



Yukon Legislative Assembly

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HANSARD

Monday, May 9, 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

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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
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Hon. Mike Nixon	Porter Creek South	Minister responsible for Health and Social Services; Workers' Compensation Health and Safety Board
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Lois Moorcroft	Copperbelt South
Jim Tredger	Mayo-Tatchun
Kate White	Takhini-Kopper King

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Sandy Silver	Leader of the Third Party Klondike
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Yukon Legislative Assembly
Whitehorse, Yukon
Monday, May 9, 2016 — 1:00 p.m.

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

Prayers

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of National Nursing Week

Hon. Mr. Nixon: Thank you, Mr. Speaker. It is with great pleasure that I rise in the House today in honour of National Nursing Week, which runs May 9 to 15.

The theme for Nursing Week is “Nurses: With you every step of the way”. Yukon nurses embody this. This week, we recognize nurses who play an important role in our lives at every age, in all health situations, for all Canadians and Yukoners.

There are more than 408,000 regulated nurses in Canada, making nurses the largest of any health provider group. Nurses work at all levels of health to ensure their voice and perspective is heard. According to the Yukon Registered Nurses Association, there are 349 nurses registered to work in Yukon.

Our nurses work in hospitals, communities, clinics, streets, long-term care, home care, palliative care, correctional facilities, treatment centres and private practice. They also work with national and international organizations to ensure that our policies and standards align with global systems, and that our unique needs and perspectives are voiced. Community nurses work in an expanded scope of practice to collaboratively achieve the best possible health and well-being of Yukon communities. They work with individuals, families and communities at all stages of life to promote health and prevent disease and injuries. They are a very dedicated and unique group of nurses who are committed to their communities and their profession. They share their knowledge and skills to support our physical and our mental health.

On April 23, Yukon nurse Sharon Specht was presented with the leadership award from the Canadian Hospice Palliative Care Association nurses group. This award recognizes extraordinary leadership in nursing through advocacy for high-quality and safe hospice palliative care. Sharon has strived to develop safe, quality care not only in Whitehorse, but also in remote communities. We’re certainly proud to have a dedicated leader in nursing here in Yukon.

Yukon nurses promote healthy Yukon communities through caring, through leadership and through the advancement of nursing excellence. Let’s make sure that this week isn’t the only week we appreciate all of our nurses for

their dedication, commitment and excellence. Let’s thank them each and every day.

Mr. Speaker, I would like to ask all members to join me in welcoming a few people to the gallery today who are here for the nursing tribute: Ms. Cathy Morton-Bielz, who is the Assistant Deputy Minister of Continuing Care; Ms. Sherri Wright, who is the Assistant Deputy Minister of Health Services; and Sean Secord, who is the past president of the Yukon Registered Nurses Association — welcome.

Applause

Ms. Stick: I too rise to pay tribute to the nurses at the beginning of National Nursing Week. The theme this year, as we heard, is “Nurses: With you every step of the way”. It is a fitting theme because we know that nurses are usually with us from the first breath we take and, often, to our last. In that stretch of time in between, nurses are there for us, our families, our children, our neighbours and our communities. We honour and recognize the dedicated professionals in the Yukon who are registered nurses, nurse practitioners, certified nursing aides and licensed practical nurses. In Yukon, we have the Yukon Registered Nurses Association and their mission statements include: “protect the public through regulation and standards; advance nursing excellence; demonstrate leadership; participate in public health policy; and, partner in the collaborative health care approach.” Over 380 full-time Yukon registered nurses are members of this association.

I had the opportunity in April to attend parts of the YRNA annual general meeting and was again impressed by the dedication and the passion of the women and the men attending it. The professionals in the field of nursing work in the obvious places like our hospitals and community health centres, but also in our schools, continuing care facilities, home care, work sites and clinics. They work where the people are gathered in our communities.

I know of regular clinics at the Salvation Army and the community nurses who attend Whitehorse Connects events throughout the year. I have met nurses at the soup kitchen providing flu shots and I have met community nurses working with new mothers and babies — nurses working for healthy communities every step of the way.

Nursing has changed a lot since the days of Florence Nightingale. The range of services that nurses provide and the various professions involved in the field continue to grow and evolve. Innovation and collaboration continue to be both a goal and a challenge. With more than 400,000 regulated nurses in Canada — the largest of any other health care provider group — they are the backbone of our health care system. This week, we recognize the professionals for their dedication and their commitment to providing exemplary care with us every step of the way.

Mr. Silver: Thank you, Mr. Speaker. I would also like to rise today on behalf of the Liberal caucus to pay tribute to National Nursing Week. This year’s theme is, as mentioned: “Nurses: With you every step of the way” — and it could not

be more accurate. This week, we pay tribute to the many contributions of nurses, emphasizing just how important nurses are to every stage of life. Nurses play a vital role in our health care system and are often the first persons we meet and, sadly, the last people we see on our journey through life.

Each of us has a story about how a nurse has positively impacted their life — from comforting them or loved ones through tough times to making effective and efficient decisions that can save a life. Nurses are the front-line staff, working long hours, dealing with a variety of patients and sacrificing their time, energies and sometimes their bodies because of their commitment to the well-being of others.

Mr. Speaker, Yukon's nursing community is a strong and dedicated group and the rural nurses are no exception to that rule. Our specialized nurses have worked long hours and have to travel to see patients in many communities each week. They often go above and beyond the expectations of their job because they want to see results and ensure the health of those they care for. Our nurses are passionate and they're empathetic, even when it comes at their own expense. We want to recognize National Nursing Week and I would like to say a big thank you to all of Yukon's nurses and also to the Yukon Registered Nurses Association. They provide the backbone to our health care system and to our communities as a whole.

Thank you very much, Mr. Speaker.

In recognition of Teen Parent Centre student mothers

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

Mr. Speaker, this weekend, we celebrated Mother's Day and today I would like to take the opportunity to pay tribute to student mothers and the Teen Parent Centre. Parenthood, as we all know here in the Legislature — almost all of us know in the Legislature — is really a full-time job. Add to that the challenges of completing one's high school education and the demands of both motherhood and studying — it adds up very quickly. I commend these young moms for their wise decision to complete high school as they prepare for their babies and care for their families. As novelist and activist, Barbara Kingsolver once said, "Sometimes the strength of motherhood is greater than natural laws."

I applaud these students for their commitment to learning. Through education, these young women are becoming empowered and positioned for success in life to the benefit of both themselves and to their families. These mothers are setting a terrific example for their children, showing through their actions that going to school and getting an education is extremely important.

Over the past eight years, 67 percent of the students who have accessed the Teen Parent Centre and have been eligible to graduate have graduated. The excellent programs and the devoted staff at the Teen Parent Centre make it possible for young parents to continue their studies and the leadership provided by the centre's board of directors is something to admire.

The Department of Education is a proud member of the "Four Corners Partnership" with the Teen Parent Access to Education Society, the Department of Health and Social Services and F.H. Collins Secondary School, all of which support the centre.

I would like to recognize Elder Betsy Jackson who visits the Teen Parent Centre every week and has done so for the past several years. Our thanks also to Kathy Heinbigner and all of her staff at the Teen Parent Centre who provide the support these students need to help complete their education and to care for their families.

Mr. Speaker, some of these young mothers and the wonderful staff at the Teen Parent Centre have joined us here in the gallery today. I see a couple have had to leave, but I'm going to announce all of their names anyway. Mr. Speaker, the students are: Chloe Slessor-Morrison, Megan Simon, Shannon Skookum and Charlotte Robert. They're accompanied by the staff — Brenda Petriw, Jennifer Fox, and my good friend Katherine Mackwood. Thank you all for coming here today. We appreciate it. Congratulations to the students; you're doing a wonderful job.

Applause

Speaker: Introduction of visitors.

Are there any returns or documents for tabling?

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to continue to work with Northwestel, the RCMP, municipalities and other stakeholders to expand 911 service to all Yukon communities by the end of July 2016.

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

THAT this House urges the Government of Yukon to develop a renewable energy infrastructure for the trade wing of F.H. Collins Secondary School in order to reduce the building's carbon footprint and to give the students hands-on access to training that will help them to find employment in Yukon's budding green energy economy.

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

THAT this House urges the Government of Yukon to build on the work done during Emergency Preparedness Week to inform Yukoners about their individual and family responsibilities in case of a large-scale disaster by further educating Yukoners about:

(1) the territory's community emergency planning procedures, such as locating commercial and multi-unit residential muster points;

(2) what resources are available to Yukoners with mobility issues who require displacement; and

(3) how to access emergency resources and receive government updates during an emergency.

Speaker: Ministerial statement.

MINISTERIAL STATEMENT

Mental wellness strategy

Speaker: We will continue where we left off on Thursday.

Ms. Stick: Mr. Speaker, I spent a lot of time this weekend reading *Forward Together — Yukon Mental Wellness Strategy* from cover to cover and, to be honest, what I came away with is that this is a plan to come up with a strategy — too little and much too late. For years, we were promised a strategy, only to be provided a work plan to develop this strategy. It does not address the reality of those individuals and families facing mental illness today.

For the parents of a young adult who is in hospital with an undiagnosed mental health condition — the parent who knows their adult best but is being kept out of holistic planning due to the patient's age — there is nothing here.

For the parents of a young child who is still waiting for an assessment that can give a diagnosis and a clear plan forward, there is not much here to address wait times and, if there is a diagnosis and plan, unless it meets the narrow definition of what this government will provide support for, there is not much here.

For LGBTQ youth in our communities, who face up to 14 times higher the risk of suicide and substance abuse than their heterosexual peers, the report recommends that we ensure services will be responsive to diversities, including gender and sexual orientation, but fails to describe how.

For those community organizations that are trying to fill in gaps with overworked volunteers, small budgets and little recognition, there is not much here but more committees, more meetings and no increased financial resources to increase their own capacity and do what they do best. No organization wants to spend more of their time attending meetings when their mandate is to provide real services.

There is recognition that to accomplish seamless services throughout Yukon, the government must work with First Nation governments, communities, non-governmental organizations and with Yukoners. That's great, but many of these governments and organizations have already moved forward. The proof is in their work — the *Yukon First Nation Mental Wellness Workbook* or the *Yukon First Nation Cultural Orientation and Protocols Toolkit*, documents from 2010 and 2011. First Nation governments have recognized the growing needs in their communities and have moved forward.

The Mental Health Association of Yukon has moved forward and is providing direct programming to groups in Whitehorse and in the communities. As recently as two weeks ago, we heard of the high rates of FASD and individuals with mental health concerns at Whitehorse Correctional Centre. We

know of the hospital designation of Whitehorse Correctional Centre and the criminalization of individuals who the hospital is unable to accept as patients. Where is this addressed in this document? Where is the plan to meet these individuals' needs at the right time and in the right place?

Why is this government not meeting the goals of the *Mental Health Strategy For Corrections in Canada* that it signed on to, in partnership with the federal government, in 2012?

Mr. Speaker, I will continue to point out that you can't manage what you don't measure. Without clear, measurable goals and measurable outcomes, you cannot determine if your plan is even working. Though I don't doubt people have worked hard on this document, let's be clear: it is a plan to eventually come up with a mental health strategy.

Mr. Silver: Thank you, Mr. Speaker. I would like to start by expressing my disappointment in the government for their lack of commitment in improving the mental wellness in our territory. It took them over a year to produce a wellness strategy, and yet I can't seem to point to anything tangible in the actual report. Where are the steps of implementation, for example? Where is the money to fund such a vast effort? These questions remain unanswered.

We have the last jurisdiction in Canada to produce a mental wellness strategy even though the need was identified many years ago. The Yukon Party has had 14 years in government, all the while knowing the lack of mental health support in the territory, and has not made an effort to address it until now.

This report is a far cry from the expectations that we all had in this Legislature over a year ago when I put forth a motion that this government produce a mental health strategy, and every member of this Legislative Assembly unanimously supported it — a far cry indeed. The Yukon Party is treating this initiative as an aside — simply a box to check off before heading into the election. They are showing no true commitment or will to put this into action.

Mental wellness in this territory needs to be addressed now. Our territory depends on it. The quality of life of many of citizens is drastically reduced by the lack of support that they are receiving here in Whitehorse and especially in the communities. The resources are just not here. Also, the coordination of services is just not there. Our medical staff is working overtime, committing their lives to the well-being of our communities, yet many see no improvement. Not only is the support for the public lacking, but also for medical staff as well.

As I read through this strategy, I see a lot of disheartening statistics, for sure. A profound realization of the lack of mental wellness in our territory is ingrained throughout the report. The status of mental well-being in our territory presents many challenges among vast, yet scarcely populated, jurisdictions. In order for this strategy to succeed, we must pull from our many resources, including our finances, to provide adequate support.

All that is allocated in this year's budget and this strategy is \$1 million. That is not enough money to effectively implement change under such a high demand. The Yukon Party is simply making the appearance to be fighting for mental wellness. They clearly do not have a plan to stay in the battle for the long term. As they sit on the sidelines, our communities are suffering. This is a slush fund of \$1 million, and it is on an application basis, limiting accessibility significantly. More often than not, those who need the most help do not have the capacity or the support to undertake the challenges of putting together an acceptable proposal — for example, a First Nation under a third-party management. By placing these requirements on applicants, the needs-based approach becomes distorted and non-equitable.

Where did the minister come up with the number of \$1 million? Is it sufficient? Please tell us that number is based upon a needs assessment because, otherwise, communities with the best bureaucracies therefore will have the best skills sets for writing proposals and will be receiving the lion's share of this funding as opposed to the money going to the communities equally or based upon need. The mental wellness and all-round well-being of our citizens needs to be at the forefront of a government's priorities. This strategy simply nods in the direction, but does not fully address the immediate needs of our territory.

Hon. Mr. Nixon: Thank you, Mr. Speaker. We did a ministerial statement on the strategy because of the gravity of the challenge before us and the importance of the work. We could have rushed it, but we did not. We took the time to get this right.

This strategy has the support of communities and care providers. The Kwanlin Dün First Nation, the Council of Yukon First Nations and the Mental Health Association of Yukon also support this work and we have all moved forward together. During meetings with our partners early in the process, the hospital's chief of staff indicated that he saw great potential in this report for addressing some of the more serious mental health issues in the Yukon.

Like everywhere else in Canada, we have our challenges — our vast geographical size with small pockets of populations across vast expanses of land. Based on recent events and discussions we have a vision for a solution, because we have our strengths too. We're small enough that we can be flexible and do things better and in a different way. We can be creative and innovative and think outside the box — this is our advantage.

This strategy is intended as a living document that will provide overall direction. It will change as we move forward. The strategy recognizes the significant interaction between mental health, addictions and trauma. Intervention takes the whole-person approach, recognizing that the traditional medical model alone isn't sufficient and that we must look at the broader social determinants of health and the importance of culture. I believe this work will improve the lives of those who are striving for mental health and wellness.

To strengthen our resolve to work toward solutions with our community partners and subject to legislative approval, we've invested \$1 million toward a mental health innovation fund to support the work we see ahead. This is in addition to the millions of dollars we already invest in mental health. This money is for organizations within those communities who have creative, innovative and promising practices that will align with the three priorities identified: improving access to services across the Yukon; child-, youth- and family-focused initiatives; and building community capacity. I should also note our government, along with our First Nation partners, will host a mental health summit this coming summer.

Staff within the Department of Health and Social Services have already begun work on the development of a performance measurement framework to support the mental wellness strategy. The community advisory group identified in the strategy will have input into the indicators and performance measurement framework that will support the implementation of the strategy. The engagement of these staff and providers is important to ensure the outcomes that we identify are specific, measurable, attainable and relevant to measuring progress on the mental wellness strategy.

I think every one of us, whether we are elected officials, front-line staff or the regular person on the street, want to make a difference in someone else's life. I believe that we can do that with this strategy. We face difficulties in trying to be all things to all people, but we can do things better in a different way. We can be creative; we can be innovative; we can think outside the box. This is our challenge. Yukoners are counting on us not to let them down.

Speaker: This then brings us to Question Period.

QUESTION PERIOD

Question re: First Nation participation in mining sector

Ms. Hanson: Thank you, Mr. Speaker. In a May 2 letter, the Tr'ondëk Hwëch'in First Nation states that the Yukon government is imposing a policy with long-term effects on their constitutionally protected rights. The new policy allows placer claim holders with homes on those claims to apply for the right to permanently own the land under those residences. In the letter, the Tr'ondëk Hwëch'in make it clear that they were not consulted on the changes to the policy. They also assert that neither the Dawson District Renewable Resources Council nor the Yukon Fish and Wildlife Management Board — two constitutionally mandated boards — was consulted on these changes.

Why did the government make changes to the rural residential land application policy for placer occupancy without consulting the Tr'ondëk Hwëch'in and the constitutionally mandated boards?

Hon. Mr. Kent: Thank you very much, Mr. Speaker. My department is aware of approximately 70 existing residential structures that were constructed on mining claims before the 1999 mining and land use regulations were implemented by the federal government. At this time, owners

of these long-standing and legitimate residential structures do not have any form of ownership of the land on which their residences are built. In order to resolve this historical issue, the Land Management branch is enabling owners of homes built before 1999 on these claims to apply for title through the rural residential policy.

Applicants or residents must fit the approved criteria and comply with the policy. Applications are subject a public review process on a case-by-case basis, which provides an opportunity for First Nation consultation and additional public input.

Ms. Hanson: Mr. Speaker, the intent of the *Placer Mining Act* is mining, not residential development. The Tr'ondëk Hwëch'in clearly objects to these unilateral changes. The First Nation final agreements were intended to end this unilateral approach to land use issues.

In their letter, the Tr'ondëk Hwëch'in First Nation said — and I quote: “When YG legitimizes haphazard residential occupancy throughout the traditional territory, you are breaking those promises. Your Government is compromising TH cultural pursuits and rendering land use planning virtually meaningless.” This government’s continued insistence on unilateral changes to policy that affect First Nation governments has a very real impact on the certainty that Yukon’s economy relies upon.

When will this government stop engaging in practices that undermine the principles of First Nation final agreements and — according to this Yukon First Nation government — render land use planning virtually meaningless?

Hon. Mr. Kent: Thank you very much, Mr. Speaker. As I mentioned in my earlier response, there are approximately 70 existing residential structures that have been constructed on mining claims before the 1999 mining land use regulations were implemented by the federal government. Owners of these long-standing, legitimate residential structures do not have any form of ownership of the land on which their residences are built.

Again, when it comes to this particular action, they do have to fit the criteria and comply with the rural residential policy. There are a number of additional criteria that they must meet. It’s important for me to mention as well that, on a case-by-case basis, applications are subject to a public review process, which provides an opportunity for First Nation consultation and further public input.

Ms. Hanson: The point, Mr. Speaker, is that consultation occurs before the policy goes into effect. The Premier likes to talk about how he is on board with reconciliation. He says he supports the recommendations of the Truth and Reconciliation Commission. His government’s actions do not reflect those words. Justice, now Senator, Sinclair of the Truth and Reconciliation Commission said — and I quote: “Reconciliation is about forging and maintaining respectful relationships.”

In Yukon, that means respecting the First Nation final agreements and the commitments made under the devolution transfer agreement to develop successor resource legislation. Once again, we see a government whose actions demonstrate

that they believe they are not really bound by those agreements.

The TRC calls on governments to reform laws and government policies that undermine negotiated agreements with First Nations. When will this Premier’s actions match his words?

Hon. Mr. Kent: Thank you very much, Mr. Speaker. Again, to the residential placer occupancy piece — as I mentioned, there are a number of owners — approximately 70 in total — who have long-standing and legitimate residential structures that have been built before the 1999 land use regulations were implemented by the federal government.

As I said, there will be consultation on a case-by-case basis. Applicants’ residences must fit the approved criteria and comply with the rural residential policy. They’re subject to a public review process, which provides an opportunity for First Nation consultation and public input. Again, this is on a case-by-case basis for those individuals who are interested in applying under this program.

I know that the Premier, other ministers and I on this side have visited many of these placer mines, particularly in the Klondike area during the gold show and other opportunities. These owners do have long-standing legitimate residential structures on these claims and we’re trying to find a way to address the opportunities that they would like to see to get title to that land.

Question re: Whistle Bend continuing care facility

Ms. Stick: Thank you, Mr. Speaker. This morning, the Premier participated in a ground-turning ceremony at the site of the new continuing care facility in Whistle Bend. Despite claims by this government of community support for the project, we have continued to see resistance and concern from the public, including at today’s event. Seniors, community elders and caregivers do not feel they have been meaningfully consulted. Yukoners are used to this government ignoring and mishandling consultations, but the fact that citizens felt the need to demonstrate at a photo op for a new care facility shows how badly this government has handled this file.

Mr. Speaker, why has this government pushed ahead with such a major capital project without prior meaningful consultation with the public?

Hon. Mr. Nixon: Thank you, Mr. Speaker. I was certainly delighted to accompany the Premier and our mayor in the sod-turning ceremony at the location of the new Whistle Bend continuing care facility this morning. I think it was another successful day and a great day for continuing care here in our territory as we see a number of Yukoners and those aging who will require this level of service in the coming years.

I had the opportunity to speak after the ceremony with a number of seniors who actually had been involved in the planning process, helping to pick out colours and engaging in discussions about the layout of the facility. Certainly they were very proud to be a part of the planning for this facility.

In addition to that, we know there were two needs assessments completed, along with a business case that

supported the need in our community and the growing seniors population for this level of service. We're very proud of this investment. We'll continue to make investments in other areas like home care as we have in the last decade — increasing that budget by over 300 percent — but we are very excited about this Whistle Bend continuing care facility moving forward.

Ms. Stick: Thank you, Mr. Speaker. Choosing paint colours is not meaningful consultation. The size and location of this facility are not in line with current Canadian research on best practices in long-term care. The Whistle Bend continuing care facility is larger than current research recommends as well as being too far from doctors, the hospital, public transport and other community facilities and activities. Yukoners want and deserve the highest level of continuing care possible in this territory. This means building a facility that is responsive to current research on promising practices. It's more than paint colours.

Mr. Speaker, why did this government proceed with a facility design that does not adhere to current recognized standards of best practices in long-term care in Canada and in the world?

Hon. Mr. Nixon: Thank you, Mr. Speaker. Although I would like to thank the member opposite for her question, I think she is getting her information from some other jurisdiction in Canada. What we are building is — we have taken the best of the best for this facility. We are implementing best practices in current standards not only in Canada, but internationally. We are very proud of the team that we have established to move this continuing care facility forward.

In my first response, I indicated one conversation that I had with a senior at the event this morning, and she was very proud that she could have a part to play in the development of this project. For the member opposite to think that is not important is a little disturbing for me. The woman was very proud and excited that she had a part to play in this facility. This government will continue to make investments in continuing care. We definitely see the need and the desire for Yukoners to want to stay in the Yukon. We also see the need for them to want to stay in their homes for as long as possible. That is why we have made those significant investments in home care, and many seniors are taking advantage of those investments and are staying in their home until their days.

Ms. Stick: Thank you, Mr. Speaker. The 300-bed plan for the Whistle Bend continuing care facility was decided in the 2013 *New Whitehorse Continuing Care Facility* final report. That final report was produced without consultation with interested health professionals like nurses, doctors, community nurses and support staff and without consultation with seniors and caregivers. If this government had consulted health professionals, it would have realized that the size of this facility is not in line with current Canadian standards of best practices in care, which suggest a maximum of 100 to 110 residents per facility.

Why is the government building a facility that will not deliver the highest standards of care to Yukoners and meet current Canadian standards of best practice?

Hon. Mr. Pasloski: Thank you, Mr. Speaker. Once again, we see the NDP continue on with their policy of fiction- peddling. I too was at the ground-breaking this morning. It was great to see the Yukon Registered Nurses Association there to support it. It was great to see the chief of staff of the hospital there to support it as well.

We know both of these parties have said that they would cancel this facility. They would cancel this, which would create a whole lot of Yukoners without jobs or apprenticeship opportunities. It would cost millions in penalties. I want to know what those two parties are saying to all of those people who are right now staying in the hospital because they need the level of care and they can't stay at home and they are waiting for a long-term care facility. What are they going to say to those people whose elective surgeries are cancelled because we don't have space in the hospital because they are filled with people waiting for a nursing home bed? What about all of those families who are caring for people at home? There are 60 people on the waiting list. What about all of those families who need respite as well? What we know, clearly, is that these parties would cancel this project — a project that is very important to the health of Yukoners.

Question re: Tourism marketing funding

Mr. Silver: Thank you, Mr. Speaker. Earlier this spring, the Premier went downtown to buy a brand-new pair of shoes for budget day and sent an e-mail to all Government of Yukon employees reminding them to buy local. If only the government practised what it preaches when it comes to local purchasing and contracting. The two largest contracts underway in Yukon this year, for example, were both awarded to Outside companies. At the same time as the Premier was trying on his new shoes, the government was busy awarding a multi-million dollar contract for tourism marketing to a company from Vancouver. There has, of course, been no e-mail to the government employees announcing this decision. There wasn't even a news release.

Mr. Speaker, what is the value of the contract this government awarded to Cossette Communications, a Vancouver agency for tourism marketing?

Hon. Ms. Taylor: Thank you, Mr. Speaker. First off, I would like to take the opportunity to thank our outgoing agency of record — Outside the Cube — for the exceptional service and the value the company brought to the territory in delivering a number of innovative and award-winning tourism campaigns on our territory's behalf.

The use of an agency to implement tourism campaigns on behalf of destination marketing organizations is standard practice across the country. It's a practice that has been in place here in the Yukon since the early 1990s. The department recently completed a public request for proposals for a new agency. In total, nine proposals were received. All were led by non-Yukon-based agencies. Two of the proposals, however, did include Yukon-based companies as partners.

Mr. Speaker, following the open tender process, which included the use of an independent fairness monitor, and an evaluation committee comprised of industry representation

here in the Yukon, the contract was awarded to Cossette Inc., a Canadian marketing and communications company. I know that at this time an open house is currently being organized for later on this week to introduce the company to all of our respective industry players here in the Yukon.

Mr. Silver: There were several bids for this project that included Yukon companies. It is my understanding that the winning bid wasn't one of those. Instead, the department is left to hold a meet-and-greet, as the minister talked about in her response this week, where local companies can — and I quote: “Meet members of our new marketing Agency of Record, Cossette Inc., as they begin to familiarize themselves with Yukon’s service suppliers...”

Mr. Speaker, this is becoming a familiar process to Yukon companies: go to a hotel and meet the company from Outside, who might or might not hire you, after the biggest piece of the pie has already been awarded.

Can the minister explain how a company that apparently had no local content won this bid?

Hon. Ms. Taylor: It's unfortunate that the member opposite won't actually just get off the script and actually listen to the answers provided.

Mr. Speaker, as I articulated earlier here in my initial response, there was a request for proposals. It was an open tender, we had nine proposals that were received, all of which were led by non-Yukon-based companies. There was an open tender process. It included the use of an independent fairness monitor and an evaluation — a committee which is comprised of industry representation — put forward by the Tourism Industry Association of Yukon. Following all of that, the contract was indeed awarded to Cossette Inc.

In addition to that, we recognize the very importance of engaging with local business outside of the agency of record. We are certainly committed to doing just that, whether it's with respect to building websites, producing and issuing our vacation planner, as we currently have with event management, and the list goes on.

This is but one contract within some \$30-million-plus record-level budget for Tourism and Culture, of which we're very much committed to working with local industry.

Mr. Silver: Mr. Speaker, it's interesting that the minister criticized me for not going off of my script and then she stays on hers to answer the exact same way in the second response.

Let's go to the script that they used for 2011 for their campaign. Here's one: “Promote government contract regulations, policies and procedures that are fair and consistent for the local business community.”

Here's another from their script, or their 2011 campaign: “Where feasible and economical, scale government contracts to encourage bids from Yukon contractors.”

This contract would have been an ideal candidate, Mr. Speaker, for such an approach. Instead, the government simply bundled it all together and ended up sending the lion's share of this contract to Vancouver.

Mr. Speaker, why didn't the government do what it promised to do in its platform and look into splitting up the work to encourage bids from Yukon contractors?

Hon. Ms. Taylor: Thank you, Mr. Speaker. Mr. Speaker, as I have already articulated again for the record, there was an open tender process that was undertaken — a request for proposals. There were a number of different submissions that were put forward. There were only nine proposals that were received. All were led by non-Yukon-based agencies, following an open tender process that included an independent fairness monitor. It also included an evaluation committee that oversaw the process from beginning to end, which included industry representation. The contract was indeed awarded to Cossette Inc.

Now, Mr. Speaker, I would also like to remind the member opposite that, as I referenced before, when we go out to contract for an agency of record, it has been a practice that has been in place here in Yukon since the early 1990s, and since that time, there has been only one successful local lead agency that was awarded and that was to Outside the Cube. Mr. Speaker, Outside the Cube did not put forward an actual proposal at the request of the RFP process.

Now, Mr. Speaker, as I mentioned, we are very much committed to engaging with local industry. There are going to be lots of opportunities for local industry to engage with Cossette and there certainly will be many more opportunities in event management, in website building, and the list goes on.

Question re: Mental health services

Ms. Moorcroft: Mr. Speaker, this government's so-called “mental wellness strategy” fails to incorporate goals and objectives for one of the most vulnerable and marginalized groups in this territory: offenders in the Yukon justice system.

We know that offenders experience increased rates of mental health and substance abuse problems, although the Minister of Justice has refused to say what the estimates of the prevalence of this problem are in the corrections system.

Mr. Speaker, can the Minister of Justice tell us: What services does this new mental wellness strategy recommend be implemented in Yukon corrections to alleviate symptoms, enhance recovery and facilitate the rehabilitation of offenders?

Hon. Mr. Cathers: Thank you, Mr. Speaker. First of all, I have to correct the member when she asserted that I have refused to release the numbers and the breakdowns in the prevalence study. In fact, we only have the preliminary report on the prevalence study right now. Those numbers have been provided by the researcher who did that to a conference, but until we have that final number, we're going to wait to see that final report. We do recognize that a very significant portion of people who are within the correctional system have other problems. That is why we work on ensuring that the rehabilitative programs assist them with everything from problems with fetal alcohol spectrum disorder, cognitive impairment, addictions issues, anger management problems and so on and so on.

Again, that work has been done through the correctional reform process, through the changes to the *Corrections Act* and is ongoing, including the consultations that are currently being held with First Nations on making further revisions to the correctional programming to better reflect Yukon First Nations in that program. Again, we will continue to work with the Department of Health and Social Services in providing mental health supports for people who are within the system who need it. Much has been done to date, but we will continue to build on it.

Ms. Moorcroft: Mr. Speaker, no specific recommendations have been made to address the mental health crisis in Yukon corrections — so much for a collaborative system response accessible through any entry point or provider. We frequently hear from inmates, their family members and advocates that Whitehorse Correctional Centre does not provide adequate mental health services to people in the justice system. This lack of care continues after their release. The 2012 *Mental Health Strategy For Corrections in Canada* recommends transitional services and supports to ensure continuity of care. Transitional services and supports for offenders with mental health and substance abuse problems are needed in order to reduce the likelihood of reoffending when someone returns to their community after incarceration.

What transitional services and supports are planned in the new mental wellness strategy?

Hon. Mr. Cathers: Thank you, Mr. Speaker. What the member seems to be missing is recognizing that, while the mental health strategy is an inclusive document, it is primarily focused on that which is outside of the correctional system. We will continue to build on what has been done to date.

Unlike the member, I have in fact heard positive comments from stakeholders about the services that are offered within the correctional system but, as with all areas of our rehabilitative programming, in the area of mental health services we are continuing to look for where improvements can be made to the services that are provided.

I should note that there is emergency treatment for inmates that is coordinated in cooperation with Whitehorse General Hospital. There is counselling available through non-profit agencies such as the Fetal Alcohol Syndrome Society Yukon, Blood Ties Four Directions and Kwanlin Dün. Many Rivers Counselling and Support Services is another important NGO partner in the area of mental health services. This is in addition to the services that are provided within the Whitehorse Correctional Centre.

I would encourage the member to re-read the document and also to perhaps re-familiarize herself with the improvements that we have made within the correctional system since the days she was Justice minister.

Ms. Moorcroft: Mr. Speaker, what this minister has refused to recognize is that this new strategy fails to address the specific needs of Yukoners involved in the justice system and that this government hasn't delivered on its 2012 commitments made in Yukon's implementation of the *Mental Health Strategy For Corrections in Canada*. In fact, the only

reference to the *Mental Health Strategy For Corrections in Canada* in the new mental wellness strategy is that the title is listed as a reference in Appendix D.

Why didn't this government set goals and expected outcomes to ensure that people in Yukon's correctional system are offered the mental health services they need?

Hon. Mr. Cathers: Thank you, Mr. Speaker. I should remind the member that in fact the Department of Justice has a psychologist on contract to undertake screening, assessment and referrals for treatment of inmates with mental health issues as well as a physician with a background in forensic psychiatry, who is also under contract to provide medication management and treatment for inmates who require such services. Those health professionals are the ones who set out the individual case management decisions as well as make any determinations about what medication is required by inmates within the system.

The member is oversimplifying an issue that is complex. In fact, what has been done and what will continue to be done is a focus on addressing the individual mental health needs of inmates under the direction of the health professionals who have been contracted to provide those services. Of course, our ultimate outcome, as in all areas of correctional programming, is to reduce the rate of reoffending and to help people who have ended up in the correctional system to turn the page and hopefully avoid reoffending.

I would be remiss if I didn't remind the member that there is also a personal responsibility of those people in turning their lives around. Again, I have to remind the member that the system has changed dramatically and improved significantly since the days when she was Minister of Justice.

Question re: Teslin liquor store

Mr. Barr: Mr. Speaker, the Teslin Tlingit elders council met to discuss the proposal to put a Yukon government liquor store in the community of Teslin. The Elders Council invited the minister responsible for the Yukon Liquor Corporation to sit in on the meeting, but unfortunately he couldn't make it. The elders council is an important part of Teslin's community and their meeting echoed concerns that many other community members have been raising.

Mr. Speaker, given that the Teslin Tlingit elders council has given a resounding "no" to the minister's proposed liquor store, will he be continuing his push for a community liquor store?

Hon. Mr. Hassard: Thank you, Mr. Speaker. Of course, the elders meeting — I was invited to it and it was unfortunate that I wasn't able to go, but actually it was on Thursday and I was here.

I have continued to do my community consultation. I have spoken to many elders — some who are in favour, some who are opposed. I am not in any way pushing this, as the member opposite seems to think.

In my response to the petition, I asked if my community members and if the Legislative Assembly would please be patient in letting me continue and finish the community consultation before any decisions are made on this subject.

Mr. Barr: Mr. Speaker, in response to the petition that was brought forward by the community of Teslin against a new liquor store, the minister responsible for the Yukon Liquor Corporation stated that the project would be led by the private sector in a privately built and privately owned building leased back to the government. It seemed that the minister already has this proposed liquor store planned out, all the way down to the manner in which the liquor store will be housed. Add to these concerns coming from Teslin residents is that the minister responsible is both promoting this liquor store while also conducting community consultation.

Mr. Speaker, what assurances can the minister responsible for the Yukon Liquor Corporation give to the people of Teslin that this community consultation is not simply a box to be checked?

Hon. Mr. Hassard: Thank you, Mr. Speaker. Of course, we as the government continually hear from the opposition that we don't plan things properly — "there is not any planning"; "you didn't consult" — and now, Mr. Speaker, here I am, trying to do the consultation. I have talked to the department about planning how this process would proceed, if it was ever to proceed, so that I have the proper information and, when my constituents ask me the question of how this process would roll out, I would actually have the information so that they can get correct information so that they can make responsible decisions on an important subject.

As I have said before, I am going door to door. I am speaking, or attempting to speak, to every single person in the community, and I will continue to do just that. When that hard work is done, we will see what the next steps are from there.

Mr. Barr: Mr. Speaker, people from Teslin want to know where the idea for this government liquor store came from. Last week, we heard that this idea did not come from the Teslin chief and council. A government liquor store isn't found anywhere in the official community plan that was developed with input from a wide cross-section of the community.

Mr. Speaker, did this idea come from the Yukon Liquor Corporation, or did it come from the minister responsible for the Yukon Liquor Corporation?

Hon. Mr. Hassard: Thank you, Mr. Speaker. The member opposite talked about the community plan that we have in Teslin. I am very proud of that plan, but it is important to remember that the plan is a living document and that things change throughout time. Sometimes projects are completed and are taken off of the plan, and sometimes projects are added as well. As I have said before, this subject came up from constituents, was raised to me — asking me how to look into it and to discuss with the department how it could be done, if it could be done.

This was never led by me. I continue to do my consultation, do my due diligence and talk to the people in my community so that we can move forward together and make responsible decisions for the community.

Speaker: The time for Question Period has now elapsed.

We will now proceed to Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 96: *Act to Amend the Income Tax Act, 2016* — Second Reading

Clerk: Second reading, Bill No. 96, standing in the name of the Hon. Mr. Pasloski.

Hon. Mr. Pasloski: I move that Bill No. 96, entitled *Act to Amend the Income Tax Act, 2016*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 96, entitled *Act to Amend the Income Tax Act, 2016*, be now read a second time.

Hon. Mr. Pasloski: It is indeed my pleasure to introduce Bill No. 96, *Act to Amend the Income Tax Act, 2016*. This bill before the House is strictly a housekeeping measure required due to recent changes in the federal *Income Tax Act*. There is no fiscal impact related to this bill, nor is there any impact on Yukon taxpayers. In other words, this bill simply serves to preserve the status quo so I will keep my comments short.

In addition to responding to changes in the federal act, this bill also improves the tax code by replacing certain outdated titles with conventional titles. This will provide the reader of the *Income Tax Act* clarity with respect to responsibilities imposed by the *Income Tax Act*.

Mr. Speaker, the Yukon *Income Tax Act* relies heavily by way of references to the federal *Income Tax Act* for various definitions and calculations. In fact, the word "federal" appears 314 times in the English portion of the Yukon act. All provinces' and territories' various income tax acts operate in a similar fashion. There are many reasons for this structure, but primary among all the reasons is that Canada generally administers the *Income Tax Act* nationally for federal, provincial and territorial taxes. From time to time, federal changes to the *Income Tax Act* Canada will require changes to the Yukon *Income Tax Act* in order to preserve the references to the federal act. This is the case today.

On December 9, 2015, the federal government introduced Bill C-2 to Parliament. This bill introduced a new federal maximum tax bracket on any income in excess of \$200,000. The introduction of a new federal bracket, combined with the way the Yukon *Income Tax Act* references the federal act in section 6, creates unintended consequences that need to be addressed by this bill — Bill No. 96. The Yukon *Income Tax Act* today essentially states that the lowest two brackets mirror the lowest two brackets of the federal system and the third and fourth brackets mirror the highest two federal brackets. This methodology was established, assuming four federal brackets. If not addressed by this technical amendment, the unintended consequence of federal Bill C-2 would result in the income range of the Yukon's current third bracket, which is \$89,401 to \$138,586, being taxed at a rate of zero versus the expected 10.9 percent. Additionally, the portion of the Yukon's fourth bracket between \$138,586 and \$200,000 would be taxed at a rate of 10.9 percent versus the expected 12.8 percent. Clearly,

Mr. Speaker, these are unintended consequences and not a matter of policy. We cannot have Yukoners' income in the third bracket not taxed at all.

Bill No. 96 will restore the rates that were set as a matter of policy. I would like to take this opportunity to remind the House that the appropriate rates set as a matter of policy were recently revised as part of this government's comprehensive changes to the *Income Tax Act* just last year. Those changes provided in excess of \$5 million a year in annual tax relief for Yukon families through broad rate reductions, elimination of the surtax — which is of course a tax on a tax — enhancement of the Yukon child benefit and Yukon children's fitness tax credit.

With the changes to the *Income Tax Act* introduced by this government last year, Yukon taxpayers, whether they earn \$50,000 or \$100,000, face the third-lowest tax bills in this country. Only the two other territories are lower; however, the other two territories' two-percent payroll tax in addition to their income tax effectively eliminates any tax advantage in Nunavut or Northwest Territories. We are proud of our ability to lower taxes last year and to preserve the status quo this year, especially in light of challenging economic events facing governments both across the nation and around the globe. Our record stands out against significant tax increases last year, and so far this budget season, in Alberta, New Brunswick and Newfoundland and Labrador. Several jurisdictions have been forced to introduce austerity measures, such as the recently announced wage freeze in the Northwest Territories. Finally, all provinces except for British Columbia and Quebec are expected to be in a deficit in 2015-16.

I am making these references to other jurisdictions not to criticize them, but to illustrate the financial acumen of our government. The ability to provide tax relief, run surpluses and not impose austerity is without parallel in Canada, and we are quite proud of that record.

Ms. Hanson: I rise to speak with respect to *Act to Amend the Income Tax Act, 2016* — Bill No. 96. Notwithstanding the Minister of Finance's — the Premier's — rather grandiose campaign speech, the fact of the matter is that this bill amends the *Income Tax Act*, as he started to say, to simply harmonize Yukon's income tax legislation with changes proposed by federal legislation.

I thank the officials who were there for the factual briefing that explained the matters here that are contemplated by the proposed changes to the *Income Tax Act*. The only other two points I would make are, in addition to the changes with respect to adding the new tiers are the consequential amendments, to make sure that the language is modernized and that the internal references in the legislation are consistent. The Official Opposition thinks this is largely a matter of consistency and housekeeping and, of course, we will support the bill.

Mr. Silver: I am happy to rise today to speak to the *Act to Amend the Income Tax Act, 2016*. I understand that there are some terminology clarifications and editorial corrections

and that further amendments are to align our income tax legislation with the proposed changes to the federal income tax legislation. I acknowledge the effort and time put into modernizing the *Income Tax Act* and I would like to thank those who contributed to those changes.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Pasloski: Agree.

Mr. Elias: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Hon. Mr. Hassard: Agree.

Hon. Mr. Cathers: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Ms. Hanson: Agree.

Ms. Stick: Agree.

Ms. Moorcroft: Agree.

Ms. White: Agree.

Mr. Tredger: Agree.

Mr. Barr: Agree.

Mr. Silver: Agree.

Clerk: Mr. Speaker, the results are 18 yeas, nil nays.

Speaker: The yeas have it. I declare the motion carried.

Motion for second reading of Bill No. 96 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. McLeod): I will now call Committee of the Whole to order. The matter before the Committee is continuing general debate on Bill No. 96, entitled *Act to Amend the Income Tax Act, 2016*.

Is it the wish of members 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. 96: *Act to Amend the Income Tax Act, 2016*
— continued**

Chair: The matter before the Committee is general debate on Bill No. 96, entitled *Act to Amend the Income Tax Act, 2016*.

Hon. Mr. Pasloski: Thank you, Madam Chair. Indeed, it is my honour to have our Deputy Minister of Finance, Kate White, here. I would like to also acknowledge the work of all of the excellent people within the Department of Finance to bring this bill forward.

It is my pleasure to speak to Bill No. 96, *Act to Amend the Income Tax Act, 2016*. This bill before the House is strictly a technical measure required due to recent changes in the federal *Income Tax Act*. There is no fiscal impact related to this bill, nor is there any impact on Yukon taxpayers, so I'll keep these comments short.

Section 4 of this bill amends section 6 of the *Income Tax Act*. Section 6 of the act pertains to income tax imposed on individuals. The rates are unique to the Yukon and, as I mentioned in second reading, are very competitive on a national level. The brackets are harmonized with the federal brackets by way of reference to the bracket definitions in the federal *Income Tax Act* section 117. Federal Bill C-2 — the so-called “middle-class tax cut” bill — introduced a new federal tax bracket beginning at \$200,000. The introduction of a new federal bracket, combined with the way the Yukon *Income Tax Act* references the federal act in section 6, creates an unintended consequence that is addressed by this bill — Bill No. 96.

Bill No. 96 includes a few minor consequential amendments designed to provide clarity to the act. One item I will speak to directly is with respect to the various sections where the word “Commissioner” is being amended. The *Income Tax Act* uses the word “Commissioner” with respect to the Commissioner in Executive Council — meaning Cabinet — and with respect to the Yukon Minister of Finance. This is an antiquated reference, which will be replaced for the sake of clarity, with more meaningful references. This is housekeeping in nature in that no roles or duties will be affected by these changes.

We are quite proud of our record of maintaining Yukon's favourable tax environment. A competitive tax system makes Yukon the best place to live, work, play and raise a family. It is also required to promote investment in the Yukon.

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

Ms. Hanson: In terms of the language that the minister was just referring to, I think I understand the intent there. Could the minister explain what is used in other jurisdictions with respect to — when we're talking about an action that is taken and the approval in terms of the Commissioner and the

Executive Council, what is the equivalent, say, in Alberta or British Columbia?

Hon. Mr. Pasloski: This is an attempt to reference that — sometimes in other jurisdictions, they are trying to refer to the Lieutenant Governor and sometimes to the Minister of Finance, so what we have done, as I have mentioned, is try to create clarity by making the change with respect to the Commissioner in Executive Council, meaning Cabinet, and with respect to the Yukon Minister of Finance.

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

We are going to move on to clause-by-clause debate.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Title

Title agreed to

Hon. Mr. Pasloski: I move that you report Bill No. 96, entitled *Act to Amend the Income Tax Act, 2016*, without amendment.

Chair: It has been moved by Mr. Pasloski that the Chair report Bill No. 96, entitled *Act to Amend the Income Tax Act, 2016*, without amendment.

Motion agreed to

Chair: Carrying on to the next matter before Committee of the Whole — continuing general debate on Vote 7, Department of Economic Development, in Bill No. 23, entitled *First Appropriation Act, 2016-17*.

Do members wish a brief recess?

All Hon. Members: Agreed.

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

Recess

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

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

Chair: The matter before the Committee is continuing general debate on Vote 7, Department of Economic Development, in Bill No. 23, entitled *First Appropriation Act, 2016-17*.

Department of Economic Development — *continued*

Hon. Mr. Hassard: It would just like to thank Deputy Minister Justin Ferbey for being here again today. As well, today, we have joining us Barb Dunlop. I will sit down and we can carry on where we left off last time.

Ms. Hanson: I thank the minister. I think where we left off last time was that I had, during the course of the discussion on May 2, there were a number of questions that I had posed and the minister had not had an opportunity yet to respond to those questions. Perhaps we will use this afternoon to seek responses.

The minister hasn't had an opportunity yet to respond to those questions so perhaps we'll use this afternoon to seek responses now that we have the outline of the department on the record.

I wanted to come back to — I have a number of areas that I will want to speak to or ask the minister questions on, arising from the discussions on May 2. In his opening remarks — well, it was a continuation of his opening remarks; he seemed to go on quite a long time — he made references to departmental support for a number of tourism and business initiatives. Then in another area, there was considerable discussion where the minister said there had been — and I'm quoting: "... significant investments by foreign-based companies..." and that this has resulted in the development by the department of "... a long-term partnership and collaboration with the Yukon Mining Alliance".

Again, in his continuation of his opening remarks, he talked about this whole area of how that relates to the work on a pillar of the Yukon economy — similar to the work that has been developed in terms of a long-term partnership and collaboration that Economic Development has, according to the minister, a very extensive list of how that operates — my question to the minister is: Has Economic Development a similar plan and a long-term partnership and collaboration with the tourism sector — to quote the minister: "... to strategically plan investment-attraction initiatives in a manner that is industry-led and government-supported"?

Hon. Mr. Hassard: Of course, the Department of Economic Development provides funding to assist businesses and organizations in the tourism and cultural industries through the Yukon Film and Sound Commission, the Regional Economic Development branch, and the Business and Industry Development branch.

Examples of current initiatives supported by the department include: the Tr'ondëk-Klondike world heritage site UNESCO world heritage site nomination process; the Town of Faro tourism strategy; the Yukon First Nations Culture and Tourism Association building markets for artisans; and the Association franco-yukonnaise bilingual mobile tourism application.

Madam Chair, in terms of investment attraction strategy, the department involves a relationship-oriented approach with the goal of building stable networks between First Nation industry, government and investors. The department continues to strengthen the existing relationships with First Nation

development corporations, industry and industry representatives. This includes a coordinated effort to ensure an effective and consistent promotion of Yukon and its resources. The government has recently created a new unit focused on increasing investment in the Yukon — the investor relations unit.

The mandate of the unit includes current investment attraction activities, key after-care for investors once they enter the market and efforts to promote a competitive business environment within the Yukon. Government of Yukon recognizes the desire to be responsive to industry needs and cognizant of the requirement for long-term planning and achievement of goals.

Recent prioritized regions include North America, Europe and China and, as well, to be explored in 2016 are the areas we're looking at are South Korea, Japan and Singapore.

Ms. Hanson: The minister's last comments are precisely what I was getting at. In terms of investor relations, what's the target? When he was talking at the outset and most of his emphasis during his comments on May 2 — the emphasis was on the resource-extraction sector. I was asking him if there was a similar strategic approach being taken with respect to another significant pillar of the economy — or potential — given what we have seen happen in other jurisdictions. I think my colleague from Mount Lorne-Southern Lakes aptly referenced the experience in jurisdictions like Iceland, which suffered a serious, serious economic crash right after the market crash. Are we similarly looking at developing other pillars?

When I ask about an economic development strategy, what the minister has identified in his response is a series of projects that have been funded. What I would be looking for is for him to explain to this House how those fit into any strategic approach, because if you have a strategy, you would set certain measurable outcomes that you are attempting to achieve — whether it's able to demonstrate. He said that there has been significant investment by foreign-based companies. What are they? What has been the return on what we have expended in terms of getting those investments by those foreign-based companies? What tangible benefits does the Yukon economy have to show for the expenditure of economic development resources in that area?

Hon. Mr. Hassard: As I mentioned earlier, I talked about some of things that Economic Development provides funding and assistance to through Tourism and Culture. As well, Madam Chair, the department continues to work with small and medium enterprises. The government, of course, is committed to providing programs and services that support and stimulate the development and growth of Yukon's small- and medium-sized enterprises. Along with the business development support and information, the department provides advisory services to those small- and medium-sized enterprises through partnerships with non-governmental organizations, industry associations and through direct assistance.

In February 2015, the department established the Enterprise Development Services office, and Canada Yukon

Business Centre services are now being delivered by the Enterprise Development Services through a partnership with CanNor, and this service centre is in the process of developing a new website and increasing library services to meet the needs of its clients.

For several years, the department has funded the Whitehorse Chamber of Commerce for initiatives that provide training and development support to small businesses and is committed to a continued partnership with the organization to support the goal of small business success. Of course, the department continues to work with Däna Näye Ventures to deliver both the business development and microloan programs.

Another way we work is through the regional economic development fund. It was established in 2004 to support an inclusive and comprehensive approach to developing regional economic interests. Between April 1 of last year and June 28 of this year, there were 38 projects from Yukon communities approved through the regional economic development fund for a total of just shy of \$581,000. These projects included implementation of a municipal economic development strategy, due diligence and feasibility studies of potential First Nation business ventures across a number of sectors including renewable energy, tourism, transportation, environmental remediation and community economic development as well as attendance for a variety of stakeholders at networking and educational events.

Ms. Hanson: The minister has outlined that there have been a significant number of projects funded since 2004 under Regional Economic Development. Since that time — 12 years — has the Department of Economic Development identified key themes that would maybe help crystallize into developing a strategic approach? When I asked the minister on May 2 and indicated that I had understood that there was some work being done to develop a municipal economic development strategy, the response was that, in fact, that was a project that was funded for the City of Whitehorse.

We have the Yukon government, through Community Services branch — and the proposal was included in some of the discussions with Association of Yukon Communities around using the *Municipal Act* and the amendments process that was concluded on that to enable those municipal governments that wanted to look at economic development to look at opportunities for economic development — that was precluded, so I am looking to the Department of Economic Development, rather than one-off projects. Is there any work being done with the Association of Yukon Communities? I think it's great that the City of Whitehorse — my understanding — and having talked with folks and sat in on the presentation that the City of Whitehorse economic development officer did at I think a chamber event earlier this year — that outlined some of the broad, thematic areas for their economic development strategy. That is exactly what you want to see, but what I am looking for is building that out.

What linkages are being made? Are there, in fact, terms of reference for that? Yes, I understand that through the community development fund and other sources of funds —

we have the Faro tourism strategy and various workshop attendances by participants at the Federation of Canadian Municipalities, but the FCM is also really clear that there is a need to support municipal governments in developing those opportunities for municipal economic development.

Since 2004, we have one regional economic development plan — nada in the rest of the territory. We have the municipality of Whitehorse, which has done it through a project — again, I'm looking for what strategic approach this minister is directing to be put in place?

Hon. Mr. Hassard: Of course, I think it's important to remember that all communities are different. We cannot necessarily have a cookie-cutter approach when dealing with economic development initiatives in communities throughout the Yukon. There are probably more one-offs than maybe the member opposite would like to see but sometimes that's the way it works.

In terms of community economic development initiatives, the department works with First Nations, First Nation development corporations, local governments, communities and community-based organizations to facilitate strong, economically self-reliant regions and communities. The branch supports economic and social development projects and works with communities from project concept generation to implementation for First Nations and First Nation development corporations. This includes areas of activity such as opportunity identification, inter-development sector planning and corporate capacity development for municipalities and NGO's with economic development mandates. This can include areas related to community-based investment attraction, small business retention and expansion activities, along with other activities related to the economic development function. For a host of community-based societies and agencies, this can mean assistance with accessing funding and advice through the community development unit for worthwhile projects related to community wellness, social offerings, sport and recreation, as well as tourism and general community asset enhancement.

I won't go through each community and talk about the things that we have done. I believe that the member opposite is aware of that already.

Ms. Hanson: I guess, at the risk of not having to go through the list project-by-project over the last umpteen years, we'll skip on. I had asked the question — and I would like the minister to answer this question because, when he replied last time, he didn't answer it on May 2.

My question was — it's my understanding that the policy review process that had been underway for the Yukon Film and Sound Commission has either been suspended — that it's not occurring or it has just ended somehow. He indicated in his response that the government is committed to reviewing it. There was a review underway, so is the review underway? Has it been suspended? If it has not been suspended, when will the review of the Yukon Film and Sound Commission incentive program be completed?

Hon. Mr. Hassard: Of course, we do remain committed to reviewing the media programs to ensure that

they are competitive, to keep pace with changes in the industry and to keep pace with changes being made to programs available nationally as well as in other jurisdictions. The recent announcement by Canadian Heritage to strengthen Canadian content, creation, discovery and export in a digital world has presented stakeholders and media creators with an opportunity to reflect on how content is created and distributed in a digital age. It will be critical to Yukon to ensure that our film funding review addresses any change to national funding programs.

The department is considering adjustments to existing programs that will allow for the funding of digital media projects to meet the immediate needs of stakeholders while the federal review is being undertaken.

After meeting with groups and individuals with an interest in a strong economic media industry, the department has prepared a “what we heard” document, and this document is currently being analyzed internally and is expected to be made public once the analysis is complete. I think it’s important to note that we need to take our time and ensure that we go about this in the proper fashion. Once the report is completed, then we will have it out there.

Ms. Hanson: To confirm — digital media is not currently covered under the Yukon film and sound incentive program. I would like the minister to confirm that is correct. He is saying, “Be patient; we’ll get to it sometime.” But one of the realities — the harsh realities — for people involved in media, film and sound production in the Yukon is that digital production is now. It’s not to wait another couple years to see how this evolves.

When will this “what we heard” document be released? What is the minister’s forecast for when those people who are involved in the Yukon film and sound sector — all of the media production industries, development and related industries — will be able to anticipate that a full review — because he didn’t answer my question of whether or not the review has been suspended, and he sort of talks about it ongoing. If that review is intended, when are the policy changes forecasted to be implemented with respect to the inclusion of digital media?

Hon. Mr. Hassard: Of course, the review has not been suspended; it is ongoing. I think it’s important to note that the department is trying to take their time and make sure that the review is done properly — I mean, another example of being criticized for taking our time and doing things correctly, Madam Chair. I don’t know.

Ms. Hanson: When it goes into multiple years, you sort of wonder what time is time and when time is money, and we’re talking about economic development. It is focus, Madam Chair, that we’re talking about.

Speaking of “focus”, the minister in his comments — and certainly through the process of debate in the Legislature over the last while, I did ask a few questions with respect to the fibre optic link. I just wanted to have the minister confirm for the record. In various briefings and in statements made, government sources have stated that the fibre optic link — the

preferred option — as stated by the minister for this government — is the Dempster fibre optic link.

This link is to be government-built and privately managed, and then he had stated that no decision had actually been made. So the question is, one more time for the minister: Is the government going to build and then hand over this asset to industry to manage and operate? In doing so, what guarantees do Yukoners have that the benefits that we have heard touted in terms of promoting the link will actually come to fruition?

What guarantees — if it’s the Yukon citizen who is being asked to foot the bill for this, and/or it sounds like a Hail Mary pass to the feds to get involved in financing a portion of it — do we have to ensure that Yukon citizens will receive the required level of services? We have just gone through the sad tale last week — spoken of in this House in terms of the actual services being provided — about the download speed levels for Yukon citizens versus their neighbours to the east of us.

We’re looking for assurances that are being built into this business model in terms of levels of service and at competitive prices. What kind of modelling has been done? We asked this last year and we couldn’t get any information from the minister of the day, so we’re hoping that this minister will be more forthcoming with respect to public investment in a private venture and what assurances citizens have.

We have mentioned before in the Yukon’s submission to the House of Commons Standing Committee on Finance that they estimated the cost of this fibre optic link at \$32 million, but yet — in September 2015, I think it was — the government indicated that the total capital construction costs were to be \$61 million. I guess, for the record, it would be useful to know what the actual projected cost is. What is the financing model that will be used?

Has the minister completed the detailed basis for his decision in terms of the business case for this redundancy link with the Yukon, given that he says that it is going to be completed by 2017? It would be hoped that, by this stage of the game and given the commitment by the government and this minister to see it completed within a year — 18 months, I guess, at the outside, if we’re going to give him the full benefit of the whole year of 2017. What lifecycle costing has been done? What economic analyses are available? When will the public be apprised of the full costs and analyses of this project so that it is on the public record?

Hon. Mr. Hassard: As I have said in this House on more than one occasion, we don’t know the final cost on the project because we are still in the engineering stage of the game. The route that was decided on, as the member opposite said, was the Dempster route. The idea was to enhance service reliability and redundancy. Of course, I have talked lots of times in here about fast, affordable and reliable service. The most important component of that in this project would be the reliability. Once we have that redundancy, we certainly will have a lot fewer cases of a cut line creating a loss of services for the entire Yukon for extended periods of time. The new fibre optic line would connect the Northwest Territories with Yukon and is the best way to provide this robust protection to

critical telecommunication services in more Yukon and Northwest Territories communities.

Foundational economic infrastructure: this link would provide long-term, diversified infrastructure to deliver increased protection to the telecommunication services for Yukoners and local businesses. Completion of the project will bring benefits to all Yukoners and to communities in the Northwest Territories along the Mackenzie River, including the satellite-served communities throughout the north.

As we have said before, this is a partnership between the Yukon, Northwest Territories and Canada. We look forward to working with all of those governments, as I mentioned, to explore financial contributions. I am not going to stand on the floor at this time and give a number, because I know what happens when we give numbers prematurely before we have finished all of the detailed engineering. I would just as soon wait until we have all of the information before I start to hand that information out to the public.

Ms. Hanson: I am asking questions that are material to the determination of whether or not this is the most feasible and viable project. I am not looking for platform statements, assertions or platitudes that this is a great idea. People know there is a need for a redundant fibre link in this territory, but as the Minister of Economic Development, I am asking him. At what point will he have a business case that he will share with Yukon? If he is not prepared to tell me now, when will those detailed engineering studies be completed? When will there be a basis to make an informed decision so that we can understand how he intends to have this completed by 2017?

Hon. Mr. Hassard: As I have said before in the House as well, we have allocated \$500,000 in this fiscal year to perform the final engineering and permitting work for the project. When that information is available, I will be able to provide it to the members of the Legislative Assembly.

Ms. Hanson: I am trying to draw a line between the minister's assertion that this line will be completed in 2017 and his statement that he is still doing studies.

At what point does he stop studying and when will he make available to the Yukon public the actual business case and the details — the data — that will corroborate his statement that this is going to be feasible and that it will be built? What we've seen over the years, Madam Chair, is study after study after study, here and there. It's like a squirrel — shoot, shoot, away you go. Yukoners are tired of that. Madam Chair, they are looking for a clear vision of where you're going. If the minister is talking about building the Dempster fibre optic line, then make the business case for it and show people with some assurance that he actually knows what he's talking about. That hasn't been demonstrated to date, Madam Chair.

I'm simply asking: When will those studies be completed? When will we know if this is just another dream that people have been waiting for, for years? Many businesses, many start-up companies in the technology and innovation sector need to know that this fibre optic line is going to be operating. If this is not the one that is going to be built, then what is plan B? We have sunk a lot of money into

this over the last few years and built up many expectations that this will be built. It's a reasonable question to ask at this stage of the game. What assurances can the minister give that this is actually going to be completed, as he keeps stating in this House, by 2017? Or is he talking about completing the study in the 2016-17 fiscal year and starting another study sometime this summer? It's reasonable for people who are pinning making the decision on whether or not to invest in building businesses in this territory to know whether or not this is actually going to happen.

We talk about supporting and diversifying this economy. This government seems unable to deliver this aspect. It's absolutely vital.

Hon. Mr. Hassard: Unfortunately, the money tree doesn't seem to be putting out as well this spring as I had hoped it would, so we have to continue to plan and do things in a responsible fashion.

We have done the reports, we have done the studies, we have determined that the Dempster link was the best route over the Juneau-Skagway link. It provided the redundancy for the most Yukon communities. It's beneficial for the Northwest Territories as well as Nunavut. We get criticized for not planning, and then when we try to plan, we get criticized again. We are told we need definite numbers before the engineering is out. If we give a definite number, then we're criticized because, when the engineering was done, our number was wrong. So, Madam Chair, I am not going to tell the member what date the fibre is going to be hooked up and done. I'm not going to tell the member to the dollar what it is going to cost to do it. When I know that information, I will be glad to share it with everyone.

Ms. Hanson: So I just heard an undertaking, Madam Chair, that the minister will make public those studies. He will make public those reports.

I just want to ask one more time — the minister said he would make those public. We will look forward to receiving those. Madam Chair, can the minister confirm that it will be this calendar year that those studies will be completed and that he will have that information upon which he will make his decision? The second part of that is: How is he asking the money tree — wherever that money tree is that he refers to — for an investment here?

Is he inviting the federal government to invest in this when he doesn't know how much he's asking for? He has two different amounts, Madam Chair — one of which is a submission to the Department of Finance and another one that he has said in September of last year. It's kind of hard to know. If I was the federal government, I would be saying, "Well, what are you asking for?" If the minister cannot tell us at what point he's going to know how much he's asking, this makes it kind of a challenge to even imagine that it's going to get built.

Hon. Mr. Hassard: One thing I will commit to, Madam Chair, is that we will continue to do the due diligence and we will do the hard work to work for Yukoners here. We do understand the importance of the IT sector to the economy to the Yukon. We'll continue to work with YITIS and all of

the other organizations involved and continue to strive for receiving the best service we possibly can on their behalf.

Ms. Hanson: I know the Member for Klondike has a number of questions he wants to get into and I know we'll get into more when we go through in line-by-line debate. I just want to clarify something. When we spoke on May 2 and we were talking about, in response to some questions that I had about film and sound or the film fund review — the minister referred to it as a film fund review — at one point, he said, "Currently, we have... 271 productions with \$7.852 million since April 2013". He goes on to say, "As of January 28 of this year, over \$8.3 million has been awarded to 428 film..." so that seems like quite a significant jump. I'm just asking him to clarify which number is correct?

Hon. Mr. Hassard: Yes, I did say that we've provided 271 productions with \$7,852,743 from April 2000 to date; and as well, Madam Chair, the government, through the Film and Sound Commission, from April 1, 2015 to January 28, 2016, has approved 20 film projects for funding under the film incentive program, providing approximately \$965,000 in support to filmmakers.

Ms. Hanson: Madam Chair, I would suggest the minister may want to check with Hansard then because that's not what they quoted and he may want to read what he says because it does say, "... 271 productions with \$7.852 million since April 2013". It goes on to say, "As of January 28 of this year, over \$8.3 million has been awarded to 428 film- and sound-related projects and initiatives". It sounds like we have a huge jump within a year and that's not what he just said, so he may want to check the record of the millions and thousands or whatever. I know — what's \$1 million to Ec Dev?

Mr. Silver: Madam Chair, I would like to thank the officials from the department for their time here today. I would like to thank the minister for answering a lot of my questions on the fibre optic line during private members' day. After the Official Opposition has gone through their list of questions for the Department of Economic Development, I have only three questions left here.

Madam Chair, I was wondering when the department's next economic forecast will be released; what is the department's forecast for the Yukon's GDP for 2016; and also if they can confirm the final numbers for 2015?

Hon. Mr. Hassard: Thank you. We are hoping to have the outlook ready by the end of this month.

Mr. Silver: That answers the first question — the end of the month for the forecast being released. Does the minister have any numbers for the forecast for the GDP for 2016 yet and does he have the final numbers for 2015?

Hon. Mr. Hassard: We do not have the final numbers for 2015 yet, as they are still being worked on, and we don't have an accurate number for the forecast for 2016 yet, either.

Mr. Silver: I will move on to a question on UNESCO. As you know, last year there was unanimous support here in a motion supporting the efforts of the Tr'ondëk Hwëch'in to have the Klondike region recognized as a UNESCO World Heritage Site. The question to the minister is: How much, if

any, funding is being provided to this project this year and also, what is the total financial commitment to this project?

Hon. Mr. Hassard: We did approve funding through CDF for the UNESCO application in the last CDF application. There was a press release — a news release — out on it and I don't remember the dollar amount that was attached to it at this time.

Mr. Silver: I was wondering if I could get the minister to confirm through a legislative return that would allow us to know how much money is being funded this year and also the total financial commitment to the project.

Hon. Mr. Hassard: Yes, I can do that.

Mr. Silver: I will move on to the outfitters survey. The department let a contract for a Yukon outfitters socio-economic profile and situational analysis. That was for \$79,000. A question for the minister: Has any product been received? Will it be released publicly?

Hon. Mr. Hassard: This project is expected to be completed later this spring.

Mr. Silver: That answered the question on when it will be released publicly. Can the minister expand on some of the product that has been received to date?

Mr. Hassard: A project was awarded to McDowell Group in the spring of 2015. We are expecting to have that report this month. I am not sure when it will be released to the public, but the idea was to prepare information for a 10-year period from 2005 to 2015, with an added assessment on socio-economic impacts and a situational analysis of the industry. A strategic industries development fund project for a public relations and media marketing campaign was also approved by the department and initiated by the Yukon Outfitters Association in early 2015.

Mr. Silver: Thank you to the minister for that response. I just have one final question. I know we have talked a lot about the Film and Sound Commission. We know that these programs, as far as funding, are in desperate need of a revision to reflect the recent evolution that is in the industry. Digital media in particular is in dire need of incorporation into Yukon film funding programs. We have had a conversation in the Legislature about identifying the requirements to review and update current funding programs to address digital media and other funding. We were also privy to some communications inside the industry itself. There are those in the digital media industry — some, not all — who are having a discussion as to whether or not the Film and Sound Commission should change ministries. I was wondering if the minister would like to add his thoughts on that conversation as far as whether or not he thinks, or his department feels, that this is the best place for the Film and Sound Commission or if they are contemplating moving it into another department.

Hon. Mr. Hassard: The member opposite is correct, but there seems to be kind of a split on that. Some people are very in favour of keeping it in Economic Development; others are in favour of having it all in Tourism and Culture. At this point in time, I don't see us changing it.

Mr. Tredger: I just wanted to ask a couple questions of the minister on the knowledge economy and investments

we're making in the knowledge economy. This winter, I had the opportunity to meet with a group of international consultants and talk about what would attract them to the Yukon. They tend to be very high-paying and highly-skilled jobs. They are usually mid-life, they are very well-educated, and they like an active and a healthy lifestyle.

When we were talking, they mentioned a number of things. Weather was a primary, and I happened to be talking to consultants from Australia, and the warm weather attracted them there, but there were other areas and things as we began to discuss this that would have a real advantage here. Number one was access to an international airport. When we talked about that, they felt Yukon was isolated until I explained to them that I am a five-minute drive away from an airport that has next-to-free parking and access to the Vancouver International Airport, which is two hours away, making me as close to an international airport as they were when they had to drive into the city.

Internet access was the second thing — high-speed Internet access — and I know that we're behind the score on that one, but it is certainly something that investments would improve. The third thing was lifestyle. We talked about the weather, but also they mentioned activities like mountain biking, outdoor access, canoeing, ability to find a home in country residential as relatively close. All of these things were highlights and it got me thinking. We're investing a lot of money in tourism and we're investing a lot of money in attracting mining investments to the territory. I know that the ministers opposite have been going to various countries around the world to advocate and to promote the opportunities for mining.

I'm wondering: How much does the Department of Economic Development spend on attracting the knowledge economy? How much lobbying has the minister done with his colleagues to improve our Internet access? Finally, how much advertising in consultant magazines and in knowledge economy magazines are we doing to try to get some of the myths that are out there about the Yukon out of the way and promote the good things that are happening in the Yukon?

Hon. Mr. Hassard: Firstly, I want to explain to the minister that I am not in charge of the weather. That's not under Economic Development; that's a federal responsibility.

Madam Chair, in terms of economic diversification, private sector growth is one of the top priorities of this government. Over the past three years, the Department of Economic Development has moved quickly in a number of areas related to the ICT and telecommunications development. The Technology and Telecommunications Development Directorate has been operating since 2013, and they have a mandate to improve the Yukon's telecommunications environment. Through this directorate the Government of Yukon is supporting and working with major contributors to the evolution of Yukon's ICT environment — the Cold Climate Innovation, Yukon Information Technology and Industry Society, and the Technology Innovation Centre.

The Yukon government has invested over \$1 million in technology communications and innovation

commercialization-related projects in 2014-15. This included a machine that separates plastics from compost material, a smartphone map application that can operate in remote locations without a cell signal, and the community-based facility, YuKonstruct. I know the member opposite was talking recently about going down and seeing the great facility there.

I think what the member opposite is talking about is important. One of the key components to that is the Dempster fibre link. We understand the importance of the IT sector to the economy of the Yukon. That's why we are continuing to move forward and try to improve Internet services and create that redundancy here in the Yukon so that we can attract more businesses in that sector of the world.

Mr. Tredger: I'm not sure the minister understood my question. I was looking for what we were doing to attract people in the knowledge economy to the territory. I understand that the minister can't change the weather. I understand that the minister is working to the best of his ability on Internet access.

When we want to bring tourists to the area, we talk about things that we can do to counter some of the myths — “the Yukon is always cold” and “the Yukon has many mosquitos” — by presenting the reality out there that attracts people to the territory. When we're talking about people in the knowledge economy, people who are consultants to companies around the world and who need access internationally, one of the things that I would be looking for from the Department of Economic Development is, first off, a knowledge of how many workers are working in the territory. How many and in what sectors, and what has attracted them to the territory? Then I would look for some targets from the Department of Economic Development as to how many more could we attract. To my mind, this is a highly, highly valuable source of economy for the territory and something that we can look forward to in the future. It's something that we should be working very hard to do.

Has the Department of the Economic Development attended any trade fairs or trade shows where these young entrepreneurs might be? Has the minister himself travelled to some places around the world to promote the industry and the advantages of the Yukon? When I look around here, I think that we have a competitive edge, that we need to get the message out, that we have it here, that we have a lifestyle, that we are close to an international airport — well, perhaps we're working on faster Internet access but there are ways around that — so that we can build this economy and not just hope it happens.

Hon. Mr. Hassard: I think that reliable Internet is probably the key to expanding this industry, so I'm not sure that the member opposite is correct in that.

Madam Chair, I will say that the department works very closely with YITIS, or the Yukon Information Technology and Industry Society. It's the technology industry association for Yukon. The society represents approximately 23 Yukon technology companies. The member list — I haven't looked at it this morning so it could have changed — can be found on

the website at www.yitis.ca. Another thing to mention, Madam Chair, is that, according to Stats Canada, over the last six years, Yukon's technology industry has represented between 2.7 and three percent of Yukon's GDP. The department aims to grow this contribution to, hopefully, 3.5 percent by 2017.

Mr. Tredger: Reliable Internet is part of the problem but there's more to it than that. To sit back and say, "We're not going to do anything until we have reliable Internet, because that's the problem", is self-defeating. The knowledge economy includes more than information technology.

I mentioned international business consultants. There are public relations consultants, people who work for companies on hiring practices, people who work for companies on recruitment, people who work for companies on improving efficiencies. These are specialists in their field who can choose to work when and where they want and who can choose to work where they can make their home. They are a highly desirable element that we could add to diversify our economy. The jobs they have are high-paying; the skills they bring are impressive. Some jurisdictions are deliberately trying to recruit them to their jurisdiction.

I mentioned weather as something that we couldn't do much about, but I also sat down with a group of international consultants and talked about things that we could. When I mentioned mountain biking and the resources we have at Carcross, their eyes lit up and they said it's things like that, that would attract them. We have a good school system and access to wilderness. My concern is that if we just sit back, those people will go other places. But there are some myths out there about the Yukon that we can dispel, just as we do when we do tourism commercials.

What I'm looking for is: Has the Department of Economic Development set any targets? Does the Department of Economic Development even know many people — not just in the IT sector — how many economists and how many people who are consultants who work around the world live here? What percentage of the population is it? Once we know that, let's set some targets; let's do some advertising; let's figure out how to attract these people to the territory.

I'm wondering — we have talked for years in here about the knowledge economy and attracting investments — what have we done? I know we're looking at IT, but there's a lot more to that segment than IT. It's one portion of it. So again, I'll ask the minister: Do we have any numbers? How many people are working in the knowledge economy sector as consultants, as economists, as environmentalists — who are internationally renowned and move and work around the world? How many are in the territory — what portion? Has the minister made any effort to find out and has the minister set any targets for the future?

Hon. Mr. Hassard: Firstly, I am going to have to say that I take a bit of offence to the member opposite saying that we're just sitting back waiting for something to happen because the department does work very diligently and I appreciate the hard work that they do every day.

Madam Chair, the department is committed to attracting new residents and increasing the skilled labour force by promoting both the financial and quality of life benefits of living in Yukon. Our residency attraction is important for growing Yukon's economy and meeting labour needs. Building on the recommendations of the residency report, the department is targeting 2016 for the launch of a residency attraction website and the department will work closely with other Government of Yukon departments, other levels of government and other relevant Yukon partners to support an effective and consistent approach to residency attraction initiatives.

Mr. Tredger: I thank the minister for that answer and I hope that his residency attraction will include members of the consulting community and the knowledge community. I would ask that he make an effort to ensure that happens — if it means attending seminars or trade shows or whatever it takes to get the message out there — that the Yukon does have real advantages and meets lifestyle and job opportunities.

Hon. Mr. Hassard: Just for the member opposite's information, we will be launching "live Yukon" next month and that's to share information about Yukon and attract workers to the Yukon.

Ms. Hanson: There are a couple of areas that, on reflection, I didn't touch on when I was asking the minister some questions. I made reference, when we were talking on May 2, but I didn't get an answer, so I wanted to come back to it. It was on the small-business investment tax credit. My question for the minister is: How many entities have accessed the small-business investment tax credit and what is the current threshold for the small-business investment tax credit?

Hon. Mr. Hassard: I don't appear to have that information at my fingertips, but I can commit to getting that information for the member opposite.

Ms. Hanson: I thank the minister for that. I will be looking forward to those two aspects of the question that I asked him. Secondly, I want to go back to one of the key areas for Economic Development as a department. It has to do with developing policies, strategies and programs to support government objectives. This is under the Corporate Planning and Economic Policy branch. One of the questions I have for the minister is: What role does Economic Development play in terms of the economic impact assessment of government programs or priorities? I refer to the stated commitment by the Premier, the Minister of Finance, to local procurement. Has the Department of Economic Development, as part of its developing this information and analyses and advice to decision-makers, looked at, among others — we have referred to this before — what the Sauder School of Business at UBC has done on the economic impact of local procurement? Has the Department of Economic Development done a similar economic analysis of the economic impact of local procurement applied to the Yukon in terms of making the decision and how it is able to measure whether or not the local procurement strategy that is being utilized by the Yukon government is actually effective? If not, when do they plan to do that?

Hon. Mr. Hassard: The department has been in talks with the Yukon Contractors Association about looking at something similar to what the member opposite is talking about.

Ms. Hanson: I think I am talking about something other than stakeholder consultation. I am talking about an economic analysis of the economic impacts of local procurement. It is not anecdotal evidence that we are looking for. We are actually looking at the whole of the — because when we look at the multiplier effect of local procurement of local purchasing, then it goes beyond just one stakeholder group in terms of their benefit. It has everything to do with income tax. It has to do with the role of the businesses vis-à-vis the whole of the economy. When I ask about an economic impact assessment, we are looking at that big picture in terms of the role of the Department of Economic Development. It is good to hear that there is consultation with a stakeholder group; I am looking for the broader picture in terms of the strategic role that department plays.

Hon. Mr. Hassard: The department has done economic impact studies with a few groups throughout the Yukon and is currently working with the contractors association to do an economic impact study on procurement. At this stage, that's where we are at.

Ms. Hanson: To confirm then, we have an economic impact procurement with the contractors association. When we look at the responsibility for economic policy, the minister has the responsibility of not simply — we're looking at government objectives here. In order to determine the government objective with respect to a vibrant local economy, you would expect, then, to be looking at the whole of the economic impact of local procurement, as opposed to just a sectoral approach. Is that sectoral approach that's being proposed — or is being studied right now — simply looking at a quantifiable amount that the contractors association is able to access in terms of contracts directly with the government, or is it looking at the economic spinoff of the contractors association being able to access opportunities for local procurement and contracting opportunities from the Government of Yukon?

I'm looking for the range of issues, the range economic analysis that is being included in this study with the contractors group. What's being looked at in terms of — surely the minister of Economic Development gets what I'm talking about when I talk about the multiplier effect on the local economy of \$1 or \$100 or \$1 million.

Hon. Mr. Hassard: I said in my first response to this topic that the department is just in talks with the contractors association, so I'm not going to try to predetermine what is going to be decided at those talks or in which direction they're going to go, or which items they're going to specifically focus on.

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

We're going to move on then to line-by-line debate, starting on page 7-6 — Corporate Services.

On Corporate Services

Ms. Hanson: Madam Chair, I understand the Department of Economic Development has moved into a new building, so what would renovations for \$100,000 possibly be for in a brand new building?

Hon. Mr. Hassard: That money is for such things as dividers, desks or chairs — that type of thing.

Ms. Hanson: Can the minister confirm the number of personnel, by branch, for Economic Development please, and the number of communications personnel?

Hon. Mr. Hassard: If it's all right with the member opposite, I can get back to her with those exact numbers.

Ms. Hanson: I look forward to getting that information.

Chair: Is there any further debate on Corporate Services?

On Operation and Maintenance Expenditures

On Deputy Minister's Office

Deputy Minister's Office in the amount of \$401,000 agreed to

On Corporate Administration

Corporate Administration in the amount of \$1,208,000 agreed to

Corporate Services Operation and Maintenance Expenditures in the amount of \$1,609,000 agreed to

On Capital Expenditures

On Office Furniture and Equipment

Office Furniture and Equipment in the amount of \$75,000 agreed to

On Information Technology Equipment and Systems

Information Technology Equipment and Systems in the amount of \$3,000 agreed to

On Building Maintenance, Renovations and Space

Building Maintenance, Renovations and Space in the amount of \$100,000 agreed to

Corporate Services Capital Expenditures in the amount of \$178,000 agreed to

Corporate Services Total Expenditures in the amount of \$1,787,000 agreed to

On Corporate Planning and Economic Policy

Chair: Is there any debate?

Ms. Hanson: I am just curious because of the response I have gotten to date. I'm curious as to what product comes out of Business and Economic Research for \$763,000?

Hon. Mr. Hassard: Support costs include communications, contracts for economic surveys, statistical analysis training, travel, program material, membership for the north, et cetera, in support of business and economic research.

Ms. Hanson: Business and economic research sounds like — one would expect that you would have research, data and documents. Would there be economic and business research reports online? What the minister has referred to there — there was not any solid research product. I asked questions earlier about various means of assessing business cases on a whole series of things — we have gone through this for the last while — so I'm just looking to get a bit of an elaboration of what \$763,000 worth of business and economic research buys us.

Hon. Mr. Hassard: That is our research shop, so they do our economic outputs, they do the economic research such as looking at the gold show. They essentially do all of our economic research.

Ms. Hanson: It has piqued my curiosity now, Madam Chair. Does economic analysis of the gold show — is it of the value of the gold show, attendance at the gold show? What is the research associated with that example? We'll just leave that as that example. Perhaps he could explain the approach to research being taken by this minister?

Hon. Mr. Hassard: Sorry, Madam Chair. When I said "gold show" I meant the show, *Gold Rush*. I don't know if that explains it more.

Chair: Is there any further debate?

On Operation and Maintenance Expenditures

On Directorate

Ms. Hanson: I am just curious — it's not often in this government that we see a drop in O&M costs. Here we have more than 50 percent or more of a drop, so what happened here? Did you shuffle? Why has it gone from an actual in 2015 of forecast at \$300,000 and now down to \$125,000?

Hon. Mr. Hassard: The reason for that is that we no longer have a corporate ADM.

Directorate in the amount of \$125,000 agreed to

On Communications

Communications in the amount of \$239,000 agreed to

On Policy and Planning

Policy and Planning in the amount of \$955,000 agreed to

On Business and Economic Research

Business and Economic Research in the amount of \$763,000 agreed to

Corporate Planning and Economic Policy Operation and Maintenance Expenditures in the amount of \$2,082,000 agreed to

Corporate Planning and Economic Policy Total Expenditures in the amount of \$2,082,000 agreed to

On Business and Industry Development

Ms. Hanson: Can the minister explain what means his department employs to provide ongoing assessment and monitoring of the business climate? What product is utilized to convey that, and to whom?

Hon. Mr. Hassard: The Government of Yukon continues to invest to strengthen infrastructure and contribute to the diversification of the economy. Yukon's most recent budget contains the largest capital allocation in its history, helping to counter external forces and challenges and prepare the territory for the next economic upswing. The investment in infrastructure and support of resource development in the north has been identified as having the potential to drive significant northern economic growth and spur Yukon's future prosperity.

Revised estimates from Statistics Canada indicate that the Yukon's real GDP by industry contracted by 0.8 percent in 2014, and this decline follows a 0.8-percent contraction in 2013, which, of course, as we know, was the first annual decline in a decade.

The Department of Economic Development's 2015 outlook forecasts a further GDP reduction of about six percent in 2015. This is largely a result of a substantial decline in mineral production, stemming from the shutdown of the Wolverine mine last January.

On Operation and Maintenance Expenditures

On Directorate

Directorate in the amount of \$523,000 agreed to

On Industry Development

Industry Development in the amount of \$3,950,000 agreed to

On Investment Attraction and Marketing

Investment Attraction and Marketing in the amount of \$717,000 agreed to

On Business Development

Business Development in the amount of \$1,295,000 agreed to

On Film and Sound Commission

Ms. Hanson: I heard the minister several times say that this is a really important area for the government. I am just wondering how that correlates to the decrease in projected expenditures in this area?

Hon. Mr. Hassard: This is due to the re-profiling of the sound officer position as well as various salary adjustments.

Film and Sound Commission in the amount of \$1,338,000 agreed to

Business and Industry Development Operation and Maintenance Expenditures in the amount \$7,823,000 agreed to

On Capital Expenditures

On Business Incentive Program

Business Incentive Program in the amount of \$1,054,000 agreed to

On Dāna Nāye Ventures Business Development Program

Dāna Nāye Ventures Business Development Program in the amount of \$26,000 agreed to

Business and Industry Development Capital Expenditures in the amount of \$1,080,000 agreed to

Business and Industry Development Total Expenditures in the amount of \$8,903,000 agreed to

On Regional Economic Development

On Operation and Maintenance Expenditures

On Directorate

Directorate in the amount of \$302,000 agreed to

On First Nations and Regional Economic Development

First Nations and Regional Economic Development in the amount of \$1,128,000 agreed to

On Community Development Fund

Community Development Fund in the amount of \$3,467,000 agreed to

Regional Economic Development Operation and Maintenance Expenditures in the amount of \$4,897,000 agreed to

Regional Economic Development Total Expenditures in the amount of \$4,897,000 agreed to

On Revenues

Revenues cleared

On Government Transfers

Government Transfers cleared

On Changes in Tangible Capital Assets and Amortization

Changes in Tangible Capital Assets and Amortization cleared

Department of Economic Development agreed to

Chair: We're going to be continuing general debate on Vote 55, Department of Highways and Public Works, in Bill No. 23, entitled *First Appropriation Act, 2016-17*.

Do members wish 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.

The matter before the Committee is continuing 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 — continued

Hon. Mr. Kent: I just wanted to first of all start by welcoming back Scott Milton and Clint Ireland from the Department of Highways and Public Works. They are here to provide support. I know the member opposite has some questions, and I'll just turn the floor back over to her. I'm not sure if I have the answers for some of the stuff I committed to last time but, if not, I'll be able to let her know when she asks the questions.

Ms. Moorcroft: I'll just go back to two areas where I had questions. The first was with respect to the operation and maintenance cost for resource roads. I had asked the minister for a cost estimate, which he said he didn't have at the time, but that he would get back to us. I wanted to ask him about that. The second area was with regard to the cost or service implications of the new 2015 Transport Canada regulations with respect to the Dawson airport.

There are some non-compliant issues in regard to the current Dawson City Airport. There's geotechnical knowledge about permafrost under the runway and there are physical features, such as the approach path, which can't be remediated so that flights are unable to land when there's fog or at night.

I wanted to ask the minister when he anticipates he would hear back from Transport Canada, which has not indicated whether or not they would give approval or provide funding toward changes at the Dawson airport.

I also wanted to ask him to confirm that changes at the Dawson airport — even paving the runway — would be a change that would trigger the new Transport Canada regulations.

Hon. Mr. Kent: I believe that since we were up before, I have tabled a couple of documents: *Yukon Resource Gateway Project — Application for National Infrastructure Component Funding*, January 2016, and an accompanying summary document. I don't believe the O&M figures are in there. I haven't heard back from department officials on whether those O&M figures for the resource roads are available. One of them is the Nahanni Range Road, which would see some improvements. It is currently maintained on a year-round basis, previously to support the Cantung mine and now to support care and maintenance at that mine, as well as some exploration and other activities in the winter that take place along there. Whether or not there would be increased maintenance requirements would depend a lot, I'm assuming, on the level of traffic that would be on the road.

The other roads seasonally maintained are: the Freegold Road to Big Creek, which was the southern access into the Dawson Range, and seasonally maintained roads in the north — on the northern side coming into the goldfield roads and the Indian River road, which is where the publicly maintained roads would end for the northern access.

As far as the extensions to the properties themselves — the Coffee property on the north and Casino in the south — what the O&M costs would be, I don't have those figures, but if they are available, I'll be sure to provide them for the member opposite.

One thing I should take the opportunity to mention is that, due to the increased traffic on the goldfield roads and the Indian River road, in particular, out of Dawson — and increased traffic due to not only placer mining activity but the television productions that are taking place in that area — we did have officials from Highways and Public Works meet with representatives of the Klondike Placer Miners' Association last fall and come up with some new options for servicing and maintaining that road in there this year, just given the increased traffic. There is some additional maintenance that I know will be welcomed by the placer miners and the production crews on those roads for this upcoming season.

With respect to the Dawson airport, the member opposite referenced non-compliance. The two issues that she identified — permafrost and the approach path — aren't really compliance issues. They are just unanswered questions that we have with respect to making a decision on whether or not to pave the Dawson runway.

The permafrost issue, I think, and the geotechnical issue have largely been dealt with. As I mentioned — I think I either mentioned it in Question Period or the last time I was up in HPW debate — there is not a significant permafrost issue under the existing runway. There was quite a bit of geotechnical drilling done, I think, late last year, so that question is largely answered, for the most part. The approach path itself — we have received a verbal commitment from Transport Canada that the approach path is sufficient. We are awaiting a written commitment and I know that Transport Canada is working with Air North on that as well. That's what I heard from the Air North representative on the Dawson City Chamber of Commerce, so hopefully we get that soon. I

haven't had an update from Air North or my Aviation branch officials on that, but I can certainly follow up in the next couple of days on that as well.

For the most part, I don't think paving will trigger some of the new Transport Canada regulations, but it will add a different service level to the Dawson airport if we move on that next season. As I've mentioned, we're anticipating increased operation and maintenance funding of around \$500,000 per year if the runway in Dawson City is paved. A significant portion of the \$11-million capital estimate that we have at this point is for new equipment and facilities to house that equipment that would be required to keep the runway maintained to a different level if the paving goes ahead next year. Hopefully that answers members' questions and I will look forward to some more.

Ms. Moorcroft: I would like to welcome the officials here again this afternoon. I would also like to thank the minister for tabling the *Yukon Procurement Advisory Panel Report* prior to calling Highways and Public Works back for debate in Committee.

I will start with the overarching finding of the Procurement Advisory Panel report that there is a need to recognize the strategic role and importance of procurement and to establish resources, policies and processes that support this view. I am confident that members on both sides of the House would agree with that — and indeed with all of the recommendations — and would give due consideration to all of the recommendations provided.

I would like to know whether the minister anticipates having an initial response to this report before May 24.

I would also like to ask him if he has targeted certain recommendations for immediate implementation and others for the short or the medium term. I note that in the report there is a statement that governments can leverage public funding to promote their economic, environmental and social policies, and there are recommendations dealing with supporting local and First Nation businesses. There are recommendations that address avoiding excessive use of mandatory requirements. For example, for the F.H. Collins contract, there were no local companies that met the mandatory requirements and what happened, as the minister has said, is that the Outside company did hire Yukon workers.

Quite often what happens, though, when companies from the provinces bring their workers to work at a Yukon construction site, is that they don't necessarily pay the overtime wages or the fair wage schedules that are the law here. We have heard about complaints where local workers would be pared back to eight hours a day. If they requested the overtime pay that they were due, then the investigators at Employment Standards branch would do an investigation.

I am wondering if the minister knows how many complaints there have been of that nature. How does the Highways and Public Works minister, as the procurement lead on these contracts, ensure that labour standards and fair wage schedules are enforced, and what is the inspection regime?

I have a few other procurement questions, but I will give the minister time to respond to those and continue.

Hon. Mr. Kent: I would like to thank the Procurement Advisory Panel as well for their work. They started in November and were able to turn their report around fairly quickly for us to table here last week. The date on it was April 15, 2016, and we tabled it last week. Again, a big thank you to them for their work on going through and interviewing a number of our contractors and those who are involved on the procurement side of things.

The panel's report focused on three themes: first, increasing opportunities for Yukon vendor participation; second, reducing barriers to participation; and third, increasing dialogue and building a more collaborative culture around procurement. The immediate next step that the Yukon government, through the Procurement Support Centre, has undertaken is to collaborate with vendors on the Yukon government's response to the published report with the following meetings scheduled for May and even into June, I understand. The first was meeting with the Whitehorse Chamber of Commerce. Obviously their "Look Inside" campaign is focused on local purchasing. That took place on May 5. Presentations were made to the Yukon Contractors Association on May 11 and at the Association of Yukon Communities AGM on May 12 and 13. There will be meetings scheduled with the Yukon Chamber of Commerce, Yukon First Nations Chamber of Commerce, Association of Consulting Engineering Companies, Yukon, and other associations and vendor groups.

The Procurement Support Centre will establish an operational working group and lead government-wide collaboration to respond to the published report. This response will be published on the Yukon government website. In all honesty, I don't believe that, given the number of meetings and the work that is required, our response will be ready prior to the House rising on May 24. However, I can talk about some shorter term action items that we will be undertaking with respect to the themes identified by the panel. The first theme is to increase opportunity for Yukon vendor participation. There are three immediate actions that will be taken. The first is to enhance the supplier directory and establish clarity regarding the definition of a Yukon business. The second is to create more guides for staff, including guidance on local preference. A new guide on how to do business with Yukon government has been reviewed by vendors and will be published soon. The third is to establish guidelines to determine reasonable procurement methods based on estimated values.

The second theme is reducing barriers to participation. We're going to establish best practices to address suggestions or requirements from vendors. Further to that, we will create more short-form procurement documents. The Procurement Support Centre has piloted a new short-form RFP — or request for proposal — which is designed for invitational proposals. In this case, proposals can be submitted electronically, making it easier for Yukon vendors to respond.

The final theme identified by the panel is to increase dialogue and build a more collaborative culture around procurement. Three items that were undertaken with respect to

this theme include: writing a guide for Yukon government staff about which procurement documents and results they can release upon request by vendors; provide more frequent and targeted procurement training to Yukon government staff with the goal of building procurement expertise; and reprogram the tender management system to improve the timing of such things as alerts or changes that come across to vendors. That's something we had heard — the Premier and the Minister of Economic Development and I — at one of the two roundtables that we hosted on procurement.

There are a number of immediate actions that we will undertake, but we look forward to responding in more detail to the panel report once we've had the opportunity to discuss it further with many of the stakeholder organizations that we work with.

Madam Chair, with respect to the question the member opposite asked about the fair wage schedule and Outside contractors, I would have to take that question under advisement and speak with the Minister of Community Services. Obviously there's a significant role for his department in there with respect to labour relations. I would prefer to speak with him.

I'm not aware of any complaints that have come into the Department of Highways and Public Works but, if there are, I'll follow up with officials, as well as the Minister of Community Services, and get back to the members.

My apologies, Madam Chair. I just received a note from the Table that the House is actually set to rise on Thursday, May 26. I know I mentioned May 24, but it is May 26 — we still won't have the response ready by May 26. Thank you very much, and I'll turn it back to the member for additional questions.

Ms. Moorcroft: I didn't mean to throw the minister off base there. I asked him if he thought the response might be available by May 24, so that would be a couple of days before the House rises on May 26. Now that we're all clear that we know what that date is, I'll move on.

I thank the minister for his response. He addressed a couple of the items that I was going to move to next. There is quite a bit in the Procurement Advisory Panel report related to how government needs procurement people who properly understand and can apply the principles of value for money on a whole life-cycle costing basis. There were other comments related to training and procurement that suggested a formal training or certification process.

The minister mentioned there were some training plans underway and perhaps he could provide more details about that. The minister has also spoken about right-sizing contracts and Yukon government procurement practices. It's our understanding that this means that contracts may be broken up into component pieces, so that they are smaller.

I've also heard a lot from different members of the business community and just residents of the Yukon who live and work here about contract splitting. A concern has also been expressed that contracts may have been split, so that the amount of the contract is under the threshold for a direct award or something that is referred to as a sole-sourced

contract as well. What criteria have been used to decide whether or not right-sizing our contracts are appropriate? What does that mean and what has triggered the change in government procurement practices?

We've also spent some time talking about the definition of local businesses. I would like to ask the minister if he could define how the definition of "local business" may change. I think I did already put on the record a question as to whether a multinational corporation that may open an office in Whitehorse but whose interests and headquarter offices are located outside of the Yukon would then qualify as a local business. I'll pause again there.

Hon. Mr. Kent: With respect to the immediate training opportunities and aspects, obviously creating more guides for staff — including guidance on local preference — will be helpful and again, the new guide for vendors on how to do business with Yukon government has been reviewed by them and will be published soon, as I mentioned. Another big thing is obviously on the dialogue and building a more collaborative culture around procurement. There is a guide underway, as I mentioned, for Yukon government staff about which procurement documents and results they can release; more frequent and targeted procurement training; and reprogramming in the tender management system.

Madam Chair, I think all of these things will contribute and many of them will be identified and fleshed out further in our more detailed response to the Procurement Advisory Panel report. When it's available, we probably won't be in the Legislature, but I certainly will make that document public when it's complete. Procurement is something that's extremely important, I know, to members on this side of the House. As I've mentioned, there is a significant amount of government expenditures on an annual basis that has led to contracts — either services, or goods or construction — those types of things. It's extremely important that we get it right and we hear from as many Yukoners as possible with respect to this panel report.

We also, as I mentioned before, need to make sure that we're mindful of the taxpayers' dollars and that we get value for money. That's something we've heard from people. I know that some of my colleagues have heard that on the doorsteps, and I've heard it from people in the communities as well. It's also important to ensure that we get value for money and that Yukon companies are able to compete when there are opportunities. Again, the second theme of the panel report, which is about reducing barriers to participation, will be key in ensuring that Yukon companies can compete to the maximum amount possible.

I don't think that, when we talked about right-sizing projects or that type of thing, we had talked about any sort of contract-splitting. The Yukon government certainly doesn't want to become the general contractor when it comes to these construction projects. In discussions with colleagues from across the country, I know that some governments have tried that, and I think their experience has been largely unsuccessful with trying that — in the discussions that I've had with some ministerial colleagues from around the country.

That's certainly not something that we want to do. We want to make sure — again, in the reducing barriers to participation piece — that Yukon companies can take advantage to the best of their ability, as far as projects go. I know that with the larger projects that are underway right now, the government — the one at Whistle Bend is one of the largest construction projects we've ever undertaken here in the territory. While there are local opportunities on that project, we want to make that we maximize those opportunities. When PCL was chosen as the winning contractor on that, they had undertaken a couple of initiatives to show that they're serious about making sure that there's local benefit. There was the business-to-business meeting, one that was held earlier in the process with all three of the qualified bidders on that project, and then this one that was held after PCL got it, where they were able to again engage with the local contracting community — and service-providing community as well — to identify opportunities where they could participate.

The other initiative that PCL moved on very quickly — and this news release that I'll read from is dated January 28, 2016. It was put out by the Yukon carpenters' union, or the United Brotherhood of Carpenters and Joiners of America, Local 2499. I'll read some excerpts from their news release. It is available on their website. "PCL Constructors Westcoast, PACALTA, and United Brotherhood of Carpenters Local 2499 are again moving to maximize local hire opportunities on a major capital project." The title of this news release, Madam Chair, is "Whistlebend Continuing Care Facility Goes Local". That first line that I read goes on to further say, "An all-employee project agreement was struck recently between the parties to cover carpenter, labourers, safety hands, and other tradespeople under the employ of PCL/PACALTA on the Whistlebend Continuing Care Facility in Whitehorse."

I believe, although it's not a Yukon government project — it's under the auspices of the Yukon Hospital Corporation — the Local 2499 representatives said that it was clear that PCL was pleased with the quality of the Yukon tradespersons the union had to offer on the ongoing project at the Whitehorse hospital and was keen to continue the relationship on the continuing care facilities.

This is another exciting commitment by PCL to hire as many local contractors as they can. I know that one of the major subs on the Whistle Bend continuing care facility is local. Arcrite Northern is the electrical subcontractor on that project. I would stack our contractors, our subs and our tradespeople up against anybody out there when projects are tendered, for the most part.

As I mentioned, 19 out of the last 20 completed projects in the territory have been delivered by general contractors who are based here in Whitehorse. Those are significant projects that are being delivered by those generals — projects like the Alexander Street residence, the Whitehorse waterfront, the new 48-unit seniors facility on Front Street. The Mayo seniors facility was delivered by a local general contractor. That same general is now building the Carcross fire hall. We've seen the Salvation Army design/build being done by a local contractor. The recently completed St. Elias

Residence was part of a YACA agreement with the Kwanlin Dün First Nation and it was delivered by local contractors.

All through the contracting side of things, we are delivering and local contractors are delivering on that. As we move forward, there will be a number of projects to come that will also be delivered by local contractors because they're competitive in their pricing and in their bidding. The recently tendered archives vault expansion at Yukon Archives — I believe there were five bids submitted on that. The top two bids were from Whitehorse-based general contractors. Our contractors are good at what they do, they deliver top quality projects and they deliver them for a price that is competitive with contractors from outside of the territory.

With respect to the definition of "local business", it is defined in our contract regulations. I think the one thing that we want to flesh out — and as we respond to the Procurement Advisory Panel report — is how it's applied, where it's applied, the best way for it to be applied, and under what circumstances it's applied. I have talked to HPW officials. The Premier mentioned that as well in his speech to the chamber of commerce — about the definition of a local business. It is important — not only to the local vendor community — that these local businesses are defined, and it gives us an opportunity to quantify the benefits that the contracts awarded to locals produce as well. We'll look to that definition that's identified — as I mentioned — in the contract regulations and try to get a better sense of how we should apply it, and whether or not it should be changed.

Ms. Moorcroft: There is some discussion in the report about when to construct the evaluation criteria and when to look at a lowest price bid as opposed to a point-based bid. We certainly hear frequently from businesses about how companies that operate in the north understand the terrain, understand the logistics, and that local knowledge can bring success to the delivery of the project.

The local economic benefit is value for money. I wanted to ask the minister: What analysis have they done? How do they measure local economic benefit?

I would point out that frequently we hear that a contract may have been awarded to the lowest bidder who did not bring local knowledge to that contract, and then there would be change orders and cost overruns and the contract would cost more in the end than the higher bids that were put forward by local companies.

I would like to ask the minister if he has asked his officials to do any analysis of that, and if he could indicate whether that is the case and what information they have related to the total cost of contracts as compared to the cost that was bid for it and how that might compare to local bids? I would like the minister to respond on how the government determines the economic import — the actual measurement of local economic benefit.

Hon. Mr. Kent: I'm going to walk through a couple of different issues for the member opposite. The first is the economic impact of capital projects within the Property Management Division — so mostly vertical builds or building construction. This will touch on the major works, but PMD

delivers a host of projects as outlined in the PMD report that I tabled with the Procurement Advisory Panel report last week.

First of all, over the past five years, government investment in major capital projects has 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 the department is committed to enabling and sustaining a strong, resilient local labour force. Local capacity is critical to our ability to deliver both new construction and maintenance projects. The \$301.5-million budget for PMD's top-10 capital projects will — through direct and indirect effects — have an estimated impact of Yukon gross domestic product, or GDP, of \$177 million, including an estimated \$106 million in wages and salaries.

In the 2016-17 fiscal year, PMD will be working to deliver approximately 15 major works projects valued at more than \$130 million and approximately 115 capital maintenance projects valued at \$7.3 million. Since 2010, PMD has delivered more than 850 capital maintenance contracting opportunities to market, valued at more than \$27 million. Most capital maintenance contracts are awarded to local Yukon firms. Between 2010 and 2015, 14 of 15 major capital works projects were awarded to and delivered by Yukon firms, and these contracts were valued at more than \$77 million.

Madam Chair, turning my attention to the Transportation division of Highways and Public Works — over the past five years, our investment in major capital projects has consistently put Yukoners to work. The \$61.5-million budget for Transportation division's top-10 projects from 2011 to 2015 has, through direct and indirect effects, had an estimated impact on the Yukon GDP of \$30.86 million, including an estimated \$14.56 million in wages and salaries. A review of these projects indicates that 70 percent were awarded to and delivered by local Yukon contractors. These contracts are valued at more than \$41 million.

In 2015-16, Transportation division will bring 62 major works projects to market, valued at a combined \$52 million. During 2015-16, 24 of the 29 projects were awarded to and delivered by local Yukon firms, valued at a combined \$28.9 million. That's a local delivery rate of 86 percent.

Some of the projects that went to Outside firms include bridge construction projects. Many of those require specialized expertise. That is where we see some of the projects that didn't go to Yukon companies. Not all, but some that didn't go to Yukon companies were awarded on the bridge-building side of things. These numbers are provided through Property Management and Transportation. They provide that analysis and receive regular updates on projects that are underway from Property Management Division as well when it comes to local benefits as well as what these projects contribute to the Canadian GDP.

Obviously, it makes it a lot easier for us to talk about investments in the north when we can show that a large amount of the material and other goods that are used to build these projects are sourced from the provinces from coast to

coast, essentially; that is the fact of doing business in the north. We don't have a lot of local manufacturing. We do have some, obviously, but there are benefits from these projects to the country as a whole as well. A project that is built in the Yukon or the Northwest Territories or Nunavut is not only good for our jurisdictions, it is also good for the Canadian economy as well.

When it comes to measuring impacts on change orders or additional impacts to projects that aren't delivered by local firms, I haven't asked for that analysis from officials. I certainly can and I will take that up with them. I'm not sure exactly how we would measure that — if it would be through change orders or other aspects — but I will take the member's question into consideration and will follow up with officials to see if there is an accurate way for us to measure how that works when there are change orders. Maybe a change order analysis between local contractors is what happens for firms that are not from the Yukon.

Ms. Moorcroft: I would like to thank the minister for his response. One of the questions that we had asked at the briefing on the budget that was provided earlier in this Sitting was for a table or a list that showed the value of YACA contributions on a number of large projects that were completed by this government during the term since its election in 2011. Some of them are only now completed and others have been complete for awhile. The minister reminded me of that when he answered the question related to change orders, because I have asked in the past for the financial cost of change orders at the Whitehorse Correctional Centre. The Whitehorse Correctional Centre was one of those major projects that we had asked what the value was of the YACA contribution, as well as the Whitehorse airport projects, the Dawson City and Watson Lake hospitals and F.H. Collins Secondary School.

There may be some where there was no YACA agreement among that list, but I think that most of them did have a YACA agreement. I am wondering if the minister has those numbers.

Speaking of F.H. Collins — I did review the Blues of the Highways and Public Works debate we've had so far this Sitting, and I apologize if I've raised this issue before, but I couldn't find a reference to what the total cost of the demolition of F.H. Collins would be and how the contract would address the issue of potential asbestos. I think it's known there's asbestos in that building, but I would like to ask the minister for an update.

Hon. Mr. Kent: Just to touch on this quickly, again, I will put this together in a proper response to the questions raised by members at the briefing, but the only two I can find with respect to YACAs or how long it usually takes to negotiate asset agreements and who signs off on those agreements — if there is an additional one — the member has put it on the record here as well — we will follow up with a list of YACA agreements. Obviously there are other departments that are involved in these — first and foremost, Aboriginal Relations — when these are negotiated. YACAs, I believe, are only with three First Nations: Kwanlin Dün,

Carcross-Tagish First Nation — and I believe the Kluane First Nation also has that as part of their final agreement. Those are the three First Nations that actually have that aspect to their agreements.

Again, I will talk to officials and we'll see if we can put together a list with respect to the YACA agreements and will follow up specifically on the request for the correctional facility as well.

Demolition of the F.H. Collins school is scheduled for this summer. Kwanlin Dün First Nation is being issued a tender request under a Yukon asset construction agreement — or YACA — for abatement of hazardous building material and the demolition and disposal work. I don't have the number with me on what we're anticipating that to cost. I don't think — if the contract has been negotiated with Kwanlin Dün, I don't have that information with me, but I will get back. I do have a little bit more information on the demolition here.

Plans are underway. A tender will be issued to Kwanlin Dün First Nation later this month, with a scheduled completion at the end of August to early September. First phase of the demolition will be removal of all hazardous building materials. Once complete, the remaining structure will be demolished and the site cleaned up to allow final site development to proceed. Additional site development is required under the development agreement for the new school construction with the City of Whitehorse. Items including new turning lanes at the Hospital Road intersection for school access from Lewes Boulevard were completed as of September 2015.

Some of the other required improvements include additional paved parking spaces, new sidewalk connectors to existing parking, paving of an access lane and a possible bus loop to the south of the new school. These final site improvements will be done following demolition, as the design may utilize areas currently occupied by the old school.

There are a number of aspects still to come with respect to the demolition. I know I have met with City of Whitehorse elected officials, and had my officials there as well, and there were concerns raised with making sure that we repurpose and recycle as much material — not only from the old F.H. Collins, but from other demolition projects as well — so that as little as possible ends up in the landfill so that is something. I think the carpentry shop repurposed the wood floor from the gymnasium and I'm sure the other salvageable material will be handled by the contractor as well. I think that's all the information that I have. If we do get more information before the end of day through modern technology, I'll be sure to pass that on.

Ms. Moorcroft: I thank the minister for his remarks and I'm glad to hear that the repurposing and recycling is occurring as much as possible with the demolition project.

I would like to ask the minister where they're putting the demolition materials and, in particular, how they will be handling disposal of any hazardous waste. Also, I would like to put on the record something that we've been debating in this Assembly throughout this entire term and that's the

potential for renewable energy in large-scale construction projects like F.H. Collins. The geothermal component for energy was on the table and off the table and back on the table and, ultimately, it has not been done; however, there are considerable capital funds for the tech wing. There are discussions about potentially the French school going there.

I would like to know if this minister can indicate whether Highways and Public Works does have a mandate to look into the use of renewable energies in projects of this magnitude and even in smaller projects.

Hon. Mr. Kent: Just back to a previous question on procurement — there are actually 1,800 Yukon government officials who have some level of signing authority with respect to procurement, so obviously there's a significant amount of work to do to ensure they're trained up and able to deliver on whatever authority they have — different levels of training and guides that we put together. I thank officials at HPW who are listening and sent that number to us here today.

When it comes to geothermal — sorry, I'll step back. So, the materials from F.H. Collins — we will, of course, work with the City of Whitehorse to put whatever is left and can't be repurposed or recycled into the landfill. Obviously the hazardous materials will be dealt with appropriately and disposed of appropriately. This is definitely a partnership between us and the City of Whitehorse, whether it's this building or eventually the old Sarah Steele Building, which will come down — and eventually the old Whitehorse municipal services building will also be demolished at some point as they move to their facility up at the north end of the Whitehorse airport.

I'll speak a little bit about the geothermal piece at F.H. Collins before turning my attention to some of the other aspects that we're looking at. With respect to geothermal, when the school was relocated to its current site, there was an increase in distance from the well location, so there was more research required to determine the viability of geothermal heating at the school. During the design phase of the contract, geothermal heat was identified as not economically compatible with the school's high-grade heating plant, so HPW is now working with the Energy Solutions Centre to develop a tool to assess various heating sources to ensure the appropriate primary and secondary heat source for any government building.

I don't have the information with me today but, as Energy, Mines and Resources minister, I can inform the House that there has been a significant amount of collaboration between EMR and HPW officials on biomass opportunities. Obviously there's the opportunity that has arisen at the Raven Recycling building. Yukon government participated in that with a financial contribution to assist the proponent and Yukon College and others to get that heating source put in there. More recently, I've had discussions with both the departments I have responsibility for on geothermal opportunities in communities, as well as a geothermal opportunity here in Whitehorse with a cluster of buildings.

The focus right now is on educational buildings and schools in Watson Lake, Teslin and Haines Junction, as well

as opportunities that we're investigating around the Yukon College campus here, to have biomass heating at that facility. I should say as well that there are a number of unsolicited proposals that we're receiving for larger scale biomass projects, but we feel these are manageable ones that we can deal with. We'll move, in the coming months, into a request for qualification and, post-election, we'll be able to deliver as a government on installing biomass into these facilities. I would assume that is the timing — I wanted to ensure that the request for qualifications, and then subsequent request for proposals for that, was done properly, when it comes to biomass.

We're excited about the opportunities. We want to make sure, of course, that the supply line is there so that we're not bringing in pellets or chips or fibre from other jurisdictions. We want to build projects where energy can be sourced locally so that there are the jobs and opportunities created on the forestry side, all the way through to the heating opportunities and the savings that we can see at the facility level as well.

Those are some of the things we're working on in biomass and just a response on the geothermal for the F.H. Collins school.

Ms. Moorcroft: Could the minister explain when the certificate of recognition program may be extended to contracts under \$100,000 in value? The COR program for safety training for construction businesses was rolled out and there was going to be a phased implementation, and the final phase of that implementation never materialized. Could the minister explain why the program was waylaid?

While the minister is looking through his notes, I will put a final question on the record. We had a brief discussion related to the ATIPP review, and the government indicated that they did have some money in the budget to go forward with that. I would like to ask where they are going to start, what the scope of the project is, and when they anticipate getting that underway.

Hon. Mr. Kent: I will turn first to the health and safety aspects that the member opposite asked about. I know she brought this up on the National Day of Mourning, as well as a question during Question Period.

HPW is committed to workplace health and safety for both our employees and contractors. We have launched a departmental health and safety program and we are building a safety management system in-house. All bidders pursuing YG construction contracts valued at more than \$100,000 are required to have COR certification.

The workers' compensation premiums for construction companies have fallen nearly 50 percent since 2009. Our construction workers are safer than they used to be, and we encourage the construction industry to continue to take steps to protect their employees and their business. I know that safety is everyone's business and everyone takes it very seriously — whether it's a small one- or two-person outfit to some of the larger construction companies that have done this work.

Our government will continue to work with companies that have high safety standards and those that acknowledge their own responsibilities to protect their employees. We recognize that the process for achieving COR requires an investment — particularly for smaller companies — but I think it's incumbent upon us to show the benefits. Obviously a 50-percent drop in the rates in the last six or seven years is significant and I think that is something that, as Yukoners, we should be proud of, but also specifically as companies that are in the field — they certainly should be proud of their efforts and what has transpired over the last while as well.

One of the things that HPW is doing is working with, as I mentioned, the Public Service Commission and other departments to identify what a contractor management protocol might look like. Contractors will need to be engaged in discussion and collaboration to review the options. This is something that is in my mandate letter from the Premier, to work with my colleague to develop this important piece.

The prime objective is to make sure that everyone is safe at work, and that \$100,000 threshold was chosen until a time when we can make sure that it's not an undue burden on the smaller contractors and won't compromise the safety aspects that they have.

So this contractor management protocol would be regarded as sufficient for contracting. It's increasingly recognized as containing consistent elements, such as a contractor safety program and practices that reflect the knowledge of the legal requirements. There must be knowledge of the workplace, work tasks, and hazards and practices. There must be meaningful assessment of the contractors' health and safety program. A practice known as pre-qualification is increasingly recognized as an acceptable and appropriate best step for before-hire assessment of contractors. Contractors must be monitored. There must be ongoing communications and coordination of work as well.

These are for some of the smaller contractors we work with on a regular basis in HPW. Again, COR is not just an HPW issue. Obviously the Workers' Compensation Health and Safety Board has a part to play. We work with the Northern Safety Network to deliver training opportunities and those types of aspects for Yukon companies.

Just before the day ends, I'll touch quickly on the ATIPP act review. What we're initially going to do is conduct a public education campaign to establish a base of knowledge and gather broad input in this calendar year. Proposed policy changes will be developed and the public will have a second opportunity to participate during a full public consultation in 2017.

HPW is responsible for the ATIPP act and that's why we are leading the review. We see it as an opportunity to further develop a regime of transparency while protecting personal privacy. Yukon government aspires to develop and adopt legislation that positions us to deliver world-class services to digitally sophisticated citizens and businesses. I should say that Yukon was recognized as among the fastest responders in Newspapers Canada's national freedom of information audit in 2014. There is a lot to be proud of as a government, but

we'll look forward to the opportunities that emerge during this review.

To step back to one earlier question — there has been no demolition price on F.H. Collins as of yet. KDFN will provide a cost estimate to us very soon. With that, Madam Chair, I move that you report progress.

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

Motion agreed to

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

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

Motion agreed to

Speaker: 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. 96, entitled *Act to Amend the Income Tax Act, 2016*, and directed me to report the bill without amendment. Committee of the Whole has also 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: Mr. Speaker, I move that the House do now adjourn.

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

Motion agreed to

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

The House adjourned at 5:26 p.m.