good deal. Obviously there have been significant employment benefits for Yukoners through the contracts issued to do the capital improvements to that section of highway. There are many contractors mobilizing and going in there this year as well with the \$12 million that we've budgeted for work. I think all of the major bridges have been replaced in that corridor. For the most part, most of the highway has been rebuilt.

Obviously permafrost areas are still an issue for us, and we'll continue to lobby the US government to restore that funding. We have the support of the Alaskan government, the Alaskan business community and the Yukon business community to do so. We'll continue to work to that end.

I would be interested in the NDP position on —

Speaker: Order, please.

Ms. Moorcroft: The minister has said that his department provided the numbers — that it was over

80-percent American traffic. I would like him to let us know if the United States has accepted that number.

The minister has also spoken about the permafrost, and the Beaver Creek permafrost testing has now been completed. We're waiting for details on the key findings of that research to be released. In yesterday's Question Period, the minister acknowledged some of the issues related to permafrost and maintenance. I quote: "... thawing permafrost causes severe distortions of the road surface as well as significant cracking along the shoulders..."

The government expects to spend close to \$12 million in 2016-17 completing Shakwak program highway improvements. From the results of the study, can the minister tell the House if Yukon's highway maintenance crews will have the resources they need to deal with the effects of permafrost in the Shakwak north Alaska Highway?

Hon. Mr. Pasloski: As we have heard and we can see through the budget, we have significant capital investments in highways, roads and bridges across this whole territory.

Let's be clear about what this discussion is about with respect to the Shakwak. This is an agreement between two sovereign nations. This was an agreement signed between the Government of the United States of America and the Canadian government. That is where this agreement is. The US government had cancelled the funds in 2012. They still have not completed their commitment through that agreement.

We have engaged and have the support of the Alaskan senators, the Alaskan congressmen and, of course, the Alaskan governor. We have spoken with senior leaders in the appropriate committees in both houses in Washington. We have had the support of our senator. I had spoken to former Prime Minister Harper on this. We have also had the support of the Foreign Affairs minister and, of course, our Ambassador down there as well. We also have very clear support from both labour and business on this issue.

The reality is that we do not anticipate that there will be any change before the presidential election that will occur in November. After the presidential election, we will continue with earnest to ensure that we convince —

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

Question re: Diabetes programs

Ms. Stick: Mr. Speaker, diabetes is one of the most common conditions affecting Canadians, with an estimated two million people diagnosed. Still more live with this chronic condition undiagnosed for years. Dr. Adeera Levin, a nephrologist at St. Paul's Hospital in Vancouver, treats patients with chronic kidney disease, one of the more serious complications from diabetes. In March 2015, Dr. Levin warned that the Yukon did not have an accurate gauge of the prevalence of diabetes in the territory. Statistics Canada also warns that current statistics on diabetes prevalence in Yukon should be used with caution.

When will this government produce accurate statistics on type 1 and type 2 diabetes prevalence in the territory?

Hon. Mr. Nixon: Mr. Speaker, I certainly extend my thanks to the member opposite for asking this question. We have had a number of opportunities to talk with people who are both working in this area here and in BC, as we have agreements with those professionals down in that province, and also individuals who are affected by diabetes here in the territory. We certainly extend our thanks to those who are working both in the department and at the Yukon Hospital Corporation.

Diabetes and the issues around supports and services are certainly something that is important to this government and we will continue to work with our department, the Yukon Hospital Corporation and other agencies on providing that type of information to those who are looking for it. Again, I thank the member opposite for her question.

Ms. Stick: Mr. Speaker, as I have mentioned in this House before, it is hard to manage what you are not measuring. Numbers — accurate numbers — of type 1 and type 2 diabetes are important to be able to plan. A serious complication of diabetes is chronic kidney disease, and kidney disease can be treated by kidney dialysis. In this case I am speaking about hemodialysis, which requires dialysis machines, specialized nurses and technicians. Hemodialysis is not available in Yukon. Yukoners requiring hemodialysis have one option, and that is to move away from the Yukon to BC.

As more Yukon residents choose to remain in the territory after retirement, accessible treatment for kidney failure will become an increasing concern. That's why we need these numbers, Mr. Speaker.

When will this government consider offering these services, hemodialysis, here in the Yukon?

Hon. Mr. Nixon: Again, I thank the member opposite for the question. I recently had the opportunity to go down to the gala for the BC-Yukon kidney foundation and certainly had this very discussion with those individuals and looked at the numbers for the Yukon Territory.

I can report to the member opposite that the department informs me that there are currently no Yukon patients with chronic kidney disease living in BC in order to receive full-time hemodialysis.

Dialysis is required when a patient's kidneys fail to the extent that everyday toxins cannot be sufficiently removed. Dialysis replaces normal kidney function.

During the conversation that I had with those involved in the BC-Yukon kidney foundation — it simply comes down to a matter of numbers and there just aren't the numbers to support the hemodialysis operations or supports here in the territories — and we're not talking close numbers by far. There is just simply no business case to support that up here.

On top of that, the individuals and professionals who are providing that service need to do so many hours to maintain their credibility and licensing. Again, we just don't have the supports and the numbers of individuals faced with those issues to support that type of service here in the territory.

I thank the member opposite for her question —

Speaker: The member's time has elapsed.

Ms. Stick: Certainly in the past, Yukoners have moved away, have lost their jobs, have sold their homes and have had to move to Vancouver in order to receive the dialysis service. I remember meeting them in Vancouver General Hospital where that service was provided.

The Yukon is one of the few jurisdictions in Canada that does not offer this service. Northwest Territories certainly does. In some places there are some that are enclosed in a bus and actually can travel.

Diabetes prevalence rates among First Nation and aboriginal populations are three times higher than the general population, and for aboriginal women they are four times higher.

This is a serious issue and one that we need to be able to manage by knowing the numbers, by knowing the numbers of First Nations. A quarter of our population is First Nation, Inuit or Métis.

When will this government work with the federal government —

Speaker: Order, please. Time has elapsed.

Hon. Mr. Nixon: In addressing the member opposite, again, I thank her for her question. This is something that is certainly important to this government and one that we continue to work on collaboratively with our partners here in the territory and down in BC.

For the member opposite, I can report that recent advances in technologies now also allow for home hemodialysis for patients who are thoroughly trained. This is a major boon to Yukon patients who would have had to stay out of territory to receive hemodialysis in previous years. I know that one patient is presently on home hemodialysis here in the territory.

Given these new technological advances, the need of hemodialysis in Whitehorse General Hospital has actually decreased over the last several years.

Again, as I indicated in my first response, I would like to thank those professionals here in the territory and in BC who certainly help us out a great deal in providing these supports and services for Yukoners.

Providing those supports and services for Yukoners is certainly something that is very important to this government and one that we'll continue to work on.

Again, I really thank the member opposite for bringing this forward and giving me the opportunity to highlight the work that we're doing here in the territory.

Speaker: The time for Question Period has now elapsed.

Notice of opposition private members' business

Mr. Silver: Pursuant to Standing Order 14.2(3), I would like to identify the item standing in the name of the Third Party to be called on Wednesday, April 20, 2016. It is Motion for the Production of Papers No. 13.

Ms. Stick: Pursuant to Standing Order 14.2(3), I would like to identify the item standing in the name of the Official

Opposition to be called on Wednesday, April 20, 2016. It is Motion No. 1142, standing in the name of the Member for Takhini-Kopper King.

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

ORDERS OF THE DAY

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

The matter before the Committee is general debate on Vote 55, Department of Highways and Public Works, in Bill No. 23, entitled *First 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. 23: *First Appropriation Act, 2016-17* — continued

Chair: The matter before the Committee is general debate on Vote 55, Department of Highways and Public Works, in Bill No. 23, entitled *First Appropriation Act, 2016-17*.

Department of Highways and Public Works

Hon. Mr. Kent: It's my pleasure to present the Department of Highways and Public Works 2016-17 budget. The details of this budget highlight the continued commitment and dedication of the department toward ensuring a safe and efficient transportation system, modern building infrastructure and effective information systems. I would like to take this opportunity to thank all of the departmental staff, no matter what branch of the department they work in, for their support and dedication to Yukon citizens, whether they're travelling on our roads, using our airports, in the buildings that we manage or any other aspect with respect to Highways and Public Works' interaction with the Yukon public.

As one of the government's central agencies, we enable and provide services not only to the Yukon public, but also to Yukon government employees. This budget supports the achievement of many of our government's priorities and

mandate items, including the following: development of asset management for Yukon government infrastructure; successful delivery of capital programs; development of resource access roads; progress on the climate change action plan; improvements to government procurement processes; completion of functional plans for key highway corridors; development of safety management systems; and implementation of e-services.

As a department, HPW is responsible for: constructing, maintaining and managing our roads, bridges and airports; providing capital development, space planning and facility management services for all government-owned and leased facilities; developing, supporting and protecting the information and technology infrastructure of Yukon government for the delivery of services to both government and the public; planning, reporting and communicating department priorities, policies and initiatives; as well as Yukon government procurement; Central Stores; fleet vehicles; motor vehicles; road safety; travel services; goods acquisition; asset management; Queen's Printer; government mail services; and risk management. The department faces many challenges in meeting its responsibilities, such as extreme weather conditions, permafrost, vast distances between communities, aging infrastructure and limited resources.

Yukoners and visitors to the territory depend on our services, as well as the infrastructure provided by our department, to go about everyday life. The development of maintenance of this diverse infrastructure and the provision of an increasingly wide range of services is not without its challenges.

Madam Chair, Yukon is facing the same challenges as many jurisdictions across Canada with our aging infrastructure, increasing expectations from the public regarding what types of services are available and how they are accessed, greater safety and regulatory requirements, the impacts of a changing climate and a myriad of competing interests to be addressed within a limited budget.

Despite these challenges, HPW staff work hard to ensure that the work this budget supports has a positive impact on the local business community. HPW investments make a significant contribution to Yukon's GDP and create thousands of jobs for the Yukon's economy. We also support Yukon First Nations through the Yukon asset construction agreements, or YACAs, which build capacity within the territory. The extent of HPW's support for Yukon's private sector is unique within this government. We tender projects related to roads, bridges and airports, including earthwork, paving, design, surveying, environmental studies and other engineering services. Through our work on buildings — both maintenance and new construction — we tender contracts for design, engineering consulting services, construction, plumbing, electrical, carpentry, custodial services and leasing.

In the IT sector, we support local IT companies in designing made-in-Yukon IT solutions for Yukon government departments. These responsibilities and challenges are reflected in the initiatives identified in this budget.

As an overview, the budget provides \$62.8 million for transportation capital maintenance, planning and infrastructure: \$10.2 million for capital building maintenance, planning and infrastructure; and \$9.5 million for IT infrastructure, systems development and support. This last figure represents an increase of \$3 million to support this government's IT initiatives. I know this is a welcome increase by the local IT business sector, as it reflects a commitment made by the Premier last fall at the Opportunities North conference. At that time we committed to a \$2-million increase. I'm pleased that we identified projects that represent a \$3-million increase to the IT envelope.

The department also manages a large facility and building construction portfolio on behalf of other Yukon government departments. This year, the Property Management Division will be working to deliver 15 major works projects with a total budget of more than \$130 million. Over the past five years, our investments in major capital works and maintenance projects have consistently put Yukoners to work, benefitting many local contractors, suppliers and service companies.

Local construction and service industries are the engines of the Yukon economy, and Highways and Public Works is committed to enabling and sustaining a strong, resilient, local labour force. Departmental staff teams are rising to the challenge, not because they have more project managers and officers looking after the portfolio, but because of the department's commitment to continuous improvement and the application of portfolio and asset management best practices.

Some of the other ways we have been working to improve project delivery and private sector collaboration are through the annual fall capital announcement for contractors and through outreach initiatives of the Procurement Support Centre. This year's second-annual industry conference took place in February and lived up to the expectation of being another productive cross-sector gathering, building on the successes of the previous year's events.

Ultimately, when it comes to identifying and planning capital projects and bringing them to market, our aim is to make tax dollars go further and ensure value for money. Local benefits are considered as part of each and every project. A look back over the past five years of capital and project spending demonstrates that the contributions by Yukon companies have been essential in our ability to deliver on the promise to Yukoners — our promise to provide the essential infrastructure needed to enable healthy, productive and meaningful lives.

Madam Chair, we know just how important a functional transportation network is to ensure the continued flow of goods and services. Yukon's transportation network enables the movement of resources that this territory relies on in order to thrive and connect our northern communities. Serving the needs of a territory as vast and remote as Yukon requires strategic planning and the ability to rank capital projects in a manner that best uses public funds and meets the needs of Yukon infrastructure. We do this while ensuring that Yukon transportation networks, buildings and other resources are maintained in a safe, effective and efficient manner.

Highways and Public Works is committed to providing safe and efficient transportation infrastructure to maintain the vital transportation links for Yukon residents, commercial carriers and traffic and visitors alike. The department has allocated almost \$5.4 million for such work as engineering, pre-design, mapping, surveys, industry analysis, policy development, feasibility studies and airport development plans. Work is also being done to develop new and improved asset management systems, intelligent transportation systems, capital planning and business modernization.

All of this is underway, and I am happy to discuss some of our capital transportation highlights planned in this year's budget. Our Transportation Engineering branch uses a bridge and culvert management system to determine bridge rehabilitation and replacement needs for our transportation network. This program identifies investment requirements and priorities.

Deficient bridges represent weak links in the transportation system. Adequate bridges permit heavier trucks and bulk hauls in both directions for industrial and resupply shippers. Many of our Yukon bridges were built in the 1950s and 1960s and are at an age when major rehabilitation efforts are required to keep them in service. In Carcross, for instance, the Nares River bridge replacement project involves the replacement of the existing timber structure with a new bridge designed to handle both current and future traffic needs. The new bridge will be a reinforced concrete structure. Not only will this bridge be structurally enhanced, but the look of the bridge as part of the Carcross marina landscape will also be improved. Replacing this aging bridge will ensure that the south Klondike Highway is well prepared to serve public and tourist traffic as well as commercial traffic such as that serving Yukon mines.

The Dempster/Klondike corridor is one of the most important corridors that we have in the territory, along with the Alaska Highway corridor and the Robert Campbell/Cassiar corridor as far as trade routes both in and out of the Yukon.

We have committed about \$1.5 million to be spent this year on the Nares River bridge, which is in the first part of a two-year construction period. The project team has spent the last year consulting with the community of Carcross as well as the Carcross/Tagish First Nation to address their concerns and we will continue to do so moving forward with this important project.

Madam Chair, I would also like to provide the House with an update on the improvements to the Nisutlin Bay bridge in Teslin — another important bridge that is part of the transportation network. It's scheduled for a significant rehabilitation project that includes deck and substructure improvements. Design, permitting and geotechnical work will continue this year, with construction expected to start in 2018.

Madam Chair, the Fox Creek bridge on the south Klondike Highway will also have design, permitting and geotechnical work done this year and next, and we have allocated \$200,000 in the current budget for this project. The bridge will be replaced with a reinforced concrete bridge. The

new deck will be wider, longer and higher — making it safer and more resilient to climate change. Construction is anticipated to begin on this project in the 2018-19 fiscal year.

We have a presence throughout the Yukon in every community, hamlet and every bump in the road. We live in the areas where we work and those staff care about the places that they live in. Highway maintenance camps are an important element in maintaining our transportation networks safely and effectively. This year, we have allocated \$2.6 million to replace the living quarters at both Swift River and Drury Creek maintenance camps because deficiencies with the current facilities are creating health and safety risks for our dedicated employees who work in those facilities. We are improving those living facilities at our maintenance camps in order to best support the men and women who live there while maintaining our highway systems.

Work continues this year with existing funding for the Shakwak project — a topic of recent Question Periods in this Legislative Assembly. This work is in partnership with the governments of Canada and United States to ensure a safe and modern highway corridor leading to Alaska. The Shakwak agreement, originally signed in 1977, has always envisioned that the roads rebuilt under the program would be paved. Funding for the Shakwak agreement was not included in the last US transportation bill, as we know. The remaining funds are focused on rehabilitating sections of the road that are impacted by permafrost thawing. Funds of more than \$12 million will be focused on construction projects that will maintain the Alaska Highway to as high a standard as possible; however, without dedicated funding in place, paving is no longer included in this work.

Work this year will include surfacing and rehabilitation sections between kilometre 1710 and kilometre 1832 that have deteriorated due to permafrost thawing. The Government of Yukon, together with the Government of Canada, will continue to make representations to US legislators to restore funding for the Shakwak project in any new bill. Highways and Public Works is continuing to work closely with the US Federal Highway Administration to determine how to best spend the remaining funds and the time frame over which such spending should occur. Madam Chair, before I move away from the Shakwak project, I should also thank the efforts of the MLA for Kluane and the former Minister of Highways and Public Works on this file.

I know that he was extremely engaged with the Alaskan congressional delegation in Washington — the two senators and the congressman who are active down there — as well as former Alaska state senator, Mr. Randy Phillips, who has a recreational property within the Member for Kluane's riding close to the Mackintosh Lodge on the northern part of the Alaska Highway. He, when he was in office, was a tireless supporter of a number of things for the Yukon including, not only the Shakwak, but also the reciprocal fishing agreement that we have in place with the State of Alaska where our residents and their residents are treated as residents of each other's jurisdiction when it comes to fishing licences.

Again, I would like to thank the MLA for Kluane for his significant interest as well as efforts in our ongoing attempts to have the Shakwak funding program restored so that we can complete the important work on that section of highway.

The Alaska Highway is one of our most critical highways and has likely seen the most changes since it was completed in 1942, when more than 7,000 pieces of military equipment were used to build it.

There are several locations on the Alaska Highway where settlement continues to develop due to permafrost degradation and settlement of soft soil. Restoration will take place over three years beginning in this construction season. This is part of our continuing efforts to improve the overall safety of our highway network.

We have allocated more than \$2 million in funding for this very important work on a significant stretch of road that connects us to our Alaskan neighbours.

Another \$368,000 is allocated to develop a functional plan for the section that lies between the British Columbia border near the community of Watson Lake and the Golden Horn subdivision so that the department is able to manage and prioritize improvements that need to happen in this area.

As we get closer to Whitehorse, work is also slated for the section of highway in front of the Pioneer RV Park, which is just south of the Robert Service Way, which is the southern access to the City of Whitehorse. This is part of the Whitehorse corridor work and we'll be allocating \$2.5 million to construct turning and passing lanes to ensure a safe and effective flow of traffic moving toward the city. The passing lane will be in the northbound lane of that section of highway. Again, it's to address safety concerns. This is part of the broader Whitehorse corridor redevelopment.

As I have mentioned previously in this House, I have asked the department to focus on safety issues. Of course this is one that has been identified. Anyone who travels that section of highway in the summertime recognizes that there could be delays or potential hazards when there are some of the larger RVs turning into that particular RV park, so we're happy to move forward with this important project in this construction season.

Work continues this year with the reconstruction of the Robert Campbell Highway section up to kilometre 190. The department has allocated \$11.4 million toward improvements that include realignment to meet the 90-kilometre-per-hour design standard, road reconstruction, resurfacing, drainage improvements and right-of-way clearing for future years' construction.

The Robert Campbell Highway improvement work will be carried out in collaboration with the department's Transportation Engineering branch, private contractors and private equipment rentals. The commercial trucking industry and the private citizens as well as visitors will benefit from these upgrades.

This highway is an important transportation link, because it provides redundancy for our transportation network. Not only does it link communities along this road together, it also provides an alternate route through the territory in the event

the Alaska Highway is closed between Watson Lake and Whitehorse.

The Yukon government continues to invest in road infrastructure to maintain vital year-round access across the territory and to ensure that the groundwork is in place to foster prosperity and economic development opportunities for the future. The Dempster Highway is Canada's only all-season public road that crosses the Arctic Circle. Starting near Dawson City, this 736-kilometre unpaved two-lane highway traverses northern Yukon all the way up to Inuvik in the Northwest Territories, soon to be extended on the Northwest Territories side to the community of Tuktoyaktuk.

The work slated for this year includes erosion protection in the Blackstone and Ogilvie rivers and Engineer Creek areas, as well as retrofitting the Engineer Creek bridge, replacing culverts, resurfacing and spot improvements and investigating sinkholes and slope stability. These projects are part of our continuing effort to improve the overall safety of our highway network. The department has allocated \$3.2 million for this critical work to be done.

Madam Chair, I recognize that my initial 20 minutes are close to expiring. I do have some more information for members with respect to this budget and, just before I sit down and cede the floor to opposition members, I would like to welcome two officials from the department to the House today. To my right is Clint Ireland from the Transportation Maintenance branch. He's the director of Transportation Maintenance, and I believe this is his first time attending the Legislative Assembly. To my left is Mr. Scott Milton from the Property Management branch in Highways and Public Works. I think he has been here a couple of times at least before, so I would like to welcome both of them to the House and thank them for their support as we move throughout debate in Highways and Public Works for the balance of the day.

Ms. Moorcroft: I thank the minister for his introductory remarks. I would like to thank the officials who provided the opposition with a briefing on the Highways and Public Works budget. I would also like to acknowledge all the hard work that's done by the many employees of the Department of Highways and Public Works, across several branches of the department, and all the public service for the work they do.

During the briefing, we had asked a number of questions and were looking for responses from the minister. The department budget was called up for debate before we could get responses to any of those, so I'm just going to put those on the record for now, and then I'll allow the minister to complete his remarks when I'm done.

The Alaska Highway corridor is one of the most significant projects in the Whitehorse corridor that the government has planned. They spoke in last year's budget about over a 30-year period, depending upon certain population projections — as much as \$200 million for the Alaska Highway corridor in the Whitehorse area, and in the first five years of that project, they were looking at spending \$50 million.

The minister has just spoken about the initial work that will be done in this budget, adding a northbound passing lane in the area of the Pioneer RV Park.

The question that we had asked related to background information. When the Alaska Highway corridor functional plan was put together, the department had access to information about traffic accidents. The minister referred to safety being the first priority when the department came to a decision on what major intersections would be improved, what upgrades would be done depending on increased traffic, where to consolidate accesses and where to put in better traffic control signage. I have asked the minister if his department can provide traffic safety data, based on 2010 to 2015 — 2009 is a bit dated. I think that there is more current information that's available and I would like to ask the minister about that.

Last year's budget had \$1.3 million to begin work in responding to the functional plan. I would like to ask if the department has done more comprehensive work on developing a program to bring to Management Board what their priorities will be.

The minister also spoke to preparing a functional plan in the Golden Horn area in order to look at what changes or what potential intersection changes or additional lanes might be developed in the Golden Horn area. I would like to ask the minister who the department officials have met with in their initial planning of that functional plan and to provide a few more details. The minister also referred to the functional plan between the BC border and Watson Lake. For both of those functional plans, I would like to ask the minister if he has a date for when he expects them to be completed.

The minister also spoke about the Robert Campbell Highway and I have a fair amount to follow up with there. One of the questions we had asked about in the briefing was to provide opposition parties with a copy of the Kaska Nation agreement on the Campbell Highway. The minister indicated that the consultation would be from kilometre 10 to kilometre 190. I would also like to ask the minister if he has a five-year plan related to the Alaska Highway corridor, or more details about what the government plans to do in the five-year plan.

We had asked for details related to the YACAs, the Yukon asset capital agreements with First Nations. I would like to ask the minister whether the department officials can provide us with an accounting of YACA agreements for the period from 2011 to 2016 — the projects and the amounts provided to First Nations for those projects. One of the specific ones that we had highlighted was airport construction projects, but we would like to have a broader list.

Madam Chair, I have a number of questions on each of the branches of the Department of Highways and Public Works. Noting that the minister has not completed his opening remarks, I am going to allow him to continue on that before I proceed to go into details.

Hon. Mr. Kent: Madam Chair, I thank the member opposite for her indulgence in allowing me to complete my opening remarks on this. I do have a list from the department. I believe that during the briefing there were 29 questions raised by opposition members — from both opposition parties

— and, if I have time at the end, I will start working my way through them. Some of the questions that were asked here by the Member for Copperbelt South will be addressed in there. I do have some answers — not all of them yet — but will endeavour to complete this in the coming days and get a more fulsome response to members opposite.

Madam Chair, just to complete my remarks — I do have a significant amount left here — the Klondike Highway is what I wanted to talk about next. It is one of our oldest highways and, like the Alaska Highway, it has seen many changes over the years. It also experiences erosion and drainage problems that compromise the structural integrity of the highway. We have allocated \$1.25 million to address these problems and to get this work done. As well, to improve safety, some project work is planned to minimize the risk of falling rock and rehabilitate the driving surface.

The Silver Trail project this year involves driving surface rehabilitation to address safety concerns and replacing a failing culvert at kilometre 94.7. We have dedicated funds of \$550,000 for these improvements.

The Nahanni Range Road will see work involving the restoration of the existing highway surface, which has degraded, including subgrade repairs to the gravel highway, which is susceptible to soft areas in the spring and in wet weather. The department has committed \$100,000 to ensure that this work is done so this road remains safe for traffic flow. With respect to the Nahanni Range Road, I did run into some of the principals from the Golden Predator company when I was recently at PDAC in Toronto. They wanted me to pass on their thanks and appreciation to highway maintenance staff, particularly those at the Tuchitua camp, for the excellent work they did in maintaining that road this spring to allow for their exploration project to go forward. Again, this is an opportunity on their behalf to thank staff of highway maintenance and those situated at the Tuchitua camp at the junction of the Nahanni Range Road and the Robert Campbell Highway for their tremendous efforts in assisting them with a project that employed many Yukoners in the winter months.

Madam Chair, I have previously mentioned functional plans. We use these plans to assist us in deciding how best to manage our transportation network. The two referenced by the Member for Copperbelt South in her question actually are one functional plan, and that will take place from the BC border at Watson Lake through to the Golden Horn subdivision. It will be tendered.

This allows us to set the table for future capital improvements when it comes to our road network — and has been very useful in helping us to plan our transportation network going forward. We can get into some more detail once I conclude my remarks on the planning.

What these plans do, of course, is determine the short-, medium- and long-term upgrade needs of a highway for maintaining an acceptable level of service over the foreseeable future. This year, we have allocated funds for functional plans for the Tagish Road and the Top of the World Highway. As well, Madam Chair, work continues on the Atlin Road, and this year the department has allocated \$660,000 to complete

the reconstruction of the highway and ensure that this road continues to service commercial traffic for Yukoners, British Columbia residents and visitors alike. I believe we're close to completing the improvements on the Yukon side of the border. For those people who have recreational properties or other properties in Atlin, many of the placer miners who work in the Atlin area but live in the Yukon, and then, of course, those who visit Atlin for events such as their music festival will appreciate the work that we've done to the Atlin Road on the Yukon side of the border.

Work slated for the Carmacks bypass and the Dawson Gold Field Road project both require an environmental assessment for these projects. We've allocated \$200,000 in this year's budget to ensure these environmental assessment works are completed. Planning for a \$4.8-kilometre bypass road, and a new bridge over the Nordenskiöld River is under development. This bypass will route industrial traffic away from the downtown and residential cores of the community of Carmacks and will connect the Klondike Highway to the Freegold Road.

Madam Chair, Yukon has the mining potential and the shipping access to get minerals to market. The missing element is the road network to make projects economically viable or to de-risk them. The Carmacks bypass will provide an essential link in the road network and ensure Yukon's economic and export potential is supported. Of course, as I mentioned, work will also include environmental assessment on the gold field roads, which service a number of placer mines in the Dawson area south of Dawson. This will also allow us to access many hardrock projects, including Kaminak's Coffee project, which they are planning to get into environmental assessment very soon. This is one of the asks that we have submitted to the Government of Canada for major infrastructure investment in the territory to help us improve those roads and a couple of other important transportation links.

Madam Chair, as I've said before, the preservation of our existing infrastructure is of critical importance as well. A comprehensive pavement management system has been in place for a number of years. This system indicates that much of our pavement is long overdue for rehabilitation. Over \$3.8 million has been assigned to the rehabilitation of existing pavement using full pavement overlay, recycling the pavement into base course, aggregate production and resurfacing with BST or other rehabilitation procedures at locations throughout the territory.

I'm going to talk about airports and aerodromes, starting with the Erik Nielsen Whitehorse International Airport. To support our economy and our growing population, the Transportation division and the Property Management Division continue to work together to deliver enhancements to the Erik Nielsen Whitehorse International Airport. We have expanded the airport terminal building in past projects.

We have expanded and improved the parking lot and also worked to enhance services for our tenants. This year we have allocated \$1.5 million to a project that will include a suite of upgrades selected to improve travellers' experience.

A 2015 space-use assessment found ways to improve the critical functional areas in the airport terminal building that are currently undersized or deficient. These improvements will improve the atmosphere of the airport, which is so important because this is often what visitors first see when they arrive and the last thing they experience when they leave.

Improvements include improvements to the washrooms in the public area, as well as the area beyond security, and improvements to the holding area beyond security I believe for domestic flights, in particular. A further allocation for our local airport of \$2.4 million includes the following: lease lot development on the south and north sides of apron 2; design work for the ATB baggage handling system — an upgrade in that system; rehabilitation of the north apron; and pavement patching.

Highways and Public Works is committed to ensuring the Whitehorse airport continues to support our economy.

When it comes to the community aerodromes, \$2.3 million has been designated for continued improvements at various Yukon community aerodromes. Projects in the communities include the following: repairing drainage issues at the Dawson Airport; resurfacing and dust control at the Faro aerodrome; resurfacing at the Pelly aerodrome; and improving the fencing and dust control at the Old Crow aerodrome.

The department has also committed \$395,000 toward a functional plan at the Dawson Airport. This plan includes assessing current infrastructure, including surfaces for the runway, taxiways, aprons, vehicle access and buildings, both existing and required, to determine the level of investment required to meet the identified needs. Once this has been determined, Madam Chair, the department will prepare a construction sequencing plan. This will assist the department in making effective decisions about the future of this important component of our aviation network.

Of course, of particular interest to the citizens of Dawson and some of the commercial users of the airport will be the paving. I've met recently — I had a teleconference recently — with the Dawson City Chamber of Commerce, and we've agreed to work together in partnership on this functional planning and, barring any major obstacles or hurdles that we run into, we would look to initiate paving of the Dawson City runway in the 2017 construction season.

Madam Chair, we have also committed \$500,000 for the Burwash Landing aerodrome for some needed renovations to the air terminal building that's located there.

I'm going to turn my attention now to Property Management in Highways and Public Works. The Property Management Division, or PMD, is committed to providing capital development, space planning and facility management services on behalf of Yukon government departments.

With approximately 550 buildings in the portfolio, totalling more than 3.5 million square feet, it takes a team of dedicated project and facility managers to maintain safe and healthy work environments for the Yukon government departments and the Yukon public.

The department takes pride in the entire stock of buildings in the portfolio and is committed to delivering major works and capital maintenance projects responsibly, planning government space efficiently and maintaining our buildings effectively. Many of our buildings are aging and in need of substantial upgrading. Poor insulation, inefficient design and aged heating systems make them more expensive to operate. This is something to bear in mind when considering the cost of upgrades versus the cost of replacement.

PMD advocates a holistic approach to planning, managing and maintaining government facilities. This means looking at the diverse facility needs of departments as a whole and identifying opportunities to maximize energy savings and program delivery efficiencies through coordinated initiatives. HPW is committed to enabling Yukoners and enriching their lives by providing them with high quality, safe, comfortable and energy-efficient government facilities.

On the building maintenance and space planning side of things, we manage and oversee capital building maintenance and upgrades to the existing inventory of Yukon government buildings. Typical projects under this program include building roof reconstruction, interior and exterior painting, flooring and window replacement, lighting, insulation, energy upgrades and space planning.

Each year, PMD issues approximately 150 contracts for capital maintenance projects. The majority of these are delivered by local Yukon firms. They are smaller projects, but they are crucial in terms of providing sustained local economic benefits, as they typically leverage local capacity in trades, including electrical, mechanical, roofing, painting and flooring. Since 2010, PMD has delivered more than 850 capital maintenance contracting opportunities to the market as I mentioned, the majority of which are delivered by local contractors.

PMD also manages the planning, programming, designing and constructing of facilities to meet the accommodation needs of public programs. This is achieved by managing building development and maintenance projects and procuring buildings and services necessary to meet programming needs. This year, Madam Chair, the department has allocated \$1.1 million toward this program to assist in managing our facilities.

Also \$1 million is dedicated to project management on behalf of external clients. This enables the project sponsors to achieve desired outcomes on projects in terms of quality, costs and schedule. All dollars spent are on behalf of external clients and are 100-percent recoverable. External clients may include the federal government, Yukon Liquor Corporation and Yukon Housing Corporation, or the Yukon Workers' Compensation Health and Safety Board.

I am extremely pleased and proud to update members and Yukoners on progress at the main administration building here in Whitehorse: \$4.5 million is allocated in this budget for the main administration building, or the MAB, including a building envelope upgrade to enhance its performance and reduce energy costs consumed in this core facility of the government's inventory. Once complete, it is estimated the

upgrades will reduce annual heating costs by more than \$225,000, which allows us to spend those resources on other important projects for Yukon taxpayers and also reduce greenhouse gas emissions by more than 400 tonnes each year. The department will continue implementing energy-efficiency projects to reduce operating costs, cut greenhouse gas emissions and advance the commitments outlined in the climate change action plan and Yukon energy strategy.

Madam Chair, turning our attention to ICT, this branch is the Information and Communications Technology Division — or ICT, as it's known. The ability to access it promptly as needed, to organize and manage it, to create and edit it, and analyze it has become crucial in our current era. The Yukon government is the custodian of sensitive information that is of high value to our government and to its citizens for effective delivery of health care and social services, education, justice, lands, highways, properties and many other important programs delivered by each and every Yukon government department.

ICT's role is to work with, and on behalf of, government departments and to put in place the base information infrastructure needed to effectively and efficiently deliver — and continuously improve — services to Yukoners. E-government, in which government services and information can be more readily accessed directly by the public wherever and whenever it is convenient is of growing importance in an age in which digital access is broadly available in most places and to most people.

We are recognizing this opportunity in partnership with our fellow departments in Yukon government by redirecting existing resources to create an e-services branch to accelerate our progress in this area. We don't do this alone; we work closely with our local IT industry sector to deliver in this complex area.

I would like to thank the members of YITIS for all of their work and efforts in convincing not only me, obviously, but colleagues, that increased investment in the IT envelope was good for local businesses and good for Yukoners as a whole.

We have also recognized the opportunity to operate more efficiently through a shared services approach to information delivery. We have already achieved some efficiency in the common corporate delivery of applications and infrastructure and we continue to look for additional opportunities for a strategically holistic approach to government-wide needs. ICT provides cost-effective information management, IT and telecommunications support for internal government administration and the delivery of services to the public.

As I have mentioned, funds of \$9.5 million will support information and technology requirements and meet business needs including network infrastructures, systems development and workstations for all of government. This initiative includes Highways and Public Works systems development projects, further development of e-services and improvements to the mobile radio system and telecommunications network.

Just to conclude my remarks, I would like to talk a little bit about the ATIPP act review, which again was a question

raised in the opposition briefing by members opposite and their staff. ICT oversees our *Access to Information and Protection of Privacy Act* office, or the ATIPP office, which works with the public ATIPP-related matters and requests. The office then works with internal program areas to manage requests for access to information while remaining a primary point of contact for our government and the Information and Privacy Commissioner. A legislated comprehensive review of Yukon's ATIPP act will meet current and future needs of Yukon government, accommodates modern digital technologies and addresses information management and privacy issues.

In this current budget, we've allocated \$120,000 toward this review, which will include a public education campaign to establish a base of knowledge and gather broad preliminary input so that we can move forward with the balance of the ATIPP act review in subsequent fiscal years.

That concludes my opening remarks. Again I would like to thank all the staff in Highways and Public Works who assisted in putting this budget together. I think the Premier mentioned in some of his remarks that he would like to thank caucus members for all their effort. I would like to thank department officials for all their effort in assisting with the preparation of this budget. There was an awful lot of work done to get us to where we are in the House today and kudos to all of those officials throughout Highways and Public Works who helped us get here.

I will turn the floor over to the member opposite and, after her remarks, I can go individually through the questions raised in opposition debate and provide the answers that I have so far, with a commitment to get back on those that I don't have.

Ms. Moorcroft: At the outset, I would like to ask the minister if perhaps he could provide the opposition critics with a copy of the information that has been prepared already in response to the questions that we have put on record. This would help to keep us organized as we go back and forth on outstanding questions and questions coming out of the budget and the minister's remarks.

I'm going to start with the Alaska Highway corridor. I had asked the minister if he was able to provide a construction plan or to let us know whether a major comprehensive development program on the Alaska Highway corridor had proceeded to Management Board and what were the initiatives the government would be planning to spend funds on over the next five-year period.

One intersection I wanted to draw attention to — because we've had a number of calls in our office — and I expect the minister has too — is the intersection of the Alaska Highway with the south Klondike Highway, or Mayo Road. At that intersection, particularly during commuter times in the mornings and the afternoons, there's a lot of traffic that comes from north of Whitehorse, south on the Alaska Highway, around a curve and down a hill to where the south Klondike Highway then turns on to the Alaska Highway. There's no left-turn lane for the traffic that comes off the Mayo Road and turns on to the Alaska Highway, and so the traffic that's

southbound from north of Whitehorse has to merge. We've had concerns expressed about accidents occurring there if that's not dealt with, and so I would like the minister to come back and indicate whether that intersection is in the plans for the next year or two.

Moving on to the Robert Campbell Highway, for years the community of Ross River has demonstrated a need for repairs to the section of highway between Ross River and Faro, and for years this government hasn't heeded their calls. I fail to understand why the government doesn't seem to be interested in investing in the 71 kilometres of road between Ross River and Faro and improving it. Instead, this government has invested millions of dollars into the Robert Campbell Highway going north of Watson Lake. The spending on this section of highway this year is all in the first 100 kilometres of the highway. The Campbell highway is 582 kilometres long, so it's certainly understandable that Ross River residents would ask why it was that the Campbell highway between Watson Lake and Ross River was getting all the attention and not the highway between Ross River and Faro.

The Yukon NDP obtained the feasibility study that provides the rationale for the Robert Campbell Highway improvements. The study confirmed what we had expected; that the highway improvements were undertaken to benefit the Wolverine mine. The Robert Campbell Highway feasibility study makes no mention of tourism, the residents of Ross River, Faro and Watson Lake or any other development along the highway. The study states and I quote: "All of the expenditures identified above are made necessary by the development of a single mining project."

This year, there is \$11.4 million in new money for these improvements. Were there any changes made to the work being done on the Robert Campbell Highway since the Wolverine mine closed down? As I mentioned, the feasibility study revolves almost entirely around the existence of that mining project. Is the government shifting its priorities?

There was a recent announcement of a consultation and accommodation agreement with Liard First Nation regarding the Robert Campbell Highway reconstruction. A government press release described it as — and I quote: "... intended to increase Liard First Nation's capacity to participate in consultation related to the Campbell Highway Reconstruction, and provides Liard First Nation with the opportunity to participate in some of the economic opportunities arising from the project."

Can the minister explain how the agreement accomplishes those goals? Was the Liard First Nation able to take advantage of it with the most recent investments in the Robert Campbell reconstruction?

Earlier this year, the Yukon government submitted its request to the House of Commons Standing Committee on Finance for federal infrastructure projects. One of the projects identified was the Yukon resource gateway project. The Yukon government estimates that the project would cost an estimated \$468 million. The document states that of this total, industry would commit an estimated \$108 million; Yukon

would commit \$112 million; and Canada would commit the remaining \$248 million. This is obviously a request for a significant amount of money designed to help mines access their projects. A 2015 submission to the *Canada Transportation Act* review panel stated — and again I quote: "Yukon is too small a jurisdiction to aggressively pursue a 'build it and they will come' approach to public infrastructure."

Can the minister explain the competing positions at odds here — at one point saying that we are too small for "build it and they will come" projects and then turning around, less than a year later, and requesting money for "build it and they will come" projects?

That quote that Yukon is too small a jurisdiction to aggressively pursue a "build it and they will come" approach to public infrastructure is from the Government of Yukon's submission to the *Canada Transportation Act* review panel, dated April of 2015.

Looking at the report as it addresses infrastructure development for Yukon, nothing on the public record has shown any indication that this government has done a full accounting of the source of funds and the project costs for what it calls "targeted strategic investments" in four key areas.

The request for nearly \$250 million to spend on resources' roads also raises a number of questions when it comes to government doing their due diligence. The Yukon's *Resource Access Roads Framework* states — and I quote: "Before making a decision to fund or participate in resource access road development, an economic impact assessment of the relative costs and benefits of the project to Yukon will be considered."

It goes on to state the factors included in this assessment, and those factors are estimates of mineral resources, cost estimates, project timelines, production estimates and schedules, payments to governments, employment, wages and salaries, possibly affected communities and First Nations, and estimates of potential impacts on the Yukon population. From the submission to the federal government for infrastructure money, it is clear that the government is looking to go ahead on this project. Has the government satisfied these elements when it looks at what would be considered in the assessment? If so, can the minister provide the economic analysis that was conducted?

Madam Chair, I have put a number of questions on the record, and I think I will pause there and allow the minister to respond and then continue with more.

Hon. Mr. Kent: Madam Chair, I will respond to the number of questions that were raised in written form once it is in an acceptable format and all of the information is complete. I did want to get some of those responses on the record here today. We might as well start with the Alaska Highway corridor, which was identified by the member opposite. We do have \$2.5 million in this budget for upgrades, as I mentioned, around the Pioneer RV Park to just south of the Miles Canyon turnoff. That includes the addition of a northbound passing lane as well as some intersection improvements in that area. This is one of the safety issues that were identified by the

department when I asked them to come back. This was upon completion of the extensive public consultation that we saw last year on the Whitehorse corridor.

I have been briefed by department officials on some of the next steps they would like to take. I do have to take that to caucus colleagues and then beyond that to Management Board to identify some resources, not only for additional consultations that need to be completed on the heels of the public consultation, but what projects will be sequenced. We did identify safety as an issue. The project that we are undertaking will accomplish some of those safety aspects with respect to the corridor, but there are some other safety opportunities that we need to take a look at. Two were identified by the member opposite at the intersections of the Klondike Highway, both north and south, with the Alaska Highway, but there are other ones.

One of the questions raised during the briefing was: If the plan was based on safety, was any traffic data more recent than 2010 or 2012 available and considered? The extension of Hamilton Boulevard, for example, would have changed traffic patterns. This functional plan was developed using published traffic count data up to 2009, and collision records from 1996 to 2009. There is a project currently underway that is analyzing 2009 to 2014 collision data.

A report called *In-Service Road Safety Review: Existing Conditions Alaska Highway (Highway 1) Corridor Near the City of Whitehorse*, dated October 30, 2011, is a safety review report that was completed. Although some recent collision data has become available since this October 2011 report, the report is considered to be sufficiently current to characterize the existing safety performance on the corridor. It is also understood that some improvements have been made to the corridor, but the safety impact of these improvements may not be clearly understood within the short time frame after which they were implemented.

Traffic count data continues in the Whitehorse corridor and data exists up to very recently. HPW is collecting additional data this summer with some additional mobile captures, including pedestrian data. That will help to inform our decision and our longer term planning for improvements in the Whitehorse corridor. I've always said that safety is of paramount concern to me, and that's why we've chosen the project that we have for this existing year and we will look forward to other projects in the years coming out.

Obviously there was a lot of concern by business owners and individuals who reside in the corridor, and we'll have to regroup with them, based on their concerns coming out of the public consultation. That will be another aspect going forward. As I've mentioned, I haven't had the opportunity to bring this forward to caucus colleagues or prepare anything for Management Board yet, but when I get that chance, I will do so.

Madam Chair, maybe I'll turn my attention now to the Robert Campbell Highway. Work on the Robert Campbell Highway benefits all Yukoners who depend on that road, especially residents of Ross River and Watson Lake and visitors to Frances Lake. This is the portion of the road that's

under improvement now. Making that highway safer is important for local users and for other Yukon residents and tourists, and perhaps commercial carriers that use that highway.

The Robert Campbell Highway and the Alaska Highway are the only all-season highways connecting the eastern part of the territory to the west, connecting major Yukon communities. It is also an essential emergency response route, especially when the Alaska Highway or the north Klondike Highway may be closed.

Improvements to the highway provide a resilient emergency response option for communities connected to the highway. We anticipate expenditures on the Robert Campbell Highway to slightly exceed \$11 million this year. Of course, that figure is based on estimates. We won't know the actual amount until the tenders come in. This work should expand the Yukon's GDP by an estimated \$5.5 million and provide for as many as 60 jobs over the course of the 2016-17 year.

Reconstruction of this important highway is ongoing — and this is the piece between Watson Lake and the Tuchtutia highway maintenance camp, which is essentially three kilometres past the Nahanni Range Road junction with the Robert Campbell Highway. Road quality between Watson Lake and Tuchtutia has been an issue where the road has not been reconstructed. Commercial vehicle traffic resulted in the department expending additional resources to maintain the road during the spring thaw to mitigate the impacts of that heavy traffic.

Of course, the member opposite mentioned the Wolverine mine. That mine is in temporary closure, so there's no heavy industrial traffic there now, but now is the time to not only plan, but also to make the improvements. There have been other emerging projects in that area since what the member opposite referred to — that snapshot in time. The Kudz Ze Kayah project, which is owned by BMC Minerals, will be the largest exploration project undertaken in the Yukon this year. I believe they're planning on spending close to \$14 million US to further define their deposit.

I understand they're anticipating potentially going into YESAB later on in this calendar year or early in the 2017 calendar year. My understanding is that they would prefer to move their product south from their mine through the community of Watson Lake and down to the port at Stewart. That is some of their initial planning in initial conversations. Of course it's subject to change. I also understand there is a potential for some caribou issues if they were to go the other route, so that is the route that they've chosen.

Another important project in that area that has emerged is the Selwyn deposit. Although they are in a holding pattern with that project, they certainly are anticipating putting that project into development at some time in the future. Of course now is the time to seek funds and to look to advance those projects.

This \$11-million expenditure is about one-sixth of the entire transportation budget. We are spending money throughout the territory when it comes to maintaining and improving our transportation network.

The Ross River-Faro stretch that the member opposite referenced — kilometre 362 to kilometre 414 — is a 52.4-kilometre stretch of the Robert Campbell Highway. It was recently analyzed as part of a larger functional plan undertaken by Associated Engineering on behalf of the Yukon government. The road currently services approximately 100 vehicles per day, has a posted speed limit of 90 kilometres per hour and is considered to be a safe operating road. In assessing the existing conditions of the road, deficiencies in the alignment were noted. Such deficiencies are not uncommon on low-volume roads. The Campbell Highway functional plan that was completed in March of this year, which included that particular section, identified some improvement options and we will look to prioritize that section between Ross River — I know it's important to the MLA for Pelly-Nisutlin and I know it's important to the residents of Ross River, the First Nation. We met during our budget consultations with representatives of the First Nation and this was one of the things that they brought up, as needing improvement. Again, we'll work within the functional plan to prioritize that improvement.

I want to touch briefly on the agreement with the Kaska. It was a capacity development agreement signed by representatives of the Liard First Nation and me on November 5, 2015. The Yukon government, led by ECO Aboriginal Relations, is negotiating a reconciliation agreement with the Kaska First Nation. This is not directly linked to the reconciliation agreement; however, Highways and Public Works and the Kaska agreed to negotiate a capacity development agreement in relation to the ongoing Campbell Highway reconstruction project. The purpose of the agreement is to increase Kaska capacity to participate in the review of highway projects in their traditional territory and develop contracting expertise and opportunities for their citizens while allowing reconstruction activities to continue unimpeded for the duration of this agreement.

The agreement itself commits HPW to funding the following: capacity development for consultation on proposed and ongoing road reconstruction activities for a total of \$300,000 over three years starting in the previous fiscal year, 2015-16, and ending in 2017-18; right-of-way and pit development clearing contracts for reconstruction work to a total of \$600,000 over three years; and \$450,000 in funding for brush and weed contracts over three years in support of this agreement.

In 2015-16, HPW provided \$100,000 in funds for participation and consultation, awarded \$350,000 in contracts that include right-of-way and pit clearing, and consulted with the Liard First Nation designated representative to discuss work scheduled for this year.

We'll continue to work with LFN and their designated representative on project-specific issues such as fish habitat and environmental effects of the highway construction project.

I think that provides an answer to what the member opposite was asking with respect to the Robert Campbell Highway and the improvements in there.

It segues nicely into final comments on the national infrastructure components or the resource gateway project. I noted that the member opposite mentioned a quote from the *Canada Transportation Act* review — that we're too small to take an "if we build it, they will come" approach — but, in the case of this project, they're already there. Let's talk about northern access into the Dawson Range from the community of Dawson City south toward the Kaminak Coffee project.

Kaminak is looking to enter the environmental assessment phase sometime this summer, but there are so many other projects in that northern end of the White Gold district that were explored during the busy exploration boom of about 2010 to 2012. This infrastructure will certainly help them.

It will also help the existing placer miners. There are over 100 placer miners active throughout the territory. Many of them are in that area of the Yukon, south of Dawson City — Hunker Creek, Dominion Creek, the Indian River. Many of them will benefit from improvements to that particular section of the road.

They're already there. This isn't an "if you build it, they will come" aspect. The placer miners and the hard rock companies that are looking to go into development and those looking to enhance their exploration will benefit from improvements. It will drive down the costs of operating for them and essentially de-risk their projects and allow more money to be put — in the case of the hard rock miners in particular — into drill core, which is obviously one of the important steps in proving out a mine so that it can be developed.

The other aspect of that particular project is access from the south into the Dawson Range. The end of that road would be the Casino project. We know that is currently before YESAB and has been referred for a panel review, and that process is underway.

We need to plan at this time for improvements to the road. This is not just specifically a driveway to one particular project. There are several projects in the southern part of the Dawson Range that will benefit — from Sonora Gulch to Northern Freegold to Carmacks Copper — a very placer-rich area as well that will benefit from improvements to that section of the road. That is why we chose that particular section to advance in our national ask of Canada.

The other one is the Nahanni Range Road. It is bookended by the Selwyn property, which is one of the largest undeveloped lead-zinc projects in the world. We know that the company that owns that project has slowed down their efforts with respect to developing it, but they are still very interested in developing that project — from my conversations with them. Now is the time to plan; now is the time to look to set aside the dollars. We are fortunate in the sequencing of these projects to be able to sequence the environmental assessment and construction as well. Obviously, the Yukon government would not be able to fund in one or two fiscal years our share of what it would take to build these roads, but we have an opportunity over a number of years to advance these projects. The first one that we will look are the gold field roads in the

Dawson area. That seems to be the one that will require the least amount of environmental assessment. It can be done, we believe, at the designated office level. We are still preparing the environmental assessment piece. There is money in this budget for environmental assessment of that particular project.

When it comes to all three of those potential projects, the exploration companies, the placer miners — those advanced projects are already there. We feel that this is a good investment for Canada. Since devolution we have managed the resources, but Canada still owns them. They will continue to get the majority of the royalties, taxes and other benefits associated with it. I think we have a good business case to put forward to them that they will receive a return on investment.

I certainly recognize that members opposite may be concerned with these projects, but we feel there are great opportunities, short term — for job opportunities involved with the construction — and longer term — with potential maintenance opportunities as these are roads that we don't maintain on a year-round basis. There are opportunities for potentially others to move in and maintain that, particularly the First Nations, which have expressed an interest in maintenance contracts on these roads, whether it is the public portion or the portion that is owned by the mining company or will be funded by the mining company. There are lots of questions still to be determined, but we are working in a time when there is an opportunity to address these critical infrastructure needs so that we can de-risk projects and allow more money to be spent on exploration and placer projects rather than on transporting in there. We have a network in place that will allow them to easily access the project. It is something that we are excited about. I know there was a large business contingent that travelled to Ottawa with us in early February for Yukon Days.

We spoke to a number of officials and ministers in the federal government — and I believe the Premier brought it up with the Prime Minister as well — about the importance of these projects and how they will benefit the Yukon and provide a good return on investment for the Canadian government.

Ms. Moorcroft: About a year ago when we were debating the Highways and Public Works budget — on May 19, 2015 when we were speaking about the Alaska Highway corridor — the minister indicated that he would be focusing the attention on meeting safety needs in developing a construction plan, elements of which would have to go to YESAA, and then proceeding to take that to Management Board.

Just this afternoon, the minister has said that he has not yet had a chance to take a development plan to caucus and then on to Management Board. The minister also spoke about traffic count data that had been done, and I would like to ask him whether that traffic count data included the intersection of the Alaska Highway with the south Klondike Highway and the intersection of the Alaska Highway with the north Klondike Highway.

I would also like to ask the minister if can release the data from those traffic counts.

The minister also spoke about a 2011 collision data report. I'm not certain if that is one of the reports included in the functional plan. It may be something the minister has already provided but, if not, could he let us know whether he would do that?

Still on the Alaska Highway corridor in the Whitehorse area, the Alaska Highway Corridor Business Association has raised a number of concerns that the case hadn't been made for twinning the highway between the Two Mile Hill and — I want to say the south access road intersection — the Robert Service Way intersection. There are a number of turning lanes being added there and there's a fairly narrow section along there. I'm wondering if the minister has an update on that particular section and whether he has come to a resolution regarding that development and addressing the interests and concerns of the Alaska Highway Corridor Business Association.

The final point that I have on the Alaska Highway corridor is what response the minister has asked his department officials to develop on interests that were expressed by both the City of Whitehorse and by constituents living along that Alaska Highway corridor related to improving safety for cyclists and for pedestrians. This would affect, not just the configuration of the highway itself, but also places where pedestrians or cyclists might cross the highway.

On the Robert Campbell Highway, I would like to ask the minister whether he has any traffic studies related to the volume of traffic on the 520 kilometres on the Alaska Highway between Ross River and Watson Lake to support his statement that there would be a lot of benefit to local users, to tourists and to commercial carriers. It's not clear how many commercial carriers might be using that route certainly at the present time, when there is a temporary closure of — what the minister called a temporary closure — the Wolverine mine and I wondered if the minister had any examples of that Robert Campbell Highway being used for a central emergency response route.

The minister stated that the 52.4-kilometre stretch of road between Ross River and Faro was recently analyzed and is considered safe. He indicated there were deficiencies in alignment that were not uncommon in low-volume roads. Again, I would ask if there are traffic volume numbers that show what the volume of traffic would be between Ross River and Faro, and how that would compare to the traffic volume numbers on the Robert Campbell Highway?

How much would it cost to address the deficiencies in alignment along the road between Ross River and Faro? The minister said that he knew it was important to the residents and that it was important to the MLA. Are there any expenditures this year on improving the section of road where they have identified some deficiencies between Ross River and Faro?

Turning to the resource access roads, the minister said that this wasn't a case of build it and they will come — that they were here already — and so I would like to repeat the question to the minister about what economic analysis was done in relation to these expenditures and if the minister could

provide the economic analysis that was done. Can the minister confirm if he has spoken to affected First Nations and communities close to the proposed roads? Can he confirm that estimates of mineral resources, cost estimates, project timelines, production estimates and scheduled payments to governments for all of the projects these roads will benefit have been satisfied? Can the minister indicate whether there have been any revenues to date to the Yukon government from any of the projects?

Hon. Mr. Kent: With respect to the traffic reports that I mentioned in my response, we can make available any of those that are complete, including the 2011 one that I referenced. I don't have the information with me, but I'll find out if traffic counts at the two intersections of the Klondike Highway were included there.

When it comes to the corridor itself, obviously there was public interest last year around this time as the public consultations were underway. Part of that is that we still need to engage with some of those groups, like the Alaska Highway Corridor Business Association. As I mentioned, I still need to go to caucus colleagues, as well as Management Board, to determine the next steps. We have included some dollars for safety in this budget — \$2.5 million — to improve the piece for the northbound lane between Pioneer RV Park and the Miles Canyon Road. The issues that were raised by the City of Whitehorse, as well as others, on safety for cycling and pedestrians — I know there was some potential for cycling lanes and a paved multi-use trail to be included as part of the original report. We'll have to analyze what we heard from the various stakeholders with respect to that so we can make a revised plan going forward. As I've mentioned, that work has not been completed yet. I do have a couple of steps yet to undertake, including a briefing of my caucus colleagues.

When it comes to the Robert Campbell Highway, as I mentioned in my initial response — I guess I'll focus first on the Ross River to Faro stretch that we talked about. I did mention earlier the traffic counts on that particular stretch of highway. There are 100 vehicles per day and a posted speed limit of 90 kilometres per hour. As I mentioned, it's considered safe at that speed limit.

In assessing the existing conditions of the road, deficiencies in the alignment were noted. Such deficiencies are not uncommon on low-volume roads. The Campbell Highway functional plan, which was just completed in March 2016, will help us to identify future budget allocations for that particular section of highway. I can tell members that the functional plan provided two options for improving the stretch of road. Overall safety of this section of highway can be improved with either of those two options. Significant funding would have to be dedicated to this section of road to upgrade it.

The two functional plan options that were identified — the first one is to deliver a BST road surface width of 10 and a half metres and meet the requirements for a design speed of 90 kilometres per hour. The total cost for this improvement is estimated — and again, these are estimates — at \$66.4 million. The second option to improve this stretch to meet

low-volume road standards for a seven-and-a-half-metre-wide gravel surface with a 90-kilometre-per-hour posted speed limit would come in at a cost of \$20.3 million. Again, this functional plan was just completed in March. This is new information for us as a government, but will help inform future decisions with respect to this particular stretch of highway.

The Watson Lake to Tuchitua highway maintenance camp section — the plan is to complete reconstruction of the road to Tuchitua within the next three years. However, if industrial traffic has not resumed or is not on the horizon, expenditures may be adjusted accordingly.

Reconstruction of kilometre 67 to 73 is complete; reconstruction of kilometre 88 to kilometre 97 began in 2015 and will be completed in this year, in this construction season; and reconstruction of kilometre 79 to kilometre 88 will start this year and be completed next year.

I did mention some of the other projects that have emerged in that particular area. Once we get a better handle on the plans of BMC with respect to their Kudz Ze Kayah project, it will help us inform future budgeting exercises.

Again, this has been a good project from improving safety issues with respect to that road when there was commercial traffic active from the Wolverine mine. There is the potential for additional commercial traffic in the near term — or near to medium term — from the Kudz Ze Kayah property and then significant industrial traffic going forward if the Selwyn project goes ahead in the next number of years.

We certainly don't want to be caught flat-footed if these projects do advance. It does take a significant amount of time to make these improvements — to plan for them and to budget for them, given the other competing priorities that we have. Again, if we can do this in a way that improves the infrastructure that we have and makes it safer for the travelling public, that's something that is extremely important. I don't have any figures with respect to the traffic volumes on the road at present, but again there is anticipated commercial and other traffic that could use that particular stretch.

When it comes to the New Building Canada fund national infrastructure component application, what we're focused on is delivering a safe, reliable and sustainable transportation network in Yukon, but it's not without its challenges. We have a very small population spread over a large area. It creates unique service delivery challenges. A small tax base from which to generate revenues limits our government's ability to build, improve and maintain transportation infrastructure. The Yukon economy is heavily influenced by market forces outside of our territory — specifically the resource sector, which is one of the pillars of our economy. It does contribute a significant portion of the Yukon's GDP; I think in and around the 20-percent mark is the number that I'm aware of.

Yukon possesses a significant resource base from which to develop and expand our economy. However, we face a challenge within the overall lack of suitable infrastructure along what we're calling "the last mile to significant mineral deposits" — I've mentioned the Dawson Range and the Nahanni Range in particular.

The potential costs of building this infrastructure lay beyond the financial capacity of Yukon government alone and that's why we've approached other partners, such as the federal government. They see the most tax and royalty benefits from these projects going forward.

Yukon has the mining potential and the shipping access to get our minerals to market. The missing element is the road network to make some of these projects economically viable — de-risk them to a point where they would be able to compete with projects getting financed south of 60 or perhaps in some of the northern areas of provinces that have better infrastructure.

We applied for funding under the national infrastructure component for needed access upgrades to Dawson Range and the Nahanni Range, which are areas of high mineral potential and active mining within the Yukon. I have mentioned that the Dawson Range access will include upgrades to four separate systems: Freegold Road, Casino Road, Gold Field Road and the potential to connect the Coffee project and the Casino properties at some point, although that's not anticipated in the initial project plans.

Yukon government has had preliminary discussions with Selkirk First Nation, Little Salmon Carmacks First Nation, Tr'ondëk Hwëch'in, as well as the Kaska. Discussions to date have focused on increasing understanding of the proposal and scoping issues for further discussion and negotiation on project-specific agreements.

Further, White River First Nation has asserted aboriginal rights and title in an area outside of their *Umbrella Final Agreement*-asserted traditional territory. Both the Freegold and Gold Field roads are in this asserted area and the First Nation has raised concerns regarding the level of consultation with them in this area, so that is certainly something that we'll have to be aware of, as well as the First Nation partners and those companies that are looking to develop their projects.

The Nahanni Range Road extends northeast from the Campbell Highway to the Yukon-NWT border and provides access to another rich mineral area with a number of projects, mostly on the base metal side, but there are some precious metal projects in there as well.

The total project proposal for this ask is \$468 million. As mentioned, Canada is being invited to invest \$248 million, or, 53 percent. Yukon would commit \$112 million, or 24 percent, and industry commitments of \$108 million are 23 percent. The approval process on this type of an application is understandably extensive. We will be working through the application with Infrastructure Canada over the coming months. We started this, of course, in early February and we hope to have an agreement in principle with Canada sometime later on this year.

Yukon will continue consultation with affected First Nations with an objective of having signed project-specific agreements in place by late 2016 to allow for initial construction to begin in the 2017-18 construction year. Again, this is an exciting opportunity that has been presented to us, as I mentioned, to de-risk some of the projects that we have.

For information purposes, this national infrastructure component of Building Canada was something that was put in place by the previous federal government. It isn't in relation to the new pillars that the new federal government has established as far as infrastructure or new funds. It's something that has been in place — I believe every other jurisdiction in the country has applied for a project under this program except for the Yukon, so this is why we feel there is a real opportunity for federal investment on this project.

To be considered nationally significant, projects must support one or more of the following objectives: generate positive economic activity, reduce potential economic disruptions or foregone economic activity, generate productivity gains for the Canadian economy, and provide benefits that extend beyond the provinces or territories where the project would be located. Eligible projects are limited to those that provide the greatest economic impacts under the following seven categories, of which one of them is highways and major roads, so we certainly meet the criteria there. For projects located north of 60, the federal government will fund up to 75 percent of total eligible costs and, as I mentioned, we're asking for 53 percent, so we're well within those parameters as well. Industry stepping up is helpful in making our case to the federal government to make these investments.

I think it was the federal government with their roads to resources program back in the 1960s — and we still are still enjoying the benefits of those infrastructure investments today. Not only were those for major trade corridors, such as the Dempster, Klondike and Campbell highways in the territory — but they have continued to pay dividends, providing employment opportunities during capital improvements for maintenance that we have on those highways and the impacts for tourism. I know that one of the recent tourism ads features iconic drives, and many of those iconic drives are done on infrastructure put into place to support resource development.

At this point in time — obviously recognizing that we want to be mindful of impacts on wildlife and hunting pressures and other things like that — we feel that this is a great investment for Canada to make. We and industry are willing to step up and assist them in making that investment. Perhaps different parties in this Legislature don't agree on this type of investment, but on the government side, we feel that this is a positive opportunity to move forward and create significant jobs for Yukoners in the short term, in the medium term and even in the long term, as some of these projects could be generational mines or multi-generational — such as the placer properties that exist in the Klondike and Carmacks areas.

Chair: Would members like to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: Committee of the Whole will now come to order. We are resuming general debate on Vote 55, Department of Highways and Public Works.

Ms. Moorcroft: I'll come back to the minister's responses related to the Alaska Highway corridor and then move on. The minister has said that Alaska Highway corridor improvements would prioritize fixing the most dangerous sections first. Can I gather, then, that the section between the Miles Canyon Road and the Pioneer RV Park has been identified as the most dangerous section of road? If not, why are they doing it first? Is it simply because there's easy permitting there, which was one of the comments provided at the briefing on the budget?

Another area that the minister and I have been discussing about the Alaska Highway corridor is the potential for paved multi-use trails, and also looking at cycling lanes. The minister has said that he would be developing a revised plan, based on public input and the "what we heard" document after the government consulted on the draft functional plan.

I would just like to say that I've heard lots from residents in the City of Whitehorse — from city officials, from constituents — that modern, progressive cities do invest in bike lanes. In relation to making a revised plan, I would like to ask if the minister has requested his officials to do that yet, and whether he might be able to provide a copy of a revised plan for us.

Turning then to the minister's responses on the Robert Campbell Highway, I just want to confirm, when the minister said that there were 100 vehicles a day and the speed was set at 90 kilometres an hour, whether that was for the Watson Lake to Ross River —

Some Hon. Member: (Inaudible)

Ms. Moorcroft: No, that is for Ross River to Faro. Okay, that is what I had understood — so I thank the minister for nodding his head to confirm that the 100 vehicles a day is from the highway between Ross River and Faro, and thanks for providing the information for the costs of options to improve that stretch.

Turning to the new national building fund and the national infrastructure component through which the government has submitted for funding for a safe transportation network, I would like to come back to a number of the questions that I had asked the minister in relation to this and ask the minister if he does in fact have some information about an economic analysis to go with the submission to the federal government. The minister has not said that they have done an economic analysis. I will again ask the minister what information he has on the factors that would be included in an assessment of road development projects — those factors being cost estimates and project timelines, production estimates and schedules, estimates of mineral resources, payments to governments, employment, wages and salaries, estimates of potential impacts on the Yukon population and possibly affected communities and First Nations. The minister did indicate which First Nations he had spoken to but didn't provide a lot of detail about the economic impact of benefits.

One of the components of the submission is the indication that industry would commit an estimated \$108 million for this project and the minister referred to that. Is the \$108 million reflective of any commitments made by industry? If yes, can the minister describe what those agreements are and how reliable the commitments are? Can we take them to the bank? If there isn't any firm commitment and it is just an aspirational estimate, how did the government come up with that number?

The cost for building roads isn't just in the up-front cost of building the road, but the significant costs of maintaining roads as well. We all know that Yukon pays more for road maintenance than other jurisdictions due to a number of different environmental factors. This year the government has allocated \$43 million for highway maintenance alone. If these resource roads are constructed — and I will note that we were told these roads aren't just driveways to mines — and they are open to the public, they will increase our road maintenance bill. Does the \$468 million estimated for this project take into account the full life-cycle costs of these roads?

Hon. Mr. Kent: I will start with the Whitehorse corridor.

What I asked the department to do after public consultations concluded last year — before we could re-engage with the public on some of their concerns and additional concerns — was identify some of the safety priorities or safety issues in the corridor.

The portion that we're improving this year does have safety aspects. It may not be the top safety priority in the corridor but it is one that has few external issues. There are no property owners for the most part. Perhaps the White Pass and Yukon Route's old Utah transfer yards that are no longer in operation would be the only historic property owner and the one that would benefit, of course, is the Pioneer RV Park, as well as all those who use that section of the highway. That's why that project was chosen.

As I mentioned a couple times earlier today, we're looking at getting a presentation in front of caucus and then, beyond that, going through the Management Board process on consultation for a revised plan. There is no revised plan that we have in place at this point. It would have to be done in consultation with groups such as the City of Whitehorse with respect to multi-use trails and the Alaska Highway Corridor Business Association that has the concerns between Robert Service Way and the Two Mile Hill.

There is an awful lot of outreach that still needs to be done, but I need to return to caucus and I haven't done so yet. I would hope to get some sort of a briefing to caucus in the next couple of months, as everyone is here for the Spring Sitting of the Legislature, and proceed from there.

Again, when it comes to the Robert Campbell Highway, we did confirm that it was 100 per day between Ross River and Faro.

On the national infrastructure component, a lot of the information that we garnered and gathered for the application was given by the proponents — the three in particular that have the Coffee project, the Casino project and the Selwyn

project — so that's where those numbers came from. The Yukon Geological Survey would have been involved with providing information about other potential projects, both hard rock and placer, in those two mineral-rich areas of the Yukon.

I think probably the easiest thing for me to do would be to table a copy of the actual application that we submitted to Canada in early February. I will just confirm with the Government of Canada that we are able to do that, as they would be the funding agent. Once I get that confirmation, if it's positive, I can table it. It will answer a lot of the questions asked by members opposite. It is an active application. There are requests for information and clarification going back and forth right now as we move toward what we hope is a successful resolution to it. I would ask members to keep that in mind if we are able to table it. I will table it as soon as possible, as soon as we hear back from Canada on whether it can be a public document. We do have a summary document as well that we provided to business officials and others that perhaps would be of interest to members as well. I will commit to tabling that as soon as possible.

This number that we've put forward is a capital investment number. Only maintenance costs will be over and above the capital costs that we've identified. We'll look to partner with industry on those as they will be the primary beneficiaries of those roads and the use in what has traditionally been the off-season.

I should remind members that the portions that we're talking about — there are significant public portions to those roads. Of course the Nahanni Range Road, the Freegold Road — the Nahanni Range Road is an all-season road. The Freegold Road and the Dawson goldfield roads are seasonally maintained roads, active in the summer only at this point.

Ms. Moorcroft: I would appreciate it if the minister could provide us with a copy of the summary document that he has already provided to business. It would certainly also be helpful to have a copy of the full application — if the Government of Canada does respond positively to the minister's inquiry — that it could be provided to the opposition.

The minister has said that this is for capital costs only and doesn't include maintenance costs. Is there any estimate or any formula regarding what the maintenance costs might be? The minister has said that these roads will primarily benefit the industries that will be nearby. He has indicated that they would be covering some, or most, of the maintenance costs. I would like to ask if he could be a little bit more specific about maintenance costs and how those will be covered.

The minister's response about the Alaska Highway indicated that he has still to put together a presentation for his caucus. He referred also to the stretch by the Pioneer RV Park and the White Pass & Yukon Route. I did have some inquiries from people about some construction work that was done near the White Pass Utah yard, off the Alaska Highway, and it looks like there was a new road that was built. There were reports that some of the work had encroached on the White Pass property. Could the minister provide some information

on what was done? Was there a YESAA application? I would appreciate an update on that.

The minister provided information about some of the bridge work that is scheduled for the coming year through the Highways and Public Works budget. I would like to ask the minister about the Takhini River bridge. We did spend a fair bit of time in the Legislature discussing that bridge, and I understand that there are now plans to add a pedestrian crosswalk on both sides. Is that anticipated to be completed in this fiscal year? I also had questions about improving the access to the bridge. Is there increased signage and are there rumble strips there?

I would like to ask for a little more information related to that.

Hon. Mr. Kent: With respect to the maintenance costs for what we hope to be improvements to existing roads, I don't have a cost estimate at this time. I would be happy to provide one when we get one; as well as any other aspects as far as cost-sharing on those maintenance costs or who will cover the costs.

The project that the member opposite references close to the Utah transfer — Energy, Mines and Resources lands has been leading this work. It was undertaken by a local contractor doing some geotech — looking for sources of gravel within the City of Whitehorse. I believe that initial project did go through the YESAA process; however, I would just beg the indulgence of the House until I have some Energy, Mines and Resources' notes or officials with me. I don't have that information in front of me so again, EMR lands is doing the work. HPW did provide, I think, a permit for work within the right-of-way for access there, but there have been some concerns around that as well. Again, EMR is the primary lead on that and I know I'm the minister responsible, but I just don't have the information in front of me.

Takhini River bridge — there are planning dollars in this budget to address some of the concerns raised by area residents and brought forward by the MLA for Lake Laberge. As it currently stands, it does meet the Transportation Association of Canada standards, in terms of both signage and design. Based on the collision that occurred on the bridge in February of last year, a review of activities that support this bridge was conducted to determine opportunities to improve the safety for bridge users. Centreline rumble strips were installed on both approaches to the bridge as an added safety measure. A signage review was carried out on both approaches to the bridge. In order to follow current standards, an updated signage plan was subsequently installed at both approaches. A temporary radar sign was installed over the summer months to track vehicle speeds and serve as a reminder, and it will be reinstalled this spring. It's my understanding — and I did communicate this to the MLA for Lake Laberge — that it is being repaired at this point, so it will be placed back there.

The planning dollars that are in this current budget will be primarily for a pedestrian and other use walkway, to be installed on the bridge itself. The Klondike Highway

functional plan will address some of the potential long-term improvements that need to be made, not only to that bridge, but to other bridges within the Klondike corridor.

Ms. Moorcroft: Another question that we bring to the minister's attention every year in Highways and Public Works debate relates to the Highways and Public Works maintenance yard in Carmacks. The Village of Carmacks and the Little Salmon Carmacks First Nation have asked that it be moved. I would like to ask the minister if there is any activity planned to address that in the next year.

I would like to turn to expenditures on airports. There is \$2.44 million in Whitehorse airport improvements — \$1.5 million is for Erik Nielsen Whitehorse International Airport terminal improvements. What are the improvements to be carried out in the Whitehorse terminal? What role will the YACA agreement play, if any, and will that have any effect on the costing?

Given the recent issues with the apron contracting and construction, how is the government moving forward to make sure that those same issues don't crop up with the improvements on the south and north sides of apron 2? Will engineering, soil and other relevant studies be conducted before beginning construction?

Also at the Whitehorse airport, with construction projects that have already been undertaken, I have a question related to the accessibility of the parking lot and the ramp down to the airport. We have discussed this before in Highways and Public Works debate. I brought forward to the minister's attention the concern from the disability community that the grade of the ramp isn't quite right. I would like to know if there are any funds in this budget to address those deficiencies.

I want to thank the minister for providing a six-page response to the questions that I and the Member for Klondike had asked during budget debate in 2015. Those questions were put on the record in May of last year and we got the response on April 8. The minister did not provide a copy to the Member for Klondike, so I have provided him with a copy. Some of the questions that the Member for Klondike had asked — I don't know if there has been a response, but I haven't seen them if there was. We did put on the record that we would appreciate when the minister is responding to questions from opposition members that they provide them to both opposition parties. I want to repeat that.

One of the questions that I had put on the record related to airports was to do with the soil backfilling as part of the water and sewer expansion. The response indicates that two percent of the soil samples collected were above the commercial standards and 13 percent of the sampling of the upper tank farm excavation area exceeded the regulation limits for residential standards. At the airport, the commercial standards apply. Did the government conclude that because only two percent of the soil samples were above the commercial standards that there was no remedial action required?

Another question that I have related to airports is the leasing of lots at the Whitehorse airport. I have been corresponding with the minister by e-mail about that, so we

can follow up on that once the minister is able to give me a response to the questions I have already provided for him. I do have some questions related to the Dawson City Airport development plan, but I think I will pause to hear the minister's response on the questions related to Whitehorse airport improvements.

Hon. Mr. Kent: Madam Chair, the first question raised by the member opposite was with respect to the grader station at Carmacks. There is money in this budget to develop a generic grader station design that we can not only use at Carmacks, but also use to plan long term as far as grader station replacements at other maintenance camps throughout the territory as warranted. I certainly know — and have heard from the First Nation as well as the village council — the importance of Carmacks. It is our priority-one to replace, so the planning and the design work will be done this year. Next year hopefully we will be able to put dollars in the budget to replace the grader station and relocate it to a more suitable location for the Village of Carmacks.

As I mentioned, it has always been a project that has been around and needs to be done. We are investing in living facilities at two maintenance camps in this fiscal year — Swift River and Drury Creek — as I mentioned, and making improvements to the facilities is also something that is important to our government for the health, well-being and safety of our workforce.

I may have to get the member opposite just to repeat a couple of her questions with respect to airports, but I can say that on the \$1.5 million that we have for investments in the terminal building at the Whitehorse International Airport, upgrades and renovations to the Erik Nielsen Whitehorse International Airport include the following: modernizing the check-in area and expanding or remodelling the check-in washrooms; reconfiguring the gate 5 holding area for better utilization and to reduce the loading in the main hold area; improving the washroom access of the main hold room to code requirements; and making upgrades to other important aspects such as elevators, HVAC, and chillers. I believe there is some office space that is in the newer portion of the building — above there — and we're going to look to identify what it's going to take to upgrade that. I think the plan right now would be to move the airline offices into there so that we could upgrade the baggage-handling facilities in a future fiscal year but that's part of that \$1.5 million.

I know the member opposite had some questions about the water and sewer project. Obviously we rely on the Department of Environment with that fill. I apologize; I don't have a copy of the response I sent her so I don't think I can read that into the record. Perhaps I'll get one before we conclude debate today and I can come back to that aspect.

I don't believe, Madam Chair, that there is anything in this budget to re-slope the grades or the access ramp grades at the airport. I will have to follow up with officials to get a determination on when that work is contemplated to be undertaken, or when studies on what needs to be done there will be undertaken.

I can talk a little bit — and I know I'm missing one question in here for sure, but hopefully we'll be able to come back to it fairly quickly. I do want to talk about the airport lease issue though because, as the member opposite said, she and I have been back and forth. I won't reference the individual in question who we've been working with, but I'll provide a bit of a background for the member opposite on this file.

Following amendments to the *Financial Administration Act* in November 2014, it was determined that aviation leases required a review and updating to include clauses introduced by Transport Canada and to clarify some of the terms and conditions. Since that time, Highways and Public Works has been working with the Department of Justice to review the current lease template and develop new lease terms and conditions for leases on airport land. Through this review, Yukon government is standardizing leases and lease terms to ensure consistent clauses in all future leases and compliance with the regulations. Our primary goal is to ensure the Yukon government continues with fair, equitable and future-focused management of public lands, so until the review is completed, any leases which expired since December 2014 are in an over-holding tenancy. The over-holding tenancy is essentially a month-to-month lease with the same terms and conditions as the expired lease. Existing leases with renewal clauses are able to be renewed and have been renewed as per their terms and conditions. Tenants who currently do not have renewal clauses in their leases need to enter into new leases when the review is complete. While the time frame for when the review will be complete has not yet been determined, HPW has no intention of evicting any tenants at the airport and is continuing to allow tenants requiring new leases to remain in that over-holding tenancy.

Hopefully that provides a bit of information for the member opposite, as I know we have been going back and forth with, I believe, one of her constituents who is affected by this.

Ms. Moorcroft: I thank the minister for his update on the review of the leases at the Whitehorse airport. The minister has indicated that there was a need to insert new clauses, as determined by Transport Canada, so that they are clarifying the terms and conditions and developing new terms and conditions. The government is also making sure that there are consistent clauses in all of the leases.

The question that I have been asked relates to exactly what the minister just said about having a fair and equitable focus. The information that I've been provided — and the minister can correct that if there's an error — is that there are some leaseholders at the airport who have been able to renew a 10-year lease for an additional 10-year period under existing terms and conditions and have also been told that there was a lease that was renewed for a 30-year term.

Have new terms and conditions been inserted into the leases that have been renewed for 10 years? Have new terms and conditions been inserted into a lease that has been renewed for a 30-year period — if that has happened? Does the minister have a date that he can provide as to when he

thinks the review of the leasing at the Whitehorse airport will be completed?

The final question that I will ask is: Can the minister then confirm that every tenant who did have a lease that may have expired is still able to continue with an over-holding tenancy lease from month to month under the terms and conditions that were in effect before the lease expired?

Hon. Mr. Kent: Yes, there are two — I'm sure there are more, but there are two sort of separate aspects at play here.

There are some existing leases that did have renewal clauses and are able to be renewed and have been renewed as per their terms and conditions. The tenants who don't have renewal clauses in their leases need to enter into new leases when the review is complete.

Again, as I mentioned, the review is about standardizing leases and lease terms to ensure that consistent clauses in all leases are compliant with what we've identified by Transport Canada and clarifying terms and conditions, so there are two different aspects at play.

As I mentioned, while the time frame for when the review will be complete hasn't been determined yet — officials are working with Justice officials on nailing down that date — we have no intention of evicting any tenants at the airport and we will continue to allow tenants requiring new leases to remain in an over-holding tenancy, which, as I mentioned, is that month-to-month lease arrangement.

Ms. Moorcroft: The minister has said they are clarifying the terms and conditions and developing new terms and conditions to ensure there are consistent clauses in order to meet Transport Canada requirements.

Can the minister tell us what the new Transport Canada requirements are? Can the minister explain whether the new Transport Canada requirements have been inserted or are being met in the renewal of leases?

If the goal is to standardize and if Transport Canada has established new requirements, how can the government renew leases for 10-year periods without meeting those Transport Canada requirements? Perhaps the minister can clarify that for us.

Hon. Mr. Kent: I don't have the Transport Canada requirements here with me but I will endeavour to make those available.

I can tell the member opposite that as recently as February 1, 2016, the Department of Justice confirmed with the Aviation branch that airport leases that do have a current renewal clause could and should be renewed as per their renewal terms.

Airport leases that do not have a renewal clause will need to remain in the over-holding tenancy or the month-to-month lease until new lease terms are drafted.

Since February 1, the Aviation branch has proceeded with processing lease renewals for leases that have valid renewal clauses. Again, this has been done in consultation with our legal experts at the Department of Justice.

Ms. Moorcroft: There is \$395,000 in the budget for a Dawson City Airport development plan. What would the

development plan address? Are there terminal development options? Are they looking at expanding or reconfiguring the passenger terminal? Are there airside and infield development options? Would it also include an economic impact analysis?

What is the timeline for this plan? What are some of the issues this plan will examine? Is it related to potentially paving the runway?

When we debated this last year, the minister spoke about the new 2015 Transport Canada regulations, the TP 312 5th edition, which would come into play if there was new construction at an airport. What are the cost implications of that new standard? I'll leave it at that for the minister's response for now.

Hon. Mr. Kent: When we were conducting this work over the past couple of years, it became apparent that the paving aspect alone, which was considered initially, would lead to the need for new building development for equipment that would be required for the increased maintenance cost at the Dawson Airport. What we decided to do was embark on a functional plan for the entire Dawson City Airport.

Obviously the terminal building itself, right now — if it's not in the highway right-of-way for the Klondike Highway, it's pretty darn close to the highway right-of-way. There are opportunities to move it. There's the Canada Border Services Agency that is used by Air North for the Holland America passengers they're bringing into Dawson. I think it was designed to be a temporary measure for handling the passengers.

Congratulations to Air North, Yukon's Airline. I think they've entered into a two-year agreement with Holland America now to shuttle passengers back and forth from Fairbanks to Dawson City.

What we're going to look at, through this functional plan, are many of the things the member opposite spoke of, whether it's a relocated terminal building, improvements to the apron, additional equipment storage sheds that will be required — a lot of the new development has moved to the far side of the runway — and the paving. We don't want the paving to get tied up with everything else.

As I mentioned earlier today, if there are no showstoppers with work that's underway, we plan on proceeding with the paving of the runway in 2017. Some of the showstoppers that I identified last year have still yet to be resolved, unfortunately. I think Transport Canada is working with Air North on the approach path. Again, we've received verbal assurances that it will work but nothing in writing, and now there's something that — I believe Transport Canada has asked Air North for at a recent meeting with the Dawson City Chamber of Commerce. There is an Air North representative on the chamber, and he mentioned to me that work was underway between Air North and Transport Canada in meeting their information requests.

Some of the other aspects that we need to work on over the next year with respect to paving — the budget numbers that we have, the estimated cost right now, is \$11 million for the paving itself. That is capital cost spread between the installation of the asphalt surface and then the equipment

purchases. I think the last number I saw was about \$4.5 million for paving and \$6.5 million or so for additional equipment and facilities to house the equipment.

This will also increase the annual operating costs. It is estimated to increase the annual operating costs at the Dawson City Airport by \$500,000. We would like at the end of this exercise to have a better cost estimate on both of those numbers when it comes to the paving aspect at the airport.

The other important thing is the service interruption. My understanding from Aviation officials and Transportation officials is that when they paved the runway at the Whitehorse airport, it was out of commission for about 14 days. It was the auxiliary runway, of course, so obviously the main runway was still available, but there is only one runway in Dawson so we are going to have to ensure that we pick a time where the asphalt can be properly installed with the least disruption to service at the airport as possible. Obviously the Air North flights will continue, and then there are the private planes and, most importantly, the medevac planes that still need to access that airport during that time. During this exercise, we will look to ensure that we have identified all of the concerns that could be raised.

As I mentioned earlier in this Sitting, I am pleased that on this functional plan we have partnered with the Dawson City Chamber of Commerce. I did send a letter to Mr. Dick Van Nostrand from the Dawson City chamber inviting him to partner on this, similar to what we have done in partnerships on functional plans with the Vimy Heritage Housing Society or the CSFY — the francophone school commission — on their facilities. Obviously this is a little bit different, but I am happy that they have agreed to be our partners in the development of this functional plan. It is something that we will tender very soon and have the work completed over the course of this fiscal year, targeting an opportunity when budgets are being developed later on in the calendar year and early into 2017 for the following fiscal year.

As I have said, we would like to pave the runway in 2017, provided there is nothing that stops us from doing that, either on a safety standpoint or because of service interruption or those types of things. That is what we are targeting at this point. I don't have a copy of the Transport Canada regulations that the member referenced and that I did talk about last year. I would be happy to provide a link to that, and I can ask officials in the department what cost or service implications those Transport Canada regulations would have with respect to the Dawson Airport.

Ms. Moorcroft: Madam Chair, as far as providing a link to the TP 312, 5th Edition, which are the new Transport Canada regulations relating to airports, I did attempt to look at those but the site required a log-in access, so I wasn't able to open that. Perhaps it is available but, if not, I would like to ask the minister if he can respond to the question about what the cost implications would be of meeting the standards with the fifth edition, which, as with any editions of safety regulations, would go a lot further and would introduce a lot of new measures.

The minister referred to the fact that Transport Canada and Air North were in discussion related to the approach path and the larger planes. I just want to ask the minister if he can assure us that a high-cost project like this would not be proceeding without due diligence. If there are concerns related to the approach, then is it wise to go with the considerable expenditures of paving and will the government take a full look at all of the costing implications of improving the airport to the new standards set out by Transport Canada?

Another question that I have related to airports is the improvements to the Pelly airfield. This is something that my colleague, the Member for Mayo-Tatchun, has been asking about on a regular basis. Will the plans for upgrades to the Pelly airfield in this budget allow that airfield to accommodate medevac planes?

Hon. Mr. Kent: I just want to take a step back and respond to a question raised earlier about compliance of the soil at the Whitehorse airport for the water and sewer project. Steps were taken to process and treat materials originally found — and this was soil removed from the former Whitehorse upper tank farm. Steps were taken to process and treat materials originally found to exceed the Yukon contaminated sites regulations for commercial land use and residential land use standards for regulated hydrocarbons. There was a letter from Golder Associates — I am assuming on February 12, 2015 — indicating that two percent of the 145 in-situ soil samples collected were above the commercial standards and 13 percent were above the residential sampling at the upper tank farm of the excavation for the stockpiled material, originally exceeding the above-regulation limits.

Mechanical processing, screening and crushing of the excavated stockpiled material provided additional treatment for hydrocarbon and concentration reduction. The stockpiled screened and crushed material was re-sampled and analyzed for regulated hydrocarbons after processing to further characterize the material, assess whether it could be removed from the site for use, and assess whether additional permitting was required. Analytical results from the crushed material, hydrocarbon sampling program as provided in the Golder report indicate that all samples collected were below residential standards. Golder states that no material with regulated hydrocarbon concentrations greater than residential standards has been removed from the site.

No relocation permit has been obtained for the stockpiled crushed material, as the analytical results indicate a permit is not required. The lease properties at the airport, where the crushed material was placed, are considered to be a commercial area and therefore subject to the commercial standards. Residential standards are, of course, more restrictive than those for a commercial land. I thank officials in HPW for sending that answer over to us based on a question asked by the member opposite earlier.

Of course when it comes to the Dawson Airport, as I have mentioned, through this functional planning process, one of the things that needs to be addressed is the approach path at the airport. I've said on many occasions in the House that if Transport Canada, for safety reasons, does not allow airlines

to use larger jets at the Dawson Airport, there is not much sense in spending the \$11 million or so plus \$500,000 per year to pave the runway at this point.

Planning is an important aspect when it comes to this and this functional plan will help our government to prioritize future investments at the Dawson City Airport.

Again, we're hoping that we get the all-clear from Transport Canada as well as under the new regulations that the member opposite referenced. If they are available publicly, I will make them available here. I wasn't aware of the login and the password, but I will certainly look to do that.

The Pelly airstrip question was raised during the briefing, I assume, by the member opposite or one of her colleagues. The question asked by opposition was: Will the amount here enable medevac access to Pelly? The runway resurfacing will enhance — here's the answer, pardon me — the airstrip and address the effects of spring thaw and summer precipitation on the surfaces that were making the site unusable. There is a system review scheduled for 2016 and Highways and Public Works Aviation branch will consult with the Department of Health and Social Services, which oversees the air medevac contract, to discuss their program needs. Obviously we want to advance to a point where the Pelly airstrip can be used for medevac equipment. This system review that is scheduled for this year will hopefully allow us to identify what further improvements are required. It doesn't look like the improvements underway this year will allow that to happen, but again we are planning for the future and looking to identify how we can best accomplish what the member opposite is asking for.

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

I did earlier ask the minister whether he could provide us with the responses that have been prepared to date to questions that were asked in the briefing. If he is able to share that document with the opposition members, it would expedite debate.

Turning to one further question related to airports, I had asked the minister whether there would be airport-specific snow-clearing equipment purchased in 2015-16. The minister's response some 11 months later was that there had been equipment purchased through the road and airport equipment revolving fund, but none of it was, as far as this response indicated, airport-specific snow-clearing equipment, but that there would be one single-axle dump truck replaced with airport-specific snow clearing equipment in the current 2016-17 budget, if that is approved.

I just wondered why there was delay on that. I also would like to ask the minister whether the government has given any thought or done any work toward developing an airport act, since we're a number of years past devolution.

I do have a number of questions relating to property management, but I think I will pause and allow the minister to respond on those last few airport questions before I put them on the floor.

Hon. Mr. Kent: As with any budgeting exercise, obviously there are a limited number of resources. The revolving fund for equipment purchases prioritizes the

purchases that are needed. We want to make sure our equipment is as up to date as possible, no matter where it's operating, but there are competing interests from all over the system, whether it's highway maintenance or the Aviation branch, so we want to make sure we have the most up-to-date equipment possible and look to find ways to prioritize equipment purchases, and perhaps extend the life of existing equipment so we can make better decisions.

With respect to an airport act, there are no immediate plans. Obviously there has been nothing tabled in the Legislature this spring, so there's no airport act underway. I haven't had an opportunity to discuss that further with senior officials in the Department of Highways and Public Works and what the benefits and consultation requirements and other aspects would be to introduce an airport act. I will take that under advisement from the member opposite. I know the previous Minister of Highways and Public Works spoke about it as well. Again, if there's a demonstrated need to proceed with it, then we will do so and we'll try to work it into our legislative calendar.

Ms. Moorcroft: The Highways and Public Works department is responsible for managing government buildings, from schools to office space, and highways and camps and nursing stations. One of the concerns they need to address is that many of the buildings are older and they have poor insulation, which leads to excessive heating costs. I would like to ask the minister about empty buildings. Of the buildings that the Yukon government owns and maintains, how many are empty? We know the old Whitehorse Public Library is empty, for instance. I would like to ask the minister to respond to that.

The old Carcross Visitor Information Centre has been empty for three years and the community wants to use it. The visitor information centre moved to a Caribou Commons building and the old Carcross Visitor Information Centre is currently only used during the summer and provides additional bathroom facilities during the tourist season.

The Southern Lakes Artist Collective and other community groups wanted to use the space year-round. It has potential to be used for a youth centre, for an artist space. Mount Lorne-Southern Lakes residents have asked about this. It could be a senior gathering place. The Southern Lakes Artist Collective partnered with the Yukon Arts Centre to request that the space be used as a gallery for local Carcross and northern artists to show their work.

We know that buildings deteriorate more rapidly when they're not used. I wonder why this new purpose-built building is being left empty. The Southern Lakes Artist Collective had support letters from Carcross/Tagish First Nation, from the South Klondike Local Advisory Council, the Tourism Industry Association and the Yukon Art Society. Can the minister give us an update as to whether Highways and Public Works will approve the request for the Yukon Arts Centre, in collaboration with the Southern Lakes Artist Collective, to lease that space so that it could be used for a gallery that would also be a tourist attraction?

I also have questions related to property. The minister spoke about the funds that have been put in this building to build staff residences for Highways and Public Works. I wanted to ask what plan the government has across all departments for housing for staff in different communities. Across the Yukon, people who work for different departments will request housing because there is a housing shortage in many of the rural communities — not only in Whitehorse — so I would like to ask the minister if he can provide some information on that.

I also want to put on the record, while I'm standing, a question related to underground oil tanks. The minister has informed us that there are 440 underground tanks. In the 2015-16 budget year, they planned to replace 21 of those. I wanted to ask the minister to give us an update. Have all those replacements been done? Have there been any spills since the last time we debated this subject? Are there plans in this budget to replace any underground oil tanks? How many are there remaining that need to be upgraded or replaced?

Hon. Mr. Kent: With respect to the Carcross Visitor Information Centre, there was a request made by the Southern Lakes Artist Collective — I think that is the name of the organization. I'm very happy to report that Highways and Public Works has gone through some of the other requests and this has emerged as the top request for that space. Negotiations on a lease arrangement will begin later this week.

I reached out to the Carcross/Tagish Development Corporation CEO this morning, also a constituent of mine, and let him know. Again, we'll have a more public announcement as to timing with respect to that project going forward. Congratulations to all those artists in the Southern Lakes area who will benefit from this space. We couldn't be more pleased. There were a number of other considerations — a mountain bike interpretive centre and other considerations — for that, but this has emerged as the best use for that facility.

Again, I spoke with one of the proponents this morning and officials will reach out to the proponents this week to begin negotiations on a lease for that space.

When it comes to staff housing, obviously the majority of the staff housing responsibilities lie with Yukon Housing Corporation. I know that in this budget there are plans for a six-plex in Ross River to replace existing staff housing. That will be one of the newest staff housing projects undertaken by Yukon Housing Corporation.

When it comes to the maintenance yards, we'll be putting in housing for maintenance workers at Swift River and Drury Creek in this budget. Mobile homes are what we're looking at; I believe two staff to a mobile home. That's how we're proceeding from a Highways and Public Works responsibility when it comes to housing our staff at some of the grader stations that aren't close to communities.

I want to talk a little bit — obviously the final question raised by the member opposite was with respect to oil tanks. I do have some information here. The Yukon government does place the highest importance on the safety of Yukoners and

protecting our environment. As part of an overall approach to risk management, HPW has taken a practical approach to managing the concerns associated with underground fuel tanks at some of our buildings.

We've identified 21 underground tanks as a priority to be replaced with above-ground tanks that will be easier and less costly to monitor and repair. Eight tanks were replaced last year, and the remainder will be replaced over the next three years. So the eight that were replaced in last year's budget: in Beaver Creek, the one at Nelnah Bessie John school; in Destruction Bay at the Kluane Lake School; in Whitehorse, Grey Mountain school, Porter Creek school and the T.C. Richards Building; in Dawson City, three tanks replaced — at the Old Territorial Administration Building, the air terminal building and the visitor information centre. I know that in this upcoming budget there are plans to replace one at Macaulay Lodge in Riverdale, and I believe at Vanier school as well — one of the other ones in Riverdale. There are others that, perhaps when we get into line-by-line debate, I can provide more information on, but that's what's happening with the underground oil tank replacement program. As I said, we're doing what we can within existing resources and making sure we prioritize those that could be problematic.

Ms. Moorcroft: Could the minister give us an update on the oil spill at the J.V. Clark School in Mayo?

Hon. Mr. Kent: Madam Chair, on January 30, 2016, a snow-clearing contractor damaged a fuel line at the J.V. Clark School, resulting in a fuel leak of approximately 3,000 litres. The fuel spill resulted in the contamination of adjacent soil and groundwater. Sampling of adjacent municipal and private wells shows no signs of hydrocarbon contamination to date. The school receives its water through the municipal water system and is therefore not affected.

Yukon government hired an environmental consultant to lead a mitigation plan for the site. Priorities include the remediation of contaminated soil and groundwater as well as ongoing monitoring. I should note that this briefing note was prepared on March 16, 2016, so if there are further updates, I can provide them in writing to the member opposite or perhaps if we don't clear Highways and Public Works today, we can provide them at a future date when we are back up for debate.

Ms. Moorcroft: I have a question related to leased space and owned space. The minister and I have had discussions on the Auditor General's report of Highways and Public Works from 2007 and then the update in 2012. One of those issues had to do with the purchasing of office space and leasing. The Auditor General pointed out that the cost of leasing is three to eight times higher than owning buildings. I am aware that the government has constructed some new office space and is working on building new space for government operations as well as updating space.

One of the other issues raised by the Auditor General was carrying out leasing activities in a fair and fiscally responsible, open, accountable and competitive manner. Some 28 of 30 leases were sole-sourced at the time this report was published in 2012. I would like to ask the minister to give us an update

about leasing. How long are the terms of the leases? Does the government ensure that before it leases a building that those buildings are accessible so that employees or members of the public who require accessibility can get into the buildings? What are the long-range purchasing plans for office space and for government buildings?

Hon. Mr. Kent: Madam Chair, Highways and Public Works works closely with Yukon commercial landlords to provide accommodation solutions for Yukon government programs. The government is currently leasing over 500,000 square feet from the private sector throughout the Yukon. This, of course, includes private owners as well as First Nation development corporations and First Nation governments in some cases. I know there is leased space in the Tr'ondëk Hwëch'in building in Dawson, for instance, and I am sure other First Nation buildings around the territory.

In 2007, the Auditor General of Canada noted that the Yukon government lacked a master space plan and their leasing practices relied on the high use of — as the member opposite mentioned — sole-source leases without a long-term strategic approach to provide accommodation. HPW has since followed up with implementation of a master space plan, annually updated five-year space plans and increased use of both longer term leases and competitive processes for space procurement. This has resulted in a more certain leasing environment for both the Yukon government, as well as our commercial landlords.

Just a couple of notes — the Yukon government holds 87 leases in 69 buildings. As I mentioned, they total just over 500,000 square feet and annual lease costs are about \$15.3 million. Currently, 27 of the 95 leases have been converted to long-term leases, which are for five years or more. However, these 27 leases total 346,000 square feet, or approximately 67 percent of the leased portfolio. Obviously we took the suggestions of the Auditor General in 2007 to heart and embarked on a number of initiatives to address this and we'll continue to make progress down this road going forward.

Ms. Moorcroft: In the budget speech, the Premier said that the investments we are 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.

The budget has indicated there is a \$9.5-million information technology envelope in this budget. I would like to ask the minister whether he can provide details on what this increase on the IT envelope is, and can he provide some meaning to how it will create a number of good-paying jobs. Are there details available on how increasing the envelope will create any Yukon jobs? Is this going to go through procurement? How can the government assure that this will have any benefit for the Yukon? We have had discussion about the *Agreement on Internal Trade* and the fact that the government took out of the contracting regulations provisions related to local hire. I would like to ask the minister to provide an explanation for this \$9.5-million IT envelope investment.

Hon. Mr. Kent: I'm happy to talk about this because I think it is something that our government is very proud of — that we were able to direct additional resources to the ICT sector, with the expansion of the IT capital envelope. Again, this was something that was raised by industry representatives with the Premier last fall during one of his community conversations, and we made an announcement last fall that we would enhance the IT envelope by \$2 million. Fortunately, this year we're able to enhance it by \$3 million, so there will be additional opportunities for Yukon businesses.

Local capacity is critical to our ability to deliver systems development projects. Since 2011, the Government of Yukon has directed more than \$9 million to local suppliers in support of IT improvements. Investments in IT pay those immediate dividends in the form of enhanced connectivity, mobility, new program development to better serve citizens, support local innovation and drive economic development opportunities.

The \$3-million IT capital envelope expansion that is planned for this fiscal year will again increase the opportunities for local IT businesses to bid on projects, helping businesses expand in creating jobs in the sector. The planned 46-percent increase will work to ensure funding levels keep pace with the high degree of local capacity that exists throughout Yukon's rapidly emerging and maturing IT sector.

Some of the key IT capital initiatives that I can talk about that will be undertaken this year — there will be some additional e-services. Hunting licences will now be available online. There will be a phase 1 of that project to bring those hunting licences online. Professional and trades licensing will be made available online, so phase 1 foundational work toward registration, payment and management of trades licensing in an online form.

Government forms available online — this will replace the current need to download or pick up, print, scan, fax, or e-mail a number of government forms and allow the ability to complete forms online as well. You will be able to request birth, death or marriage certificates online.

Continued web infrastructure work to lay the foundation for improved Yukon government websites — new sites will be able to leverage tools, such as calendar functionality, to look at themes, events, social media integration and improved search, as well as other functions.

There is a major Justice project for court systems called the JEIN system. This year, phase 1 of the new system to improve efficiencies in the courts will go live. A local contractor has already been engaged as the primary developer to configure the system to Yukon's requirements. The project budget for this year is approximately \$800,000, with two-thirds of the work completed by Yukon companies.

Land Titles — in 2016-17, Yukon will tender to identify the best approach for a Yukon land titles system to allow Yukon to evolve from a paper-based titles system to a digital system that will eventually provide for electronic access to land title information. Then with respect to cyber security — continue to invest in our information security architecture to keep pace with increasing threats to digital information.

Madam Chair, perhaps I will close with a quote from the president of the Yukon Information Technology and Industry Society that he inserted into our April 12 press release announcing the expanded IT fund. Mr. Chris Lane said, "The Yukon Information Technology Industry Society" — or YITIS — "has long advocated for an increase in the Yukon government's investment in its information technology capital funding envelope... We view that investment as a vital component in the health of the IT ecosystem in Yukon. We are very gratified it has come about."

Obviously we have the support of the industry. This is an industry that I believe is a contributor to GDP and is close to what tourism contributes to Yukon's GDP.

Again, we're excited about the opportunities. I know that I've had the opportunity to tour some of the local firms with the Minister of Economic Development and very much enjoyed the opportunity to meet some of those people who are working there and get a better sense for the types of things they're able to provide and what they're doing.

When we get to line-by-line, perhaps — probably not today, but the next time HPW is up — I'll be able to provide a more comprehensive list to the member opposite of what projects we're contemplating under that \$9.5-million envelope for this year.

Ms. Moorcroft: The Transportation sector of the Highways and Public Works budget is a significant portion of the budget overall. This budget referred to the government's initiative toward innovative budgeting and a savings of \$2 million that would be accomplished through the innovative budgeting exercise. Given the significant portion of the budget that is within this minister's department and his comments about achieving efficiencies in the debate this afternoon, could the minister give us an indication of how he anticipates the Department of Highways and Public Works will contribute to efficiencies and savings toward that \$2-million target to be achieved through innovative budgeting?

Hon. Mr. Kent: This initiative is being led through the Department of Finance, but I fully expect both my portfolios — Highways and Public Works, as well as Energy, Mines and Resources — to participate in identifying efficiencies and reaching the target that has been set by Finance officials to meet within this existing budget.

Like other ministers, I see some opportunities and will wait to hear back from officials within the department on where we can see these efficiencies and innovations in the budget process to meet what has been set out by the Department of Finance.

Ms. Moorcroft: I have some questions related to procurement and local procurement. The minister stated on April 7 — and I quote: "The member opposite raised the Procurement Advisory Panel that I as minister, with the support of my colleagues, established in November of last year. We would expect a report to come from that advisory panel in the coming months that I will table in the Legislative Assembly during this Sitting."

Does the minister have any idea when the plan will be presented? Will it be presented with sufficient lead time for all

parties to examine it and question it? The minister also indicated that he and his department would — and I quote: “... continue to work to advance the procurement process so that it does offer opportunities for local companies.”

What is the government’s definition of “local companies”? Does a company that gets a business licence and opens a small office here qualify as a local company, even though it is well-known that the head office, the profits, the corporate taxes, et cetera, are paid outside the Yukon? Does a business from outside the Yukon that is awarded a contract need to register their company with Corporate Affairs? What has the government done to support and engage local companies in becoming more competitive? How many non-Yukon companies have obtained a Yukon business licence in order to qualify as local? The minister also said, “We will continue to work on issues when it comes to procurement and some of the themes, of course, that emerged from the Procurement Advisory Panel work and engagement with Yukon businesses are around local purchasing and local contracting.”

Did the government set priorities for dealing with the issues? Can the minister provide an example of some of the issues that they are working on? Can he explain how those will help solve the local procurement issue?

A final quote from the minister, again from April 7 of 2015: “... we also want to recognize that those businesses here can and do compete against other businesses and we have a responsibility to spend taxpayers’ dollars wisely and we’ll continue to do that and continue to find ways where local companies can be successful in bidding on government contracts and where government purchases are involved.” How is the government helping businesses become more competitive?

I’m looking for the minister to address more than the industry conferences that have been staged. What ways is the government continuing to find where local companies can be successful in the bidding process? Is the work being done on adapting contracting requirements to fit Yukon needs?

Hon. Mr. Kent: There were a number of questions in there, so I apologize if I miss answering some of them. Some of them will require me to go back and request additional information from the department as well, but I can say that procurement is one of the top issues that I deal with as Minister of Highways and Public Works. The Yukon government is a very large procurer of goods and services and contracts. For instance, in 2014-15, of almost 11,000 total contracts, 4,400 of those were for services of a construction nature. Of those, approximately 82 percent went to local companies. In addition, 19 of the 20 largest contracts awarded in 2014-15 went to local contractors — that’s 95 percent. These statistics are typical for the past five years.

As I mentioned previously in this House, of the top 15 major capital work projects undertaken between 2010-11 and 2014-15, I believe 14 of them were awarded to local contractors. The one that wasn’t was the F.H. Collins replacement. In the envelope itself, it had a value of just less than 30 percent but, as I’ve noted, the project averaged 75

percent local labour participation over the course of construction, so there was still significant benefit that went to Yukoners from that project. Over 70 percent of those projects — \$77,071,510 went to local companies — so there has been a significant amount of work.

When we look at the projects that were delivered by local companies in 2010-11 — waterfront seniors housing, Dawson campus and the Pelly campus; in 2011-12, Dawson district heating, the Canada Border Services Agency Housing at Pleasant Camp, Ross River fire hall and water treatment plant; in 2012-13, Betty’s Haven and the emergency response centre; in 2013-14, the Alexander Street apartments, the arrest processing unit and the Ross River arena; in 2014-15, the Watson Lake district office; Alexander McDonald Lodge and the Beaver Creek fire hall. Again, the exception in 2014-15 was F.H. Collins, but I’ve mentioned the significant amount of local content that was involved, not only on the labour side of things, but also with respect to subcontractors. The electrical subcontractor was local, of course, and one only had to drive by there to see the number of local subs, with their signs on the construction fence at any given time, who were involved in delivering that educational facility for Yukon students.

When it comes to the Procurement Advisory Panel, I can tighten up the timelines a little bit. I’ll narrow it down from the next number of months to the next number of weeks. I’m reluctant to go below that, because there’s some work I still need to do with the advisory panel itself.

I want to make sure, though, and let everyone know that there won’t be any editing by myself of their report. This was something — I respect the time the local and national procurement professionals put into this and I think their panel report needs to be tabled in the form that they want it tabled in.

I will have a response to the panel report — some initial responses — and then a longer term vision toward the end of this session but, again, we established this panel to address suggested inconsistencies in Yukon government procurement and issues associated with the vendor complaint mechanisms. The panel heard that Yukon businesses would like YG to provide more opportunities for Yukon businesses to win contracts. There are perceptions in the local business community that the current procurement model is too decentralized and results in inconsistent practices by procurement authorities. This creates challenges for contractors to understand tender documents and authority expectations, resulting in fewer and possibly deficient bids.

The AIT and the BIP raise some procurement concerns in the business community, and the panel itself is looking at the current procurement model as a whole.

The industry conference — I know perhaps the member opposite didn’t mean for it to sound this way, but it’s not something to be flippant about. On February 23 and 24 of this year, we were proud to deliver the second annual industry conference with our partners, the Whitehorse Chamber of Commerce, the Association of Consulting Engineering Companies, Yukon; the Yukon Contractors Association and the Yukon First Nations Chamber of Commerce.

The 2016 industry conference built on the success of the initial one that we held in 2015. Improvements were made as a result of the evaluations and what was heard at the first conference. Again, some of the thoughts and recommendations from the first conference led to the establishment of the advisory panel itself. The 2016 “what we heard” document will soon be added to Highways and Public Works’ public website. I will look forward to that as well.

When it comes to AIT and BIP — of course, that is the responsibility of the Minister of Economic Development, so I would leave it to him to respond to any specific questions about that when his department is up for debate in this current Sitting.

I think, as Yukoners, we need to be proud of companies that are operating outside of our borders. Air North, Yukon’s airline is one with flights from Yellowknife to Ottawa and other gateway cities outside of the Yukon. Underhill Geomatics won a major contract on the Site C dam near Fort St. John — a major surveying contract. I know that they continue to have people who are Yukon residents working on that project. There are two major earth-moving or road-building contractors that are active in northern British Columbia on that section of the Alaska Highway. Yukon Brewing, as well, is able to provide their product in other jurisdictions. Some of these are a result of freer trade within the country and knocking down some of those challenges between provinces and territories — some of the restrictions.

Again, there are some positive aspects of the national trade agreements that we have entered into and that are being shown on the ground here in the territory.

Madam Chair, I understand that some members are going to be attending another event at 5:30 p.m., so seeing the time, I move that you report progress.

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

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair’s report

Ms. McLeod: Mr. Speaker, Committee of the Whole has considered Bill No. 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 5:22 p.m.