

# **Yukon Legislative Assembly**

Number 15 2<sup>nd</sup> Session 34<sup>th</sup> Legislature

# **HANSARD**

Tuesday, May 16, 2017 — 1:00 p.m.

Speaker: The Honourable Nils Clarke

# YUKON LEGISLATIVE ASSEMBLY 2017 Spring Sitting

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DEPUTY SPEAKER and CHAIR OF COMMITTEE OF THE WHOLE — Don Hutton, MLA, Mayo-Tatchun
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**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 remembrance of Ray Magnuson

**Mr. Istchenko:** Thank you, Mr. Speaker. It is with great honour today that I stand to pay tribute to one of Yukon's transportation pioneers, Ray Magnuson.

Ray passed away this past December after a long battle with Parkinson's disease. Ray was born to parents Manne and Anna Magnuson on March 4, 1937 in Atlin, BC. He was the first child of Manne and Anna, and was followed a few years later by their second child, Ingrid. The times didn't allow Ray to pursue a formal academic education, but there were plenty of life's lessons to be had for a family carving out a living in the remote northern town.

Ray and Bobbie were married May 22, 1956 and wasted no time starting a family. This marriage that endured 60 years was born from a schoolyard romance. Ray and Bobbie had two boys, Robert and Patrick, when they left Atlin and a third, Eric, was born while they lived in Swift River. Their only girl, Sherry, the youngest, was born in Teslin.

Ray Magnuson's career started in the early 1960s when the wonder and excitement of the Yukon's transportation sector called his name. Beginning his career in Swift River as an equipment operator, he and his family would later travel through the territory while he carried out foreman positions in other communities such as Teslin and Haines Junction.

In 1972, when the highways were devolved to the Yukon government, Ray began to look at options for improvements for Yukon highways throughout the territory. In reviewing the costs associated with maintaining the gravel roads, Ray believed there were cost-savings to be found, and he would soon prove it. The harsh weather conditions in the Yukon causes the gravel highways to deteriorate very quickly. This was among the biggest challenges for highway maintenance at the time. Ray believed that there had to be a better way. His research concluded that a possible solution was the use of bituminous surface treatment — BST, as we know it today a treatment applied on top gravel surfaces that would harden and become a more robust surface similar to that of pavement. Used with great success in the south, it was untested in the Yukon climate. While there was a large amount of scepticism — and you can believe that — from his peers, Ray felt passionate that this was a good solution and led the pilot in 1973 anyway.

The first test section occurred on the strip of Alaska Highway near Teslin. After a series of Yukon-specific tests, it was deemed a viable solution for the Yukon gravel highways. Ray was relentless in proving to his peers that this was the right choice for Yukon. Sticking to his guns, BST was implemented on Yukon highways throughout the 1970s and 1980s. Many of us do not remember travelling along gravel roads, dodging the flying rocks and slowly vibrating through the dust. It is visionaries like Ray whom we can thank for the innovative Yukon-tailored solutions to our Yukon highways. BST is still used on the vast majority of our highways. It also remains the cheapest option for our climate and our conditions.

In 1981, Ray began a position as a director of highway maintenance with the Yukon government, a position he held until his retirement in 1990. During his tenure, he led a number of various projects, such as implementation of the new VHF radio system and improving the Yukon transportation maintenance fleet to accommodate the Yukon's growing transportation system and, of course, our growing population. He was also responsible for adding and constructing roads, including the winter road to Old Crow. During his tenure, he expanded Yukon highways by 500 kilometres.

In 1990, Ray received the BC and Yukon National Transportation Award of Excellence for his lifetime contribution to transportation in the Yukon. In 2005, Ray was inducted into the Yukon Transportation Hall of Fame for his contributions to the Yukon highway system. Improvements to our highways have affected the lives of everyone throughout the territory. The highway is not only an important piece of our history, but it continues to serve as a portal for our economic prosperity.

While working on this tribute, I thought I would talk to a few people who have worked with him in the past. I had the great pleasure and the opportunity to chat with George Nagano, who I believe is working his last year with the Department of Highways and Public Works, he told me, at the tender age of 84. He worked with Ray back in the years on the Dempster Highway. He said you knew Ray was in the area when you saw his station wagon coming down the highway. Sometimes it might have summer fuel in it and it might need to get warmed up to get going again. Always being open to new ideas, listening to the different camps and different areas — like when an employee once asked if they could take training for air brakes — that was something Ray supported. George reminded me of something we had all heard at Ray's funeral — something about dynamite, beavers and a culvert being blown up, but I don't really want to get into much more about what Ray had said, or what George had said, Mr. Speaker.

I chatted with Mike Johnson and Mike is in the gallery here today — a previous deputy minister of Highways and Public Works. He told me that when he arrived in the territory to work for a construction company, he had learned that the contractors had respect for Ray. He was seen as a senior YTG person and wasn't regarded as a bureaucrat — more like a

John Wayne figure. If you were honest and fair with him, he was with you. In those days, if you worked for highways and did a day's work, he might ask you if you had any brothers or sisters. I think now we call that the Public Service Commission.

When I mentioned to my dad, Ed Istchenko, who is also in the gallery today, that I was doing a tribute to Ray, he said, "Ray sure was a fair man. He was the one who helped me transfer from Mule Creek to Haines Junction." That was where my mom and us kids were. I do remember missing my dad — being gone all the time — and I was sure glad when I started seeing him home every night.

Improvements to our highways have affected the lives of everyone throughout the territory. The highway is not only an important piece of our history but continues to serve as a portal, like I said earlier, for our economic prosperity.

I'm honoured today to stand and pay tribute to Ray and acknowledge his tireless contributions to the Yukon and our highway system.

I would like to welcome in the gallery today Ray's wife of 60 years, Roberta Magnuson, his children Robert and Sandy Magnuson, Sherry, grandchildren Jennifer, Melanie, Bradley, Cory, Jenny, Staci and Savannah. I think my mom and dad are here, and Michael Johnson is here — so please welcome them to the gallery.

**Applause** 

**Hon. Mr. Mostyn:** Thank you, Mr. Speaker. I also rise today on behalf of the government and the Third Party to pay tribute to Raymond Magnuson, a long-time Yukoner who made his mark on our transportation system.

Ray was born in Atlin in 1937. He grew up on placer mining creeks in and around Atlin and also worked at his family's sawmill. Once he started driving, he hauled railway ties from the mill to Carcross for use on the White Pass railroad.

After meeting his wife Roberta, or Bobbie, in Atlin, they moved to Swift River, where Ray started work in 1960 as a heavy-equipment operator for the Department of National Defence. That was the beginning of a long and innovative career working on the Yukon's highway system.

In 1964, when the Alaska Highway was transferred to the Department of Public Works, Ray followed suit, becoming a road foreman in Teslin and later in Haines Junction. In 1972, he moved to Whitehorse to become the eastern area superintendent of highways for the Yukon government.

Ray was a pioneer, Mr. Speaker. The next year, in 1973, faced with the high cost of maintaining Yukon's then-gravel roads and with the even higher cost of paving them with asphalt, Ray started testing the use of bituminous surface treatment. BST is cheap compared to asphalt and relatively easy to apply, but it needs to be reapplied on a regular basis, as we have all learned. It was used widely and effectively down south at the time, but was thought to be a non-starter in the north on account of issues related to permafrost. Ray didn't think so. He wasn't convinced. In 1973, he applied BST to a four-mile stretch near Teslin. Over the next couple of

years, he extended BST north of Teslin and south through Watson Lake, and he was impressed with the results. BST was working for the first time in the north, and the cost-savings compared to asphalt were significant.

These successful tests helped Ray to convince his superiors that the treatment could be applied in the north and would be an effective way to maintain Yukon highways. Now, more than 40 years later, more than 40 percent of the Yukon's roads are covered with BST, and as the guy responsible for those roads, I am very grateful for his work. It is a lot cheaper for us to maintain them because of that.

Ray became the Yukon government's director of highway maintenance in 1981 and remained in the position until he retired in 1990. That year, Ray received the BC and Yukon National Transportation Award of Excellence for his lifetime contribution to the transportation in the Yukon. His transportation legacy was recognized again in 2005 when Ray was inducted into the Yukon Transportation Hall of Fame as a transportation person of the year.

In addition to his work modernizing Yukon's transportation network, Ray was a passionate and engaged member of every community he lived in, including Marsh Lake, a place he called home for many years. Ray was a dedicated member of the Yukon Order of Pioneers for more than 25 years and served as the president of the Whitehorse Lodge No. 2 in 1979.

Mr. Speaker, the Yukon is lucky to have wooed Raymond Magnuson from Atlin, as Yukoners have benefited considerably from his work to improve the quality and safety of Yukon roads and the strong community connections he fostered over his lifetime. Ray and Bobbie's family, their children and their grandchildren, have dedicated their lives to the public service. That is a true legacy, Mr. Speaker.

With that, I would like to welcome Roberta Magnuson, Ray's wife of 60 years, and their children and grandchildren to the House, including one of my constituents, Melanie Magnuson.

Applause

# In recognition of National Police Week

Hon. Ms. McPhee: Thank you, Mr. Speaker. I rise today on behalf of the Yukon government and the Third Party to recognize Canada's National Police Week, occurring this year from May 14 to 20. National Police Week began in Canada in 1970 as a way to connect with communities and increase awareness about the services that police officers provide. This week is an ideal time to highlight the vital role of the RCMP and that our territorial police service plays in the safety and security of Yukoners and Canadians at large, and at home and abroad.

Yesterday's report was issued by the Civilian Review and Complaints Commission for the RCMP. That report includes 10 recommendations that will contribute to improvements to the force. As many of you know, Yukon's 20-year agreement with Canada for the use of the RCMP is in place until 2032. Indeed, at the signing of the 2012 agreement, we reaffirmed that the RCMP is our police service of choice. We are

well-served by the RCMP in all of our communities. As a matter of fact, recent Statistics Canada figures show that the Yukon is bucking a national trend — not the first time. While other parts of the country have seen the number of police per citizen decline, the ratio of police strength increased in the Yukon in 2016. This is owing to a four-year resource plan for the RCMP and significant investments made in front-line and specialized police services over the last decade.

The Department of Justice has also sought to strengthen reporting to the police about criminal activity and has provided start-up funding and ongoing support to Yukon Community Crime Stoppers Association and program. Our department's work with the RCMP, First Nations, and the Yukon Police Council continues to ensure that the values, culture and history of Yukon are reflected in the priorities of the RCMP. The Yukon Police Council is unique in Canada in ensuring that the voices of our citizens are heard and taken into account in setting policing priorities.

After receiving the recommendations from the Yukon Police Council and advice from the Department of Justice, I recently confirmed the following Yukon policing priorities for 2017-18 with commanding officer Scott Sheppard of the RCMP. They are: to continue enhancing prevention, investigation and enforcement activities related to violence against women; connecting and supporting children and youth, including those at risk; proactively responding to emerging public safety issues and trends in criminal activity; fostering stronger relationships with communities and First Nations; improving responses to vulnerable populations; and improving traffic safety and compliance with the safe-driving measures.

A strong police presence in all of our communities helps the Department of Justice fulfill one of its essential mandates and to support community safety. We work closely with the RCMP to ensure that the administration of justice is well served in all Yukon communities and localities.

The RCMP is a vital partner in our activities. Every year we celebrate the contributions of Yukoners to community safety through the Community Safety Awards. The RCMP, first responders, community programs and individual citizens are recognized for their dedication. This year is no exception. The awards are scheduled for tomorrow night, and while I will not spoil the surprise by revealing any names, I can tell you that among the recipients being honoured are four RCMP representatives. As part of the community safety awards event, 11 RCMP members will receive RIDE awards, which stands for Reduce Impaired Driving Everywhere. These awards are presented by Mothers Against Drunk Driving to recognize efforts to combat impaired driving.

The RCMP is also a valued member of the department's Community Safety Committee where innovative models of supporting community safety have been explored and will be implemented in the future.

Complementing and partnering with the RCMP since 2006, the *Safer Communities and Neighbourhoods Act* has provided a means to respond to Yukoners' concerns about illegal activities that make their communities and

neighbourhoods unsafe. The safer communities neighbourhoods unit - also known as SCAN for short investigates complaints about habitual illegal activities. They have had a significant effect on disrupting criminal activities. Since the legislation has passed, 800 complaints have been received and dealt with through various means. From January 2015 to December 2016, the SCAN unit received and investigated 123 complaints of illegal activity and took action on 24 of them. A full 98 percent of the complaints involved illegal drug trafficking. This unit continues to work with community associations, housing agencies and First Nation governments to make communities safer. To date, SCAN has signed protocols with five First Nations to investigate activities on their land and enforce evictions, if need be again, a leader in Canada.

The RCMP continues to build strong relationships with First Nations, stakeholder groups, such the women's coalition and non-governmental organizations. I have a few examples of those. Last September, Sergeant Lockwood, the detachment commander from Watson Lake, worked closely with the Liard Aboriginal Women's Society and the Liard First Nation so that RCMP members could attend a three-day Kaska culture camp. While there, they learned traditional medicine, values and culture and went fishing, hunting and berry-picking. This was a great chance for RCMP members to meet local elders and form lasting relationships.

For the last two years, Haines Junction RCMP members have attended the muskrat camp with Kluane First Nation. This is a camp that helps KFN youth learn about gathering food and traditional practices from their elders.

In another example of the RCMP supporting community relationships and youth, two female First Nation youth from the territory attended the RCMP training academy at Depot in Saskatchewan for the indigenous youth leadership week.

In further community collaborations, First Nations and local community leaders have been involved closely in the hiring process for detachment commanders, including the new commanding officer of the Yukon RCMP, Chief Superintendent Scott Sheppard.

The RCMP's four-member specialized response unit, known as the SRU, continues to investigate cases of sexualized assault, domestic violence and, in some cases, elder abuse. The SRU also provides feedback, advice and support to any assigned RCMP investigator who may be investigating those kinds of cases to ensure that investigations are consistently carried out to the highest standard.

Three months ago, the RCMP took part in Operation Northern Spotlight. Officers from the Whitehorse detachment and the Toronto Police Service worked together to give victims of the local sex trade and vulnerable persons a safe way out of exploitation. Whitehorse women's groups worked with the local RCMP on a safety protocol, entitled "Together for Safety". It outlines how the RCMP will work together with women's groups and citizens to foster a community that is safe for all women. Together for Safety partners include Les EssentiElles, Victoria Faulkner Women's Centre, the Whitehorse Aboriginal Women's Circle and many others. All

partners and the RCMP from Whitehorse share a common goal: to improve response services to women in the Yukon.

A member of the Whitehorse detachment travelled to Vimy Ridge last month, as part of the 32-person national troupe honouring the 100<sup>th</sup> anniversary of the pivotal World War I battle. Many others have been honoured with long service awards with the territorial service insignia saluting at least five years of service to Canada's northern territories.

To commemorate Police Week, the Whitehorse RCMP is inviting all Yukoners to their annual police and community barbecue on May 19, this Friday, from 11:30 a.m. to 2:30 p.m. in front of the Whitehorse detachment on Fourth Avenue.

On May 23, at 2:00 p.m., many will be gathering to celebrate the re-dedication of the RCMP cemetery in Dawson City. This will be followed by a church service and a large community barbecue for Dawson and the surrounding area. All those in the Klondike area are cordially invited and encouraged to attend. We unfortunately will be here and we can't go and celebrate that re-dedication.

Almost lastly, later this summer, the famous RCMP Musical Ride will be here in Whitehorse on August 12 and 13 as part of the celebrations for Canada's 150<sup>th</sup> birthday.

I would like to end by highlighting the exemplary service of one of the RCMP's senior members who will be leaving Whitehorse very soon. Inspector Archie Thompson, who could not be here today, is the officer in charge of the Whitehorse detachment. He has been promoted to superintendent and is moving to the east coast, where he will be based in Clarenville, Newfoundland and Labrador as the district operations officer for the east district. On behalf of the Government of Yukon and the Department of Justice, I have thanked him and will do so personally for his service to Yukoners while he has been here in our communities. He has built strong relationships and built a lasting legacy for the work and the support of his work for community safety here in the territory. We will send him our best wishes, of course.

I would also like to, in closing, salute all the other members of the Yukon RCMP during National Police Week for their continued dedication and commitment to our territory and its citizens.

Along with my colleagues here in the House, I will ask you to join me in welcoming today superintendent Brian Jones, the officer in charge of Criminal Operations for M Division; Lesley McCullough, the deputy minister for the Department of Justice, Allan Lucier, the assistant deputy minister in charge of Community Justice and Public Safety for the Department of Justice, and Jeff Ford, the director of Public Safety and Investigations with the Department of Justice. Thank you for being here.

Applause

**Mr. Cathers:** I rise today on behalf of the Official Opposition to pay tribute to National Police Week across Canada and in the Yukon.

National Police Week, which takes place this year between May 15 and 21, is a time to reflect on the dedication of police officers to the safety of our communities in the Yukon and across the country. It's also a time to honour police officers for their contributions to public safety and security and to recognize the many things the members of the police force do across the Yukon, including in their volunteer time

National Police Week, through community events, reinforces the partnership between the police and the public. Members of RCMP detachments across the Yukon have contributed a strong presence to our communities. In the Yukon, policing efforts extend to areas including: targeting violence against women; responding to trends in criminal activities; response to vulnerable populations; supporting atrisk children and youth; fostering relationships with First Nations as well as relationships with communities; and traffic safety and compliance.

It's important to note that community safety is a shared responsibility of the police and the public. With the reinstatement of Crime Stoppers to Yukon, we hope that this will provide another avenue for people to come forward with knowledge of property crimes and criminal activity happening in their communities or among their acquaintances.

Another notable development was the creation of the Community Safety Committee tasked with engaging service providers in a working-level dialogue on policing and public safety issues.

The recent opening of the new 911 dispatch centre has helped expand the 911 service across the territory. I would like to acknowledge the work of not only all who contributed to that, but the RCMP members and the RCMP auxiliary police constables who provide their volunteer service to assist the RCMP in crime prevention initiatives and community events across the territory and provide an important addition to policing and safety in the Yukon.

I would also like to acknowledge the victim assistance volunteers for their work and as well the work of the Yukoners who serve on the Yukon Police Council for their work in helping develop policing priorities for the territory and allowing community input on policing services. It's a pleasure, on behalf of the Official Opposition, to recognize the work of the RCMP and all its members and their dedication to keeping the Yukon and our communities safe.

I want to acknowledge the volunteer work of individual members across the territory in participating in community events, engaging with the public in a positive manner to educate and provide support to community-based initiatives. It has often been said by many communities that the existence of a community hockey program for youth is often in large part dependent on the volunteer efforts of RCMP constables in communities.

RCMP members also provide alcohol and substance abuse education workshops for students, run group sports in our communities and integrate themselves into all parts of Yukon society by building strong relationships.

Again, thank you to each and every one of our Yukon RCMP members for their service to the Yukon. I would just like to note in closing that in fact the existence of the territory with its boundaries and the existence of the Canadian

boundary with the United States is in large part due to the work of the predecessor to the RCMP, the North-West Mounted Police, through the work of Inspector Sam Steele and the detachment based in the territory at a time when the border between Canada and the United States was in dispute. Their work is recognized and credited with establishing border posts that eventually became the basis for our border between Canada and the United States. So they deserve that recognition.

In closing, I would just like to join the minister in welcoming superintendent Brian Jones, acting deputy minister Lesley McCullough, assistant deputy minister Allan Lucier and director Jeff Ford to the gallery. It was a pleasure working with you during my time as Minister of Justice, and I know that you're continuing to work hard on behalf of the people throughout the territory.

**Speaker:** Introduction of visitors?

Are there any returns or documents for tabling?

#### TABLING RETURNS AND DOCUMENTS

**Hon. Mr. Streicker:** I have for tabling a legislative return in response to a question from the Official Opposition House Leader from May 2 regarding the status of clean water and waste-water infrastructure projects.

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

Are there any reports of committees?

Are there any petitions?

Are there any bills to be introduced?

Are there any notices of motions?

## **NOTICES OF MOTIONS**

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

THAT this House urges the Government of Canada to introduce regular, independent, mandatory testing for banned pesticides and other harmful chemicals in medical marijuana and to make the results available to the public.

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

THAT this House urges the Government of Yukon to contract with an independent air-quality expert to test Closeleigh Manor according to the American Society of Heating, Refrigerating and Air-Conditioning Engineers standards for indoor air quality with regard to:

- (1) air particulate accumulations;
- (2) mould;
- (3) adequate ventilation rates; and
- (4) volatile organic compounds.

**Speaker:** Are there any further notices of motions? Is there a statement by a minister? This then brings us to Question Period.

#### **QUESTION PERIOD**

## Question re: Dawson City Airport

Mr. Hassard: Yesterday, we learned of yet another campaign promise that the Liberals want to change now that they're in government. The Minister of Highways and Public Works said there isn't enough information at this point to make a decision about whether they will pave the Dawson runway. He, in fact, called the Liberal promise "off the cuff".

During the election, the Liberals were so sure about this that they made it a signature commitment to their tourism platform. As a matter of fact, it's right there on page 5. As much as they would like to point the finger on this one, they wrote their platform and now they are responsible for delivering on it.

So I will give the minister one more chance. Can he confirm that the Liberal government is, in fact, going to keep their commitment to pave the Dawson runway?

**Hon. Mr. Mostyn:** Thank goodness this question was asked today. I was worried they weren't going to take their opportunity. Mr. Speaker, this Liberal government remains firm on its commitment to pave the Dawson City runway.

At my request, departmental officials are hard at work, looking at the options available to complete this project. Why? Well, because I learned upon coming into this job that the groundwork had not been done — not done. That was frankly a surprise to me, but that was the inheritance — a financial deficit and a groundwork deficit.

So here we are, doing the hard work of government to try to make sure we get this job finished. Right now, departmental officials are doing that hard work. They are going to come to me with a lot of options and a lot of information. When I have compiled all that information — which I had hoped had been done before but hadn't — then I will consult with my colleagues on the government benches and we will make a decision.

**Mr. Hassard:** That is an interesting answer from the Minister of Highways and Public Works, considering that the business case analysis was done and the functional plan was underway. Maybe the minister will want to rethink his answer on that one.

Mr. Speaker, over the past few years during his time in opposition, this was a pet issue of the Premier's. He asked the government about it numerous times and was critical that the government would not act more quickly. He seems to have changed his mind. There is no money in the budget for this project and there's no money in next year's forecast either.

Let me quote a previous question from the Premier himself on this topic in the Legislative Assembly. In 2015, he asked — and I quote: "Why is paving the Dawson Airport not a priority for this government?"

Mr. Speaker, my question is: Why is paving the Dawson Airport not a priority for this government?

**Hon. Mr. Mostyn:** I just answered that question, and I said that paving this runway is a priority for this government. I don't know where the member opposite is getting his questions, but I answered that before. This government is committed — I will say it again — it remains firm on its

commitment to pave the Dawson City runway, and so I think it doesn't get any clearer than that. I don't understand why he is saying there is no money in the budget for this project. There is money in the budget. There is a quarter-million dollars this year to complete the work needed to make an evidence-based decision on this project. Evidence-based decisions, as we all know, result in long-term success for capital projects, and through this process, this Liberal government will continue the work necessary to pave the Dawson City runway.

There are also hundreds of thousands of dollars in the budget this year to resurface the runway because, as the members opposite know, that resurfacing has to be done to make sure the runway is usable, and this government wants to make sure that our community aerodromes — those scattered across this great territory — continue to feed the economic prosperity of the Yukon.

**Mr. Hassard:** Clearly the minister got a new briefing note today, because that sure isn't what he was saying yesterday.

A quick read of Hansard over the past few years will show you that these are not new questions. The Premier knew that there was work to be done when he put this promise in his platform. It makes us wonder now: Is he backing away from his promise?

We hear two conflicting answers from the minister.

For my next question, I would once again like to quote from a previous question that the Premier himself asked about this specific topic right here in this Legislature — and I quote: "... why did the government make the promise to pave in the first place if it had no intention of following through with it?"

Let me ask the Premier today: Why did the government make the promise to pave it in the first place if they had no intention of following through with it?

**Hon. Mr. Silver:** I do appreciate the question from the member opposite. It wasn't just one time in the Legislative Assembly that I did get to my feet and talk about getting this project off the ground for the economy's sake — not only for tourism, but also for the mining sector.

I was at Roundup when the previous premier announced great news: "We're going to pave the runway. Not in our mandate but after the election."

You would assume that, after making a statement like that, the due diligence would have been done. When we formed government, one of the first files I inquired about was this one. The one that I wanted to make sure was out the door as soon as possible was this one. It turns out the homework wasn't done. It turns out that Nav Canada — that's the biggest piece right there. We're still at the 75-percent mark as far as that goes and we're waiting to hear from Nav Canada.

Again, nobody wants this done more than I do. Nobody wants this done more than the town of Dawson City, which is in the Klondike riding that I represent. But again, when this side of the government came into power, we found out that the due diligence wasn't there. Once bitten, twice shy with promises in Dawson. We're still waiting for the rec centre though that was promised by this previous government, and I

remember bringing up those questions year after year and hearing "Rome wasn't built in a day — wait until the next budget, wait until the next budget." I will guarantee you that we're going to do this with the evidence that we need to make sure that we are moving forward as fast as possible with this commitment, and I still stand here today completely committed to paving the runway in Dawson.

#### Question re: Election commitments

**Mr. Istchenko:** Mr. Speaker, yesterday I asked a straightforward question about a commitment in the Liberal platform but I received no clear answer. In their platform, the Liberals promised to — and I quote: examine "the feasibility of connecting to the British Columbia or Alaska grid".

Yesterday, the minister was dismissive and said it's not a priority. Well, it was the Liberals who decided this project was a priority when they put it in their platform. Now it seems they're changing their minds.

The question for the minister is simple: Is this going to be another broken Liberal promise?

**Hon. Mr. Pillai:** Thank you to the Member for Kluane for giving me an opportunity to go back to this one.

Certainly, yesterday, the conversation was about, as I remember it — have you looked at this project? Have you looked at the connectivity between Whitehorse into Skagway? Also, have you looked at the connectivity overall with the grid?

As we look at that, certainly, what I've been able to do is take a look at a series of projects that are on our list. Some of those projects are a priority — meaning right now with this budget, what has been handed-off to me, what I can move out the door in the short term. As I stated, there is \$4.1 million that has been completed on the Stewart-Keno. I think that the members opposite felt it was a priority — maybe they didn't move it ahead, but I think we all feel that it's a big priority to work on when I talk about transmission. There is still the opportunity on what's going to happen with Moon Lake. That's a different discussion. How does that play into the connectivity off the Skagway grid connectivity?

Also, over and above that, does it still make sense? Part of that whole justification was fuelling or selling energy as well in Skagway, and do we have enough from that particular project?

There's still more work to be done. Are we going to look at connectivity to Skagway? Absolutely. Do we look at a BC grid connect? Absolutely. But at this particular time, I have to figure out — and I think we'll talk about it even more this week.

It is going to be a fun week to discuss all the things that are happening. We have to look at what is happening with Yukon Development Corporation, where we are going with the IRP — the resource plan. Those are the first things to get done.

**Mr. Istchenko:** There are Yukoners who voted for the Liberals because they believed that they would keep their promises. They promised to do a feasibility study of connecting to the BC/Alaska grid. There are two ways they

can do this, Mr. Speaker. Either they can commission a study and pay for it themselves or they can direct the Energy Corporation to do it. In one case, the taxpayers pay to keep the Liberal promise and in the other, the ratepayers pay.

My question is simple for the minister. If he plans on keeping his promise, someone will have to pay for this study. Who will it be?

Hon. Mr. Pillai: I'm going to continue to be polite to visitors in the gallery. You know what? First of all, when we look at where this is going, there is a series of things within the mandate and there is more than five or six months to get it done. I think everybody would understand that — really focusing on the Stewart to Keno line, number one — understanding how we're going to deal with the IRP, which are three different solutions of how we're going to build out.

I know within our first plan, the Member for Lake Laberge said that there was a feeling that there was not support even for the first plan because of some of the effects on constituents, so that is going to be a challenge. We also have to figure out how we're going to pay for the Stewart-Keno line, which was not done. There was infrastructure money in place, but it was never identified. The Management Board submission must not have gone through the process. These are key things.

The mining sector is coming and saying that we need to make sure that we have power for some of the projects, like Alexco and Victoria Gold. The members opposite stood in front of me and said, "This is the Yukon's next gold mine." So I ask you, do you want me to spend my time and money from our corporations right now focused on a grid connect to Skagway and take away from where our resources should be going for Yukon's next gold mine? You tell me, because we can go through the questions and play a game about "you made a promise". I have four years to fulfill my mandate. I will get them done, but right now I think we all know where the priorities are.

**Mr. Istchenko:** Yesterday I asked the minister about the Liberal platform commitment to launch: "... pilot projects in renewable energy storage (e.g. liquid hydrogen)." Launching a liquid hydrogen pilot project in the Yukon was a specific commitment made by the Liberals. I didn't get an answer yesterday, but I hope I will today.

Can the minister tell us what his plans are to fulfill his commitment?

**Hon. Mr. Pillai:** Little bit out of line for the first two questions, but I think we can continue to move on it.

First and foremost the question was asked of me by the same Member for Kluane — what's the plan with Yukon Development Corporation? Are we going to look at where the mandate is going to go? So we know right now, as we go through the budget, there is \$1.5 million that has been allotted this year. The Yukon Development Corporation board is in a position right now with building a governance structure to look at renewable projects. Some of the renewable projects could be wind energy in communities that are in his riding; solar, which would be in Old Crow; also, we have geothermal

requests right now to do early drilling in Watson Lake and Ross River; we have Teslin looking at biomass.

There are a series of things within storage — to be clear on that one, there are different types of renewable storage. We have storage in the Southern Lakes, which are ongoing conversations that are going quite well. There are some people in the Southern Lakes area that want to have conversations that are community groups and we have committed to that and with the Minister of Community Services. Then we are also looking at Mayo and those conversations. Using storage in that particular context — yes, the commitment to looking at battery in the IRP is identified.

When we look at the time capacity of the storage and the cost, it is big, but it is certainly our first option as we look forward. That is part of where we are moving forward, as well as looking at a series of other items that are available to us as we look at creating energy.

#### Question re: Social assistance rates

Ms. White: Thank you, Mr. Speaker. Poverty continues to be a reality for many individuals and families in the Yukon. It has been five years since the government of the day reviewed the social assistance rates. Along with the increase came a commitment to adjust some of the social assistance rates to inflation. Yet, year after year the Whitehorse Food Bank sees an ever-increasing number of clients because social assistance isn't enough to live on. Can the minister tell this House what the social assistance rate increase was for this year?

**Hon. Ms. Frost:** Thank you, Mr. Speaker. At this time I'm not able to respond to that direct question about the costs. I can get that, certainly, and bring that back to the member opposite.

Ms. White: I thank the minister for that commitment. Any person who has been to the grocery store lately and bought food for themselves or their family knows that the price of healthy food is increasing at an alarming rate. People relying on social assistance, whether in Whitehorse or the communities, are seeing higher costs and less money to cover all of their food expenses. These high costs combined with unchecked rent increases force many Yukoners to choose between putting healthy food on their table, buying school supplies for their children or getting the medication that they need — a choice no one should have to make. Government needs to stop managing poverty and start eliminating poverty. When does the minister intend to review the social assistance rates for Yukon families and individuals?

Hon. Ms. Frost: What I can say right now is that the Department of Health and Social Services is looking at the whole of their services — all of the services that we are providing — to ensure that we are not trying to address one specific issue and resolve one specific issue. We have a crisis in some communities and we are trying to balance our budgets, balance our programs and rightfully address the pressures and the needs of Yukoners. I do appreciate the question and appreciate that there are some major concerns. We will definitely take that under advisement as we look at

the department's strategic alignment with its funding, its sources and its program delivery to all of Yukon.

Ms. White: In 2012, the previous government released its much-touted *Yukon Social Inclusion and Poverty Reduction Strategy*. This strategy was the accumulation of several years of research and collaboration with over 25 community NGOs. The vision was stated as being — and I quote: "A Yukon where social exclusion and poverty are eliminated..." Today the document is not even available on the Health and Social Services website. What happened to this report? Has this current government scrapped the *Yukon Social Inclusion and Poverty Reduction Strategy*? How will this government take action to make the vision of a Yukon without poverty a reality?

Hon. Ms. Frost: I am not going to speak to historical documents that I am not familiar with. What I will speak to is the fact that we are looking at a homelessness strategy. We have a housing action strategy. We have collaboration between the Yukon Housing Corporation and Health and Social Services department staff — senior deputy ministers — looking at coming up with a strategy to look at a Housing First model. We are looking at partnership arrangements, and we are, in that process, looking at addressing the very pressures that we are seeing in our society.

That's looking at social inclusion. We're looking at transparency, and we're looking at opportunities to ensure that the resources we have best align with the needs of Yukoners and align with those who may not have direct access or limitations in their lives. We want to ensure that every Yukoner is successful and has opportunities to be contributors to society. It's really important that we take all of the programs we have, put the efforts behind each individual in our communities and give them a home, give them services that they require and programs that they —

Speaker: Order, please.

#### Question re: Dawson City daycare

Ms. McLeod: The very first platform commitment that the Premier ever made came well before the 2016 election. In this Legislature, the now-Premier promised to pay for a new building to house the Little Blue Daycare in Dawson City. The Liberal government has had a hard time living up to the promises it has made but this one was made directly by the Premier himself for his own riding, so surely this is one that is at the top of his list.

On December 15, 2015 he asked — and I quote: "Will there be \$1 million in there..."— the budget — "... to build a new home for the Dawson daycare — yes or no?"

The Premier is now in a position to answer his own question. Has he allocated \$1 million to build a new daycare in his own community?

Hon. Mr. Silver: The simple answer is no, that \$1 million is not in this current budget, but what we are doing is champing at the bit to get up to Dawson and to talk to the partners in Dawson. We're left with a situation from the previous government with different options on the table, to be fair. Those options include what's going to happen to the

McDonald Lodge. It also includes other options for social housing and also options for the prenatal society — things that weren't taken care of by the previous government. What we're going to do is we're going to work under the platform commitment that all communities matter. We're going to sit down directly after the Sitting of this Legislative Assembly with the community of Dawson and make sure that we prioritize who goes where. It's not a matter of "if"; it's just "when" and also "how" these things come together.

There are lots of considerations — from the palaeontology centre, which was, I believe, the commitment of the Yukon Party to put that where the McDonald Lodge is. We think that some of these commitments didn't actually have the community's input behind it as a whole and we want to go back to the drawing board and take a look at all of those commitments, prioritize from the municipality's point of view, the First Nation's point of view — but also the prenatal society, the Little Blue Daycare and social housing — and take a look at all of the options, involving also the Klondike Development Organization for the statistical analysis needed.

**Ms. McLeod:** I heard a "no" and then I heard a "yes" and then I heard a "maybe" so I'm not quite sure where the answer is there.

Mr. Speaker, this was the first commitment that the now-Premier ever made to Yukoners. He stood in this House on the 15<sup>th</sup> and said that a Liberal government would fund this facility. He promised \$1 million to build a new home for the Dawson daycare.

Is this a promise that he intends to keep?

Hon. Mr. Silver: We're seeing a theme with the Yukon Party. We answer the question and they make it sound like we haven't answered the question. I believe one of the original commitments from the Yukon Party in the 2011 election was to build a brand new rec centre in Dawson City and they didn't do that, and I believe that would be around \$60 million.

But I digress. The answer is no, that \$1 million is not in this current budget. It's not. Are we going to do it? Yes, we are. We made a commitment to it and we stand by that commitment. But again, we also stood by that commitment of evidence-based decision-making and so we want to make sure that the decisions we make moving forward involve the community in these capacities and we can't wait to have that conversation with Little Blue Daycare.

I want to thank the folks who work in, I believe, Yukon's last remaining not-for-profit daycare. I'm not sure if the Watson Lake one is still going. I heard that they were having troubles there but I could be corrected on that.

But again, it's definitely not the rule to have a non-profit running these agencies. Sometimes they stand outside. Sometimes they don't get the necessary funding they need. Also, Tr'ondëk Hwëch'in has an amazing hiring policy with their daycare, so it's really hard to maintain the quality comparisons when you take a look at a not-for-profit agency compared to a government one.

We're going to work with the communities to make sure that we have some training provided as well to make sure that we keep hold of the Little Blue Daycare to keep on providing professional services that they do provide for our community.

**Ms. McLeod:** Thank you to the member for that response.

Mr. Speaker, daycares in communities throughout the Yukon took notice of the commitment that the Premier made with regard to the daycare in Dawson City and he was very clear. He said that the current space was too old and was unsafe for children in his community.

He said that a Liberal government would provide funding — \$1 million was the number he suggested — to help provide what he called "a new, safe building for the Little Blue Daycare to occupy".

There are many daycares throughout Yukon communities that would appreciate the Yukon government providing \$1 million for a new daycare building. My question is simple: Is his offer to fund the construction of new daycare buildings open to all communities or only his?

Hon. Mr. Silver: I believe I answered the question as far as the Little Blue Daycare in Dawson. I think that when it comes to rec centres, when it comes to daycares, when it comes to mental health services and when it comes to the gamut of services offered by this government, we will take a whole-of-government approach to these commitments. We will take a look at the evidence and we will move forward, based upon an open and transparent process that uses evidence to make our decisions.

#### Question re: Mining within muncipal boundaries

**Mr. Kent:** On the eve of the Dawson City International Gold Show, I have some mining-related questions for the Minister of Energy, Mines and Resources.

Mr. Speaker, in December, after the Yukon government rejected a proposal for a placer miner to work his claims near the Dome Road, the minister made a number of commitments in the local media. One of those — and I'll quote from the media report — the minister said: "I want to see this proponent have the opportunity to access the gold that's part of his claims".

Can the minister update the House on where those discussions are at and when he will be in a position to honour his commitment to this placer miner?

**Hon. Mr. Pillai:** Thank you for that question. I think we'll probably have lots of questions related to placer mining this week and I'm happy to answer them.

Certainly, early on this mandate — the first couple of days, of course — we were dealing with the Slinky mine. We were at a point where there was certainly some conflict between the municipality residents, First Nation user groups and the owner of the claims. The commitment we made at that time — the commitment the member opposite is speaking to — was to bring in someone who was trusted by all parties — KPMA, the municipality, the First Nation — to be able to facilitate conversations.

We did reach out to an individual who was a former employee of Energy, Mines and Resources. That work is now being undertaken. I had a discussion — I haven't spoken with the owner of the claims. I did speak with the Mayor of Dawson City last week. I have a meeting with him on Saturday during the gold show. We continue the conversations with Tr'ondëk Hwëch'in. What is the time frame on those discussions to get to an answer on Slinky 2? I wouldn't say that I could nail it to 30 days or 60 days. I want to make sure that we have the right amount of time to come up with a solution versus boxing it in on 60 days and then getting to a point where there is still a conflict. I think the key to this is that it has been a challenging file for others who have handled it — for the people in the community — and so we are trying to get to the right answer. I can come back with some other notes on the timeline.

Mr. Kent: Mining within municipal boundaries is an issue that had come up a number of times during my tenure as the Energy, Mines and Resources minister and of course has come up since this new minister has assumed the portfolio. In fact, in that same media report, he said that he did recognize the larger issue that also needed to be addressed, and that is the question of mining within municipal boundaries. He said that the government will meet in the new year — again this was a December report. He said that the government would meet in the new year with First Nations, the Association of Yukon Communities and other stakeholders to come up with an action plan. Can the minister tell us what work has been done with respect to this action plan he promised? How many meetings have taken place? When can we expect a draft plan for review?

**Hon. Mr. Pillai:** First and foremost, it is a good time to ask this question. Tomorrow morning at 9:00, I have another meeting — at 9:15 a.m. actually — at CYFN with First Nation leaders to continue the work on the memorandum of understanding that we signed, which is a key table for that particular area. As for the KPMA — we are there this weekend. There are two meetings on Friday with the Klondike Placer Miners' Association. One is with their directors from 1:00 to 2:00 and then another after that — I think from 2:00 to 3:00 — which gives us this opportunity.

I have met with the KPMA — really at this point I am in a series of meetings. A lot of our discussions have to do with current hot topics. I will say just for the record that we are committed to helping communities develop policies and approaches related to mining within municipalities in a manner that respects the needs of all residents. Mining in municipalities is not a new issue, and to address this issue we will take a collaborative approach, which I have just touched on, that provides certainty for miners while taking into account that all land use activities within municipalities, including mining, are subject to mining laws, municipal zoning regulations, development regulations and land use planning through official community plans. Our priority is to work in partnership with municipal governments to build sustainable and diverse communities and diverse economies that support local solutions to local problems.

Mr. Kent: Perhaps when the minister is on his feet to answer this third question he can update us on what

discussions he had at the recent AYC meetings in Faro with respect to that issue.

The Premier has spoken in the past about the challenges with respect to the existing placer claims that overlap the Tr'ondëk Hwëch'in subdivision in his Klondike riding. He has commented that the placer miners need to be compensated for their claims as it is not realistic for the residents to move. The mining community is looking for some reassurances from the minister. So on their behalf, I will ask the minister to make a commitment that there will no expropriation of mining claims without a reasonable amount of compensation paid to those claimholders

Hon. Mr. Pillai: The discussions first — I'll just make sure we have them on record. The discussions at AYC were really focused around land. The real interest from municipalities was based on wanting to see land availability — as the Member for Watson Lake touched on yesterday — for agriculture and residential. What we have done is we made a commitment to sit down with each municipality throughout the summer and into early fall to have those discussions. Right now, there are some court proceedings that are underway. Certainly we are quietly watching that because I think it will have an impact on how these particular items are identified.

The Member for Lake Laberge had reached out last week in Question Period, I believe it was, asking about his particular riding where there is some concern right now. It's not in a municipal boundary, but it's in a hamlet and certainly we're trying to work through that item as well. We're trying to look through the legal proceedings and how this will change that discussion.

Sorry, that was the first part of that question and I believe the third part is — sorry, I apologize — concerning what's happening with the post-AYC and compensation. I think where we are is that the Premier, to be fair, came out and made some statements during the early part of the election. What I'm trying to do is make sure that we don't have to get to these particular hard decisions. There is the Yukon Surface Rights Board, but I think we can go through a process to actually come up to remedy these things, so we don't have to look at —

**Speaker:** Order, please.

The time for Question Period has now elapsed.

# Notice of government private members' business

Hon. Ms. McPhee: Pursuant to Standing Order 14.2(7), I would like to identify the items standing in the name of government private members to be called on Wednesday, May 17, 2017. They are Motion No. 23, standing in the name of the Member for Copperbelt North, Motion No. 21, standing in the name of the Member for Porter Creek Centre, Motion No. 18, standing in the name of the Member for Mayo-Tatchun, and Motion No. 36, standing in the name of the Member for Mayo-Tatchun.

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

# ORDERS OF THE DAY

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

#### Point of personal privilege

**Speaker:** Minister of Health and Social Services, please.

**Hon. Ms. Frost:** My apologies — I am actually wanting to, at this point, rise on a point of personal privilege, before I go into the bill. Is that appropriate at this time?

**Speaker:** I will hear you now, but in the ordinary course, I am advised that would be during the Order Paper period. But for now, yes, I can advise the House that I have received your written notice and I have the content of what you intend to clarify with the House. I will allow it at this time.

**Hon. Ms. Frost:** My apologies. It was indicated to me that I was to rise after Question Period and that is why I rose now, so my apologies for that.

**Speaker:** Just for the record then, the Minister of Health and Social Services, please.

**Hon. Ms. Frost:** So I rise on a point of personal privilege. Yesterday, in answering some questions from the Member for Takhini-Kopper King, I provided some information that was out of date, so I want to take this opportunity to correct the record.

The question dealt with the Yukon Sexual Health Clinic and the Yukon Women's MidLife Health Clinic. I indicated yesterday that meetings on these clinics were occurring. The meetings to ensure the continuation of these two very important clinics have already taken place and funding remains in place until the end of October.

Funding for the two clinics — the sexual and reproductive health clinic and the Women's MidLife Health Clinic is provided through collaborative care funding as part of the Yukon Medical Association's negotiated agreement. That agreement expired on March 31, 2017, and negotiations around the physicians' agreement will begin later this summer. The previous agreement was for five years. However, we have agreed that the government will continue to fund the two clinics until the end of October, six months beyond the expiry of the agreement so that these two very important services can continue with no break in services. We will continue, however, to explore further options with the Yukon Medical Association.

Thank you, Mr. Speaker.

**Speaker:** Thank you, minister. Government Bills.

#### **GOVERNMENT BILLS**

# Bill No. 5: Act to Amend the Human Rights Act and the Vital Statistics Act (2017) — Second Reading

**Clerk:** Second reading, Bill No. 5, standing in the name of the Hon, Ms. Frost.

**Hon. Ms. Frost:** Mr. Speaker, I move that Bill No. 5, entitled *Act to Amend the Human Rights Act and the Vital Statistics Act* (2017), be now read a second time.

**Speaker:** It has been moved by the Minister of Health and Social Services that Bill No. 5, entitled *Act to Amend the Human Rights Act and the Vital Statistics Act (2017)*, be now read a second time.

Hon. Ms. Frost: We have drafted these amendments in one bill because they are very intrinsically linked in proving rights for transgender and non-binary Yukoners. We are committed to having legislation that protects the rights of all Yukoners. This amendment is part of the bigger omnibus bill that we promised, which is the review of all Yukon current legislation, policies and practices to ensure we meet the rules and social standards of LGBTQ non-discrimination.

Part 1 of the bill refers to the amendment to the *Human Rights Act*, part 2 refers to the amendment to the *Vital Statistics Act*, and part 3 are the regulations that accompany the amendments to the *Vital Statistics Act*.

Just to lay the groundwork, we are the only jurisdiction in Canada that has not modernized its legislation to remove the requirements for surgery before being allowed to change the sex designation on your birth registration. We are also one of the last jurisdictions to amend our *Human Rights Act* to include gender identity and gender expression. To be clear, gender identity means the gender you identify with regardless of biological sex. Gender expression is how you express or present your gender. My colleague, the Minister of Justice, will speak more on the amendments to the *Human Rights Act*.

In terms of the *Vital Statistics Act*, legislative schemes similar to our current legislation have been found unconstitutional or discriminatory in different jurisdictions across the country. With these amendments, we are keeping pace with legal and societal developments in the rest of the country.

The amendments we are proposing set out requirements for application concerning children and adults. In doing so, we are trying to reduce barriers so that all Yukoners have access to the process, whether they live in Whitehorse or in any of the outlying communities. The consultation on the amendments to the *Human Rights Act* and the *Vital Statistics Act* engagement received 329 responses and 325 to the online survey, one e-mail comment and three written responses. We have been having this conversation for awhile, and officials have been receiving written correspondence from various people over the past few years asking for changes to the *Vital Statistics Act*.

The survey we conducted posed 11 questions that could be answered by filling out a paper form or completing it online. Additionally, a letter with the same questions attached was sent to targeted stakeholders. I want to read a couple of comments from our survey that reinforce how important we believe these amendments are.

"This is a very important step in ensuring people's right to safety and dignity that people do not remain invisible or feel afraid to express their full selves. When people feel safe to express who they are fully, our community thrives. This is long-overdue. Thank you for making it possible for LGBTQ individuals to feel safe in Yukon."

Mr. Speaker, I will now begin to briefly overview some of the key points of the amendments in the Vital Statistics Act. According to the Vital Statistics Act, gender can only be changed on a birth certificate once that individual has undergone sex-reassignment surgery and has provided separate affidavits from two medical practitioners confirming that the individual's anatomical sex has changed. All jurisdictions in Canada except Yukon have amended their vital statistics act to allow transgender people to change the gender on their birth certificates without the requirement to have surgery. Federally, people wishing to change their gender on citizenship documents such as passports only need to submit amended provincial or territorial documents, which is an indication that we are behind the times. The amendments that you have before you will remove the requirements for sex-reassignment surgery. Transgender Yukoners have been advocating for this change for years and we are taking this opportunity to respond.

Transgender Yukoners help make up the beautiful fabric of our Yukon communities. They come from all walks of life, from very young to very old. Recently, there was an article in the newspaper about four candidates in the British Columbia provincial election being transgender. Prior to that, in 2015, the first transgender judge was appointed in Manitoba. The amendments will allow Yukoners 16 years of age and older to apply on their own to have their sex designation change on their birth registration.

Custodial parents will have to apply on behalf of children who are under the age of 16. Initially, we looked at using the age of 19 years, but we heard from many respondents that it was simply too old. Our youth make very important decisions long before they are 19 years of age. As much as possible, we try to remove barriers. Applicants 16 years and over will be able to apply by simply signing a declaration stating that they want to make a change. It is not a medical issue and they are not required to have a letter from a medical professional.

Applications on behalf of a young person under the age of 16 will have to have the permission of the custodial parent and an additional person supporting the application from an identified list laid out in the amendments. Children identify with gender at a very young age. In every decision we make, we have to consider their best interests.

I attended a meeting with Minister McPhee and Minister Dendys early in April with All Genders Yukon and other supporters from the LGBTQ community. We have heard from parents of trans children who want to change their birth certificates. My officials at the Vital Statistics office have received calls from parents from Whitehorse and other communities wanting to know when they will be able to change their child's birth certificate. We have also heard from vulnerable trans youth who do not have the support of their parents. These amendments will provide the process for youth to be able to change their birth certificates even if they do not have the support of their parents.

We have introduced amendments that will allow for a gender-neutral marker, X, to be brought into force within a year. The delay is due to additional policy work that needs to

happen within government to ensure that we are consistent with measures that Canada is bringing in that will allow all Canadians to apply to have their sex designation as an X on their passport if they choose.

In conclusion, Mr. Speaker, I am very pleased to be a part of this process that improves the rights of all Yukoners. Of course, there is more work to be done, but this is an excellent start.

At this time, Mr. Speaker, I would like to invite Minister McPhee to speak on the amendments to the *Human Rights Act*.

#### Speaker's statement

**Speaker:** This is just a reminder that members are to be identified by their constituency or by their ministry.

**Hon. Ms. Frost:** My apologies.

**Speaker:** Thank you. Minister of Justice, please.

**Hon. Ms. McPhee:** Mr. Speaker, I am happy to do so at this point — I know that there are others who would like to speak, so I will cede the floor.

**Speaker:** Sorry, in light of the fact that there are two ministries that are sponsoring this act — but apparently we are going to the opposition — unless the opposition wishes to hear from both ministers first?

**Some Hon. Member:** (Inaudible) **Speaker:** Minister of Justice, please.

**Hon. Ms. McPhee:** Thank you, Mr. Speaker. I am very pleased to rise to speak to this matter today. I promise that I will stop counting, but this is the second law I get to speak to.

It is a fitting one as well, because not only has this been introduced in the first Sitting of this particular government, but early in it and we have moved it to second reading quite quickly so that these important changes can be made.

When the Yukon *Human Rights Act* was passed in 1987, it was one of the first in Canada to include sexual orientation as a prohibited ground for discrimination. Unfortunately, we have not kept up with the times. Yukon was an early leader in recognizing the rights of gay and lesbian couples, becoming the first government to extend benefits to same-sex couples through its public sector collective agreements in 1990, followed by the introduction of gender-neutral definitions of "spouse" in some legislation.

On July 14, 2004, Yukon became the fourth jurisdiction in Canada to legalize same-sex marriage following the successful court challenge of Stephen Dunbar and Robert Edge. Justice Peter McIntyre ordered that the Yukon government change its definition of marriage to: "the voluntary union for life of two persons to the exclusion of all others". This is important background when we turn our minds to the historic steps we are taking today.

The Yukon government has also taken positive steps to recognize and protect LGBTQ2S students and community members in Yukon schools through its education policy, and other steps that have taken place throughout the last number of

months and years to put the record straight, if I can say it that way. The government is very proud to have tabled the legislation that supports a key government priority of ensuring that our legislation, our policies and our practices meet the rules for LGBTQ2S non-discrimination. The proposed amendments to the *Human Rights Act* will bring us in line with the rest of Canada as Yukon joins New Brunswick as the last Canadian jurisdiction to table bills to amend our human rights legislation in order to provide protection from discrimination on the basis of gender identity and gender expression.

The Minister of Health and Social Services has spoken about the *Vital Statistics Act* piece, and I will make reference to the *Human Rights Act* amendments. Section 7 of the *Human Rights Act* will be amended to include gender expression and gender identity as prohibited grounds. Gender identity is our internal and individual experience of gender. It is our sense of being a woman, a man, both, neither or anywhere along the gender spectrum. A person's gender identity may be the same as, or different from, their birth-assigned sex. Gender expression is how a person publicly presents their gender. This can include behaviour, outward appearance and other things such as dress, hair, makeup, body language, voice — how they present to the world — and that is their choice.

In order to ensure that trans individuals in the Yukon receive these explicit protections and to ensure that government programs and services are equally accessible to all Yukoners, these amendments must be proclaimed. After our short engagement period with targeted stakeholders and the Yukon public, it is clear that the overwhelming majority of Yukoners wish to see these statutory protections added to the list of prohibited grounds for discrimination within the *Human Rights Act*.

You heard from the Minister of Health and Social Services that, in addition to the targeted consultation that resulted in 84 percent of respondents noting their support for this amendment, we've heard from other Yukoners throughout our time in government and through the election campaign of last year. Others have reached out to us outside of the targeted consultation.

You've also heard from that minister that we have reached out to the community and had meetings and been open to hearing from the community and adjusting — if I can say that — the details in this bill. The changes will be in the two new pieces of legislation in response to what we heard.

We heard about the age, we heard about the opportunity for less red tape, we heard about the removal of barriers, and we responded in kind to those very important pieces of information that came to us. Before you and before this House is the bill that reflects the needs and the wishes of the community that we are trying to serve.

While common law does also provide for the protections to trans individuals, it's important — and I stand here as the Minister of Justice to say it's important — that we reinforce those provisions through legislation when we have the opportunity to do so and we do today.

Our statutes should be consistent with and build upon the common law. When the common law evolves to the point where statutory protections should be entrenched, we should take that step to do so.

While there is still work to do across government to ensure all programs and services are equally accessible to all Yukoners, this amendment supports the long-term goal and mitigates the risk of only providing the protections on the basis of sex and sexual orientation that have previously been entrenched. This law provides broader protection for Yukoners.

More explicit protections against discrimination on the basis of gender identity and expression will provide the Yukon trans community with peace of mind and the knowledge that the Government of Yukon is serious about protecting human rights for all Yukoners.

It is the hope of this government that in meeting the social standards for the LGBTQ2S non-discrimination, we will reduce red tape, reduce the risk of costly litigation and ensure that the inherent worth of all Yukoners is well-understood, regardless of gender identity or gender expression.

I would like to take the opportunity in closing to recognize that we have with us today, among many other visitors: Jessica Lott Thompson, the director of the Yukon Human Rights Commission; Rebecca Jones, a summer law student here helping at the Yukon Human Rights Commission, and she's from the Faculty of Law at McGill University; and Chase Blodgett, who is with All Genders Yukon.

I am very pleased, Mr. Speaker, to speak to this bill today and to urge the honourable members to support this longoverdue progress in our laws.

**Speaker:** Prior to the Member for Lake Laberge speaking, I have had a request from the Member for Takhini-Kopper King to introduce visitors and if anybody else would like to introduce visitors, now would be a good time.

## INTRODUCTION OF VISITORS

Ms. White: I thank my colleagues in the House right now. We have visitors here who have sat here multiple times, although, I am happy to say, today it will have a different effect. The minister has already introduced Chase Blodgett, who is one of the strongest men I have ever met, a trans activist who has actually brought us here — at times it probably felt like we were kicking and screaming. This is great — and his partner Rian Turner. We have Deborah Turner-Davis, who is the communications director for the Yukon Employees' Union, and she has been key in bringing conversations around human rights activities in the territory. We have the president, Steve Geick, and we have other members here who have been invited. It is really powerful to see you here and we thank you so much for witnessing today's debate.

Applause

**Mr. Istchenko:** In the gallery also is my sister Harmony Istchenko. I believe I introduced my mom and dad earlier, but it is nice to see my sister here today too.

**Applause** 

**Speaker:** Are there any other introductions of visitors? Member for Lake Laberge, thank you for your patience.

**Mr. Cathers:** Mr. Speaker, in beginning my comments today at second reading, I want to first of all note that my comments are from my personal perspective. I would like to begin by noting that I support the protection of human rights of all Yukon citizens, including people who self-identify as trans or gender non-conforming.

I believe that the Yukon government and all governments should respect the rights, dignity and values of all people. I believe that steps should be taken to continue to improve how the Yukon government meets the needs of all citizens, including persons who self-identify as trans or gender non-conforming.

I also have friends and constituents who have strong opinions on this issue and who strongly disagree with each other's perspective on this issue. That, Mr. Speaker, includes friends listening and watching today, both in the gallery and at home. I note that there are people here — and I am not going to introduce anyone by name. I am not sure who would prefer to be recognized and who would rather silently watch, but I would note that, with us here today, we have people who represent members of the trans and LGBTQ community here in the territory, as well as people who are concerned about the content of this bill, including three of our local pastors who have congregation members with concerns about the content.

I believe that the amendments that are contained in this bill — the proposed amendments to the *Human Rights Act* contained in part 1 of Bill No. 5 — reflect the current common law as it pertains to the rights of citizens to be protected from discrimination on the basis of gender or gender identity and is simply clearly stating that in law. For that reason, I do support that amendment to the *Human Rights Act*.

However, I would also note that, as a result of concerns I have heard from Yukoners, I also believe the *Human Rights Act* needs to be reviewed and amended in future to provide additional clarity so that ordinary people who are reading it have a clear understanding of what it means and what should happen when there is a real or perceived conflict with the rights of Yukon citizens, as well as to ensure that there is a fair balance with potentially conflicting rights.

By way of example, one of the concerns I have heard from several Yukon churches who run summer camps is the potential conflict between what they believe is their duty to chaperone and what they believe might be an interpretation of this clause of the law.

Mr. Speaker, while noting that members of this House may or may not share the views of those church leaders, it's important to note that if legislation and legislators do not clarify what is expected, it will be left to the Yukon Human Rights Commission to decide and to arbitrate disputes. I will not spend time this afternoon advocating on either side of that specific issue, but will simply state my personal view that it should be better defined in the *Human Rights Act* in the near future following respectful and meaningful public consultation with all Yukoners who want their views on this matter to be heard.

I'll now move on to speaking about the Vital Statistics Act changes. Mr. Speaker, it's important to note for the record and for any Yukoners listening that most of the text of this bill are changes proposed to the Vital Statistics Act. Unlike the provisions in Bill No. 5, protecting people from discrimination on the basis of gender or gender identity, the government's proposed changes to the Vital Statistics Act are not based on an area where the human rights law in Canada is currently clear. Changes to legislation in several provinces pertaining to birth certificates and drivers' licences to accommodate people who self-identify as transgender, intersex, gender nonconforming, or gender-fluid have not been approached in a consistent manner across the country and the human rights law in this area has not been clearly defined. At the briefing on this legislation roughly three weeks ago, we asked the government to release its analysis and comparison of legislation of this type in other Canadian jurisdictions. They still have not done so. I know in fact that comparison work has been done because Department of Justice staff provided me with that when I was the minister in the summer of last year and I am sure that it has been updated since that time. But the Liberal government has still not shared that updated information with MLAs and the public, despite the request, nor have they given us a copy of the "what we heard" document.

Mr. Speaker, the Liberal government has chosen a model for allowing changes to a Yukon birth certificate that would be a major change in the current legislation. It also moves away from a model where a birth certificate is intended to reflect anatomical sex to one where someone can change their gender on their birth certificate because they want the change. The contents of this section of Bill No. 5 have been criticized by All Genders Yukon, local churches and individual Yukoners.

All Genders Yukon told us in an e-mail sent Sunday evening that they want amendments to the bill. For the record, I also want to clearly note AGY's position that if the Liberal government rejected those amendments, they would rather see the bill pass in its current form than not at all. There are others, however, who have concerns and questions regarding these proposed sweeping changes to the *Vital Statistics Act*. What is troubling to me is that this Liberal government — the very party that campaigned on an election slogan of "Be heard" — only allowed 11 days for public consultation on proposed changes to the *Vital Statistics Act*.

Even worse, in my opinion, the Liberal government launched that 11-day public consultation period during March break, which in my opinion, is a perfect time to hold a short public consultation period if you want people to miss it.

For the record, it is important to note that the Official Opposition wrote the Minister of Health and Social Services

and the Minister of Justice, jointly, during that tiny window of public consultation and respectfully requested that they extend that consultation period to be at least 30 days long. I would like to table a copy of that letter dated March 22, addressed to both of those ministers, regarding the consultation period for those amendments.

The Liberal government rejected that perfectly reasonable request for an extension of the timelines for public consultation. I would note that this is a government that has been in office for half a year, yet they only saw fit to consult Yukoners on this matter for 11 days. One of the things I have heard from Yukoners is that they are upset the Liberal government chose to break its promise to listen to Yukoners and the promise that Yukoners would be heard.

One of my constituents wrote to the Premier, to the Minister of Justice and to the Minister of Health and Social Services the day before the end of the Liberal's 11-day consultation period. He asked a number of questions, including two that most people — even those who have a different viewpoint from his — would have to agree are reasonable questions. The first question is: "Why have you given only 11 days for public input into this proposed legislation?" The second is: "Would I have an opportunity to meet with a representative of your government and discuss my concerns?" He also noted his concerns with the proposed changes when he respectfully requested that opportunity to be heard. Did the Premier reply to his e-mail? No. Did the Minister of Health and Social Services reply to his e-mail? No. Did the Minister of Justice reply to his e-mail? No. Three strikes for the Liberal government in respectfully responding to a Yukon citizen who had contacted them directly. Later my constituent sent an e-mail asking about other submissions and other comments received during the public consultation period.

Government used to typically publicly release "what we heard" reports rather than simply referencing them in the House in the interest of public accountability and public disclosure after it did public consultation on changes such as this. In those "what we heard" documents, personal information, which is supposed to be protected under the Access to Information and Protection of Privacy Act, is typically removed and redacted, but everyone could see the comments that were received. In this case, my constituent was told to submit an ATIPP request if he wanted information about other submissions. He informs me that he filed that request on April 13, that this past Friday was the legislated deadline for government to respond, and that, as of this morning, he confirmed that he still had not received a response to that ATIPP request within the legislated timelines.

While I will outline some specific concerns with the proposed changes to the *Vital Statistics Act* that I have heard from Yukoners who want to be heard, my personal primary concern with the proposed changes to the *Vital Statistics Act* are that government is trying to make sweeping changes that are not clearly defined in current human rights law across the country. It is doing so with a bill that has been criticized by Yukoners on all sides of this issue. The contents of the section

of Bill No. 5 have been criticized by All Genders Yukon, local churches and individual Yukoners.

Let me state this in closing my remarks: I respect all Yukoners. I am committed to respecting the rights of all Yukoners. I strongly object to the Liberal government's decision to only consult with the public for 11 days on these proposed changes to the *Vital Statistics Act* and their decision to reject the Official Opposition's request to extend that public consultation to at least 30 days.

During Committee of the Whole, I will be calling on the government to split this bill so that the House can pass the changes to the *Human Rights Act* without delay, while also calling on the government to take the proposed changes to the *Vital Statistics Act* out for a full, meaningful public consultation and to bring back a bill in the fall reflecting that public input.

**Hon. Ms. Dendys:** Thank you, Mr. Speaker. I would like to thank the Minister of Justice and the Minister of Health and Social Services for your support in this House for amendments to the *Vital Statistics Act* and the *Human Rights Act*. I will allow the Minister of Health and Social Services to address the issues that the member opposite has put forward. I'm here to speak in support of this bill today.

It is truly an honour for me to speak to this bill — yes, our second bill. I'm keeping track too, as is the Minister of Justice. Human rights are not abstract. They are basic rights and freedoms defined and protected by law that belong to each person. As rights are based on values such as dignity, respect, fairness and equality, the evolution of society values can at times outpace legal definition and protection. That is why we are committed to ensuring that Government of Yukon's laws, policies and practices meet both the legal rules and social standards for the LGBTQ2S non-discrimination. That is why I am so proud to support this bill's amendments to the Yukon Human Rights Act and Vital Statistics Act.

I want to take a minute to acknowledge as the Minister responsible for the Women's Directorate that we owe a debt of gratitude to a long line of strong, courageous and determined people, both here in Yukon as well as across Canada and the world who have put their hard work, life stories and sometimes even their lives on the line to advance gender equality and LGBTQ2S rights and freedoms.

In particular, I would like to thank All Genders Yukon, Queer Yukon, Parents and Friends of Lesbians and Gays Yukon, local gay/straight alliances and their allies for their voices, their work and their incredible contributions to our communities. It is largely due to their work and the work of organizations like them that we are able to have this conversation today and to take this step toward building a stronger, more inclusive territory for all Yukoners together.

I am honoured to be working together with my colleagues in this House, LGBTQ2S community groups and Yukoners and their allies to realize our government's commitment to inclusiveness, equality and a respect for diversity in Yukon. I commit to continuing this work together in the coming years.

By including gender identity and gender expression as prohibited grounds for discrimination in the *Human Rights Act*, we are ensuring all trans, two-spirit and non-binary Yukoners know their basic rights and freedoms are explicitly protected by removing the requirement for sex-reassignment surgery before a person can change the gender marker on their birth registration.

By introducing a gender-inclusive marker on these birth certificates, we are now helping ensure trans, two-spirit, non-binary Yukoners have fair and equitable access to all government programs and services.

Building safer communities and more inclusive programs and services are priorities close to my heart, both as Minister for the Women's Directorate and as a member of this community. As such, I proudly support this bill and the safety and inclusion it supports by clearly valuing and protecting all individual experiences of gender.

**Ms. Hanson:** I thank the members opposite and the government in particular for bringing forward this bill to amend the *Vital Statistics Act* and the human rights legislation.

Where to start? Mr. Speaker, I think it is important to set a little context here. What we just witnessed in this Legislative Assembly is a repeat of what we experienced a couple of weeks ago, where we heard in a recent debate that was urging this Legislative Assembly to come together to support the reversal of a single-minded action by the previous Yukon Party government to try to undermine the social contract that we, as Yukoners, had engaged with in terms of the final agreements that set the tone for how we would work together. That was in the context of the Yukon environmental and socio-economic assessment legislation, which the previous Premier sought to — and did — successfully lobby to have the federal government amend it to effectively undermine that relationship.

So, in good faith, a motion was put forward here to support the new Ottawa government's commitment to fulfill its obligation to live up to what was in those agreements that we all are party to. What we heard from members of the Official Opposition, the Yukon Party, during that debate was effectively an end run to try to go back to what it was when they were in government. The fact of the matter is that they are not in government any more. The Yukon people voted for a change.

What we're hearing today is similar to what we heard when the former Member for Copperbelt South Lois Moorcroft introduced this motion in April 2015 — introduced a motion that urged the Government of Yukon to advance equal rights for transsexual, transgender and gender-variant people by: (1) introducing amendments to explicitly include gender identity and gender expression under section 7 of the *Human Rights Act* as a prohibited ground for discrimination; (2) supporting full equality and respect for trans people accessing Yukon government jobs, programs and services; and (3) using public education to fight intolerance, discrimination and violence against trans people.

During that debate in May of that last year, we heard from the then-Minister of Justice that they sort of think it's okay because they interpret the human rights legislation to sort of cover it and don't think it's necessary. Someday they'll open the legislation and at that future date may deal with it — would consider it. Mr. Speaker, he said that in May 2015, despite the fact that in 2008, the Yukon Human Rights Commission made recommendations in their document, *Improving the Yukon Human Rights Act*. They made a number of recommendations to the Legislative Assembly Select Committee on Human Rights in 2008.

In the debate last spring, the then-Minister of Justice chose to make sort of a selective interpretation of what was said by the chair of the Yukon Human Rights Commission. I thought I would just take a moment if you don't mind, Mr. Chair, to restate — and I'm quoting here from what the chair of the Yukon Human Rights Commission said on this matter.

"The Yukon Human Rights Commission has been asking for protection against discrimination on the basis of gender identity under the *Human Rights Act* since at least 2008. The commission is of the view that, while we can and do accept complaints that raise gender identity or expression issues under other prohibited grounds of discrimination, as set out under s. 7 of the *Human Rights Act*, it is important to make this protection explicit.

"It is also important to understand that there is a difference between 'gender identity or gender expression' and 'sexual orientation' or 'sex', which are specifically protected under the Human Rights Act. The experiences of individuals who identify as transgender are unique. A lack of change rooms at public facilities is but one example of a barrier transgender individuals may experience in participating in activities in our community.

He went on to say, "The Ontario Human Rights Commission points out that, 'People who are transgender, or who otherwise don't conform to gender stereotypes, come from all walks of life. They are represented in every social class, occupation, race, culture, religion and sexual orientation, and live in and contribute to communities... around the world.' This includes Yukon communities.

"However, 'trans' people are one of the most disadvantaged groups in society. They regularly experience discrimination, harassment, hatred and even violence. People who are in the process of 'transitioning' are particularly vulnerable. Many of the issues they experience go to the core of human dignity and should be explicitly protected in our *Act*.

"The *Human Rights Act* stresses the importance of recognizing that every individual is free and equal in dignity and rights and that all members of the human family have the right to be free from discrimination. Human rights legislation exists to promote equality and acceptance and was created to protect everyone, including vulnerable members of our society, from harassment and discrimination."

He said, "Jurisdictions across Canada, including our neighbours in the Northwest Territories, provide for explicit protection against discrimination on the basis of gender identity under their human rights legislation. The Yukon Human Rights Commission continues to urge the Yukon government to join other jurisdictions across Canada in affording this explicit legal protection to our citizens. Such explicit protection will promote acceptance and send a clear message that in Yukon everyone has the right to be treated with equality, dignity and respect'".

I do believe that full statement from the chair of the Human Rights Commission at the time indicates that the minister of the day's position that we can do it sometime in the future, or that they would consider doing that, reminds me of the statement by Martin Luther King, Jr. who sort of paraphrased: justice delayed is justice denied. Human rights delayed are human rights denied.

Over the course of the last six years, the Yukon NDP has attempted to have this legislation changed. There are also other pieces of legislation that do require consequential amendments that have been pushed off the burner by the previous government. We're hopeful that this government will also look at implementing these changes to the *Human Rights Act* and the *Vital Statistics Act*, and that we will need to look at the *Family Property and Support Act*, the *Land Titles Act*, and something as arcane as the *Married Women's Property Act* that exists and the *Recording of Evidence Act*.

There has been a lot really good work done by many good people in this territory to try to be compliant with the existing legislation and expectations of society, including the Department of Education, which has done some very, very good work in this area. I don't think we should allow ourselves to be deflected by the attitude that we don't need to live up to our obligations with respect to human rights.

I believe that the government has made the right move in making these amendments and we will be supporting them.

Mr. Hassard: Mr. Deputy Speaker, I would just like to begin by saying that all of us here are elected to represent all of our constituents. I believe that the Member for Lake Laberge spoke on behalf of his constituents on both sides of this issue. He did not try to make this a debate about political stripes. I think that it is very unfortunate that the Leader of the Third Party feels the need to criticize anyone who feels differently about a particular subject than she does.

This is a very important subject and I want to be very clear. I believe it is safe to say that all MLAs support the protection of the human rights of all Yukoners and all Canadians. It is because of that, as my colleague, the Member for Lake Laberge said that we will be supporting this bill at second reading and we do want to see this bill go into Committee, where we can debate it properly. I believe that this bill is very worthy of debate. It needs to be debated. We definitely have concerns, in particular with the consultation, as the Member for Lake Laberge said, but I just have to say that it is very unfortunate that when we talk about working together and being more collaborative in this Assembly — that you can say that and then stand up and say what she did.

I won't go on, as I will leave it until we get into Committee on this.

## **Deputy Speaker's statement**

**Deputy Speaker:** In the future, we will avoid references to "she." It is the "Leader of the Third Party".

**Ms. White:** I will just add my voice to the fact that right now I feel this isn't a political issue. This is an issue about human rights, and trans rights are human rights. What can get lost in this conversation is — we can say, well, we're uncomfortable with the conversation, we're uncomfortable with the topic, and therefore it's easier to push it away and say we won't deal with it right now. But I can attest from the stories that have been entrusted to me that, if we don't deal with this, we put people at risk and that is not acceptable anyway, anyhow.

In my mind, this is not a political issue. This is not about the consultation time. This should have happened sooner. It should have the full support of the House, and this is an issue about human rights. Trans rights are human rights, and the fact that we have not included them to this point is something that should wound us all because that is unacceptable. I had a whole bunch of a things I was going to say, but that is how I wanted to start it.

The landscape of the Yukon has changed. The fabric of communities has changed and it has been good to see. The problem is that we have one part of the population that has been forced into dark corners because laws haven't kept up with those changes. We have incredible members of our community who face adversity that we in this House will never know, and we're pretty lucky that we don't know that. We are. We're pretty lucky that we don't live those daily experiences. I wouldn't wish any of those negative experiences on anyone.

I know right now that our health care system is failing trans individuals. I know that if you have to go to the doctor and you have to justify and go through psychological tests, see psychiatrists, and you have to go over and over and over it again, justifying who you are — and it can be denied because of someone's personal feelings, and then you have to try again — I can say the system is failing.

I can say that not making sure that we're addressing the issues of trans children, that we're not supporting them prior to puberty, that we're allowing government to get involved in a negative way and we're forcing kids to go through puberty in the wrong gender — if you could even imagine what that was like or what that is like, understanding that puberty is not much fun for anybody — but imagine if you were a girl and you go through puberty as a boy, or if you were a boy and you're going through puberty as a girl — and we are putting people through that because we haven't changed the legislation.

Not only have we not changed the legislation to this point, but we haven't insisted that our medical community support people through this. That is something else that we have to talk about at some point. Because when we change these laws, that will be the first step and we won't put people through those risk points.

We need to talk about government construction. We need to talk about buildings. We need to talk about the fact that you and I, and everyone in this Chamber, are able to go to washrooms safely, and I have friends who plan their days on whether or not they are going to be in facilities where they will feel safe while using a washroom because right now they are gendered — you have the men's washroom, you have the women's washroom. How do you tell someone that, "Well, that's not a big deal to us"?

At what point in time are we going to just start making single stalls with shared sinks? We had a convention recently and one of the toilets in the men's washroom kind of exploded so that was closed, and guess what we did? We opened up the other facility and everyone could use the stalls. It was crazy. It was crazy. I was washing my hands and I was having conversations with my male friends and, you know what? The world did not stop. You know what happened? We could all go to the bathroom, and it was pretty safe — it was totally safe. There was nothing to worry about.

When we talk about this issue and we talk about these two pieces of legislation — absolutely, this is a no-brainer. When we brought this forward in 2015, and we had a gallery full of people — and man, their hearts were out there. They wanted so badly for us to be able to get through it. What happened was it got put off. I thank the Liberal government. I thank them so much for bringing this forward because this is not something that can get put off. We can talk about election promises and we talk about your priorities. We can talk about things that can get put off and that we can wait on. This is not one of them. The fact that we are here in the first Spring Sitting of the 34<sup>th</sup> Legislative Assembly and we are finally doing what is right and we are catching up to the rest of Canada — I feel like I am on the side of the right and no part of me does not feel like this is something we should be doing. I thank you for that and I thank you for making that a priority.

Last summer during Pride week, a really incredible thing happened. I often think that the City of Whitehorse sometimes has us beat. They do. I'm going to get the terminology wrong, and I apologize for that, but they do a gender class. This is the thing, if you choose a pronoun and it's not "she" or "he" and it happens to be "they" — it takes a couple of tries to get used to it, but the world doesn't stop. It doesn't stop.

You can call me Kate — sorry, you can call me Member for Takhini-Kopper King — but the point is that you choose your identity and you choose your pronoun. Why is that so hard for society to accept? Sometimes it is awkward because we are talking about plural forms, but again, should my discomfort affect how someone else feels? Probably not. As someone who has full-sleeve tattoos, there are times when people are really uncomfortable around me, but it's not my issue. It's not my issue, it's their issue, and this is no different.

Last summer, the City of Whitehorse had the flag raising at the top of Two Mile Hill and Range Road. It was beautiful—you have the flags and the sky in the background and the metal horse in the front. For the first time in Yukon history,

not only did we raise the pride flag, but we raised the transgender flag. It was really important and there were a lot of people there. Tomorrow is the International Day Against Homophobia, Transphobia and Biphobia. I realize this is a bit off the cuff and this might not work, but we have three flags in the front of this building. I am pretty sure I know someone in the gallery right now who could lend us a trans flag. If we can't hang that flag tomorrow outside this building, then my challenge to the Yukon government is to make sure we hang it a year from tomorrow. This is us broadcasting that every single citizen in the Yukon is important. For too long our trans citizens have been pushed to the outside. In my mind, it is time for us to open our arms and welcome everybody in. One way that we can do that is to hang the beautiful blue and pink flag — I think it might have yellow in the middle; oh, it has white in the middle — because that is a way for us to broadcast that times are changing. You know, sometimes when those times change, it is hard. I appreciate that there are people who have different feelings about this issue, but I also know that they are not the ones who are facing persecution, prosecution and violence. For me there is only one answer, and that's that we vote in favour.

I thank the ministers for bringing this forward. I thank the Premier for following up with what we started in 2015, knowing that it's important. I thank our community advocates. I thank the community that hasn't given up on us. They knew we could do the right thing if they kept pushing. So we're here, and we have this opportunity. It's about time that we made human rights a priority for all citizens, and trans rights are human rights.

Amending the *Vital Statistics Act* means that someone can self-identify without us looking at what's in their pants, because let's be honest — that's not our business. But what is our business is respect, what is our business is equality, and what is our business is making sure that people feel like they're human, and that's what this is about.

I look forward to the opportunity when we can vote on this.

Hon. Mr. Silver: I wasn't going to stand today to speak but I just want to share a few words. I want to reach out and thank the Yukon Party for their words today and thank the NDP as well. This is what we do here. We bring the concerns of the constituents to this Legislative Assembly and we involve ourselves in frank discussions — much appreciation to the Member for Lake Laberge for representing his constituents and also to the two leaders and the Member for Takhini-Kopper King.

In my first year of university, I was in a class that was supposed to be a sociology class, but Dr. Clare Fawcett decided, no, this is not going to be a sociology class. This is going to be a feminist class and we're going to teach everyone in here about feminism.

The class was normally a bird class. It was one of those elective classes that a lot of football players or a lot of basketball players would take to get an easy credit, and the looks around the room went into fear of this new conversation

that we were going to have. Dr. Fawcett said, "You can leave if you really wanted to have a conversation about..." — I forget what the topic was. It was a very specific sociology class, and Dr. Fawcett said, "Feel free to leave, but I want to teach you a couple of different things. One thing is: it's human nature to fear the unknown and we're going to talk the whole year about your fears." The second piece was — and she pointed out that half of the class was white men, and she said, "I'm not going to make any guesses here, but I'm assuming 'straight' as well, and you really don't realize what you have because you were born in the right body."

Dr. Fawcett went through all of the things that made the folks in that class realize that the current and maybe the antiquated — we can debate if the legislation is antiquated or not — legislation and current rules of society are fantastic for you, and that's it.

I tell you, that was one of the best classes that I have ever taken. It turned my young mind at that time toward this concept of — I want to make sure that I surround myself in communities that understand and that look past the likeness of people and embraces that we're all different, but equal, and that was Dr. Fawcett's big thing — that we're not the same. We're absolutely not the same. Nobody is the same in this room or in the world, but we're all equal. That started this grateful concept, in my mind, of looking past appearance — looking past different.

I grew up in a town that does that. I have moved to a town that does that. I have to tell you that my life has been so much better because of the communities that I have lived in and the people's attitudes that have changed in Canada — and they have changed in Canada. You'll look no further than The Pit in Dawson for a good example of a community that absolutely does not care — to borrow some words from the Member for Takhini-Kopper King — what's in your pants. It really doesn't matter. In that amazing — I don't even know what we want to call The Pit at this point — den of iniquity, but I tell you — it is every walk of life. It is. It is not one distinct part of our community; the whole community is in that building. I would never change the community that I live in and what I seek out because of that.

I understand the concerns of folks. There are people who are in this gallery who don't think we have gone far enough. There are people in this gallery and in Yukon who think we have gone too far. I agree with a lot of people in this room that this is a human rights issue and that is what it's about. It's about making sure that we identify human rights for all. If this legislation is going to trigger, for some, maybe a complaint on human rights, then we will respectfully go down that road and we will identify that as we move forward. On this side of the House, we think we are well overdue for this step toward human rights and equality for all.

I thank everybody for their words today, and I'll pass it up to my colleagues to get this to a vote.

**Speaker:** If the member now speaks, she will close debate.

Does any other member wish to be heard?

**Hon. Ms. Frost:** I am going to, at this time, quote my colleague from Takhini-Kopper King. This is a no-brainer. A trans right is a human right. It's about equality of all people.

Historically, we go back to 2009, but it goes back a lot further in time. Trans people have been in our midst and in our cultures for a lot of years. We have two-spirited individuals who are put at the highest value in our spiritual communities, and that is an important piece of our history—the history of the individuals in our Yukon and in Canada. Transgender people in the Yukon have advocated for change and Yukon legislation to recognize gender, other than male or female. The usual two-sex definition of gender in government does not fit with the programs and services of this government. So yes, we are discriminating and I recognize that. We all recognize that on this side of the House.

We recognize that we have a lot of work to do. Coming into office, one of the first things that came across my desk was the proposed amendments to the *Vital Statistics Act* and the *Human Rights Act*. Is this something that this government is proposing to move forward? Most definitely. We see that the World Health Organization and the United Nations have publicly stated that sex and gender are important determinants of health. That goes back in time. The Yukon Human Rights Commission, as stated by the respectful member opposite, put forward a request in 2009. Almost 10 years later, we are still debating this issue around gender identity and gender equality in the Yukon. In my view, that is totally appalling and it's not acceptable.

We look at common-law decisions that have been made across this country — in Alberta and in other provinces — where decisions have been made around the equality and rights of transgender, nonbinary individuals. It's essential that we catch up to the times, as my colleague from Takhini-Kopper King described. It's true: we need to catch up to the rest of the country. We are a proactive government. We see that with our self-government agreement. We see where we are with policy legislation and with implementation of our agreements. We look at opportunities to advance this great country of ours, this great society that we live in. It's about equality. It's about looking at opportunities to make this place a better place for all individuals of Yukon — not just a select few, but everyone. It's not a religious debate. It clearly isn't a religious debate. It's about the rights of individuals.

With regard to consultation, we've been in consultation since 2009. Back and forth, back and forth — input. Well, if we go back out for another year, are we going to still be going through this process? Consultation — I'm actually kind of shocked, to be honest with you. I'm shocked that we're having this debate about going out for further consultation when we've had very explicit common-law decisions across this country of ours that speak to rights of individual, human rights. It's time for us as a government to start looking at our policies, programs and services so that we provide necessary, essential services to all citizens of Yukon.

I'm happy to hear that the Leader of the Official Opposition is in full support of the proposal, with the one

clause that he would like to go out for further consultation. I'm thinking that everything is perfectly fine and we can move forward with the proposal that is before us — the amendments.

The words "protect rights of individuals" — you want to protect the rights of individuals; however, you have some concerns. The member of the Official Opposition stated that they would like to consider further consultation. Personal opinions — I was maybe going to go down that path, but I'm not going to. We heard the Official Opposition speak to their point — their support — so I'm pleased with that. I think that the consultation — we've gone out for consultation and we're excited about the feedback that we've received. There is significant support that was received from those who had participated, who had an opportunity and who were interested in participating. We have 84 percent in favour of the changes of those who elected to respond.

The legislation we have is currently outdated and we have to bring it up so that it aligns itself with other jurisdictions, so that our *Vital Statistics Act* is non-discriminatory.

Yukon is the last jurisdiction in the country — and I want to emphasize that: it's the last jurisdiction in the country to modernize their *Vital Statistics Act* and one of the last to include gender identity and gender expression as a prohibited ground for discrimination in the *Human Rights Act*. Yes, we campaigned for this. We campaigned that we were going to look at this as implementing the necessary changes so that we are not discriminating against the citizens of Yukon so that everyone has an opportunity to access the essential programs and services that we have been debating in this House. Who has access to the essential medical services and supports that we offer in the Yukon? Everyone should have access. There should be no discrimination based on gender identity.

Now, we as individuals come from different backgrounds, different races, different belief systems, different Christian-based values and principles — culturally based values, for some of us. That's important to each one of us as individuals; however, that should not in any way affect what we do as a government when we have conflicting laws that will put us in conflict with the criminal process. If we continue to discriminate against individuals in our society, that will put us at odds and put us in a process of direct conflict with existing laws. That's not what we want. We want to ensure that we amend the act to ensure that there is equality for all — every member of our society.

Right now, as the Minister of Justice highlighted, there are children in our society who are marginalized, who don't have a voice, who don't have an identity and who are challenged and are struggling. This allows that opportunity for them and their parents to engage. I was educated by some really great people who have been advocating for a long time for this change. They educated me on some of the challenges and the barriers that perhaps I wasn't familiar with previously and now I am. I thank the participants at our meeting in April. It was a whole eye-opener for me. I felt great about leaving that meeting knowing that we were doing what was right, and we are going to do what is right, and that is to look at ensuring

that we provide services to transgender, non-binary — the whole community — two-spirit individuals, as we define them in my indigenous culture — two-spirit individuals.

I am going to conclude here, and I am going to ask the members of this House to please put your support behind the amendments because it is the right thing to do. It is the right thing to do for all Yukon. It's the right thing to do for a government to respect every citizen of the Yukon. Respect all those who are members of our society. Discrimination should no longer be in our vocabulary. Discrimination went out a long time ago. When we settled our land claim agreements, it was an opportunity to look at transparency. It was an opportunity to look at ensuring that we provided opportunities and equality for everyone — equality for all citizens of Yukon. Thank you.

**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. Silver: Agree.
Hon. Ms. McPhee: Agree.
Hon. Mr. Pillai: Agree.
Hon. Ms. Dendys: Agree.
Hon. Ms. Frost: Agree.
Mr. Gallina: Agree.
Mr. Adel: Agree.

**Hon. Mr. Mostyn:** Agree. **Hon. Mr. Streicker:** Agree.

Mr. Hutton: Agree.
Mr. Hassard: Agree.
Mr. Kent: Agree.
Ms. Van Bibber: Agree.
Mr. Cathers: Agree.
Ms. McLeod: Agree.
Mr. Istchenko: Agree.
Ms. Hanson: Agree.

Ms. White: Agree.

Clerk: Mr. Speaker, the results are 18 yea, nil nay.

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

Motion for second reading of Bill No. 5 agreed to

**Hon. Ms. McPhee:** 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 (Mr. Hutton):** I will now call Committee of the Whole to order.

The matter before the Committee is continuing general debate on Bill No. 201, entitled *First Appropriation Act*, 2017-18.

Is it the wish of members to take a brief recess?

All Hon. Members: Agreed.

**Chair:** We will take a 15-minute break.

Recess

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

# Bill No. 201: First Appropriation Act, 2017-18 — continued

**Chair:** The matter before the Committee is continuing general debate on Bill No. 201, entitled *First Appropriation Act*, 2017-18.

**Mr. Istchenko:** I just want to acknowledge — usually it is the officials from departments or the official from the department — thank you for being here today.

I just want to get something on the record about being the critic for certain departments. There are some things that I will be pushing the Premier for — budget-related — over the next few years and I'm encouraged by some of the things I've read. I had a debate — not a debate actually. A constituent asked me what a mandate letter was, and I said, "Well, that's when your boss tells you what to do." I had to do a little bit of explaining and so I read through one of the mandate letters. When I read through the Minister of Environment's mandate letter, the first thing that popped into my head was: Aren't we getting a carbon tax? I'm like, I think pretty much, we are. I think we've defined that. Why doesn't it say, "To help Yukoners out with this new tax, we're going to make it easier for him." So I said, "You know what? I'll ask the Premier that." It's not probably that we don't need to debate the carbon tax or debate that, but I just got thinking about it and I thought maybe in the mandate letter for the Minister responsible for the Yukon Development Corporation and the Yukon Energy Corporation — we know it is coming, I think. It's probably going to take a lot of time out of their hands to do the implementation or however this goes, so I will just leave that comment at that.

What I want to talk about today a little bit — and for the Premier — is — there is a lonely budget item called the Alsek moose recovery program. That's something that was created — I pushed to have it created with the department when I became the minister and I was happy to see that, in the Minister of Environment's mandate letter, it says, "Yukoners see a healthy environment with sustainable wildlife populations and opportunities to enjoy the wilderness as fundamental to the social and economic well-being of communities."

I was born and raised in the Yukon and I can remember in 1983 when moose — we hunted from the time I was a kid. With my father, we always hunted with the same group of guys — First Nation and non-First Nation. Land claims hadn't been settled. We went out. We cancelled the tag. Everybody had moose meat in their freezer.

In 1983 — actually the year before 1983, they allowed a cow moose harvest. It didn't do very well, and that was at the time that the European Union and Europeans were all over the fur trade — so fur prices tanked. So we lost that ability to manage our animals a little bit through trapping. I guess my point is that it was in 1983 that the permit-hunt system came in. I'm not going to quote; I'm going to look it up — I'll explain it when I get into debate maybe a little bit more with the minister applicable.

It was always thought and said that once populations come back up, you'll be back to hunting. So it gets to my broader point that we in the government and the departments — and there have been many years of different governments running the Department of Environment — are managing hunters; we are not managing our wildlife populations. I spent the better part of my career after working for the government in the outdoor adventure tour industry and wound up being asked by someone to sit on the Alsek Renewable Resources Council. The thing that was addressed to me was — I don't think the government listens to us like they should. I sat on that and I was the chair of the committee for a long time. There was frustration with, you know — we have the Umbrella Final Agreement. I was really encouraged to hear the minister stand up — one of the questions I asked her was about the resource councils and she said she respects them, works with councils and boards and all the rest of this stuff.

Chapter 16 states that the primary instrument in resource management is what the councils and boards are for. That little segment of budget that you put forward — the project that is going on in Kluane is a collaboration with Champagne and Aishihik First Nations, the Alsek Renewable Resources Council and local trappers. It's a program that was put together. It solved the issue of underutilized traplines. The minister will understand that a little bit more. She has been all over. We had a lovely lady who was the coordinator the first year and she talked to all of the elders and the trapline concession holders. They were all fine. They knew we were working to make the population of moose better. That was the general idea there. It was a great program. Local trappers were involved. The Department of Environment, local COs and those guys were right engaged with it. The resource council provided the snares and the opportunity. It's a great program. One of the reasons it was so successful is that Champagne and Aishihik First Nations committed to sharing numbers with the Department of Environment of their moose harvest numbers. It's about building the moose populations back up.

My focus in the future with the Minister of Environment, in Question Period and as I go forward, is I will be asking things like there's a small budget for that. When I was the minister, I asked: What revenue do we bring in from hunting, fishing, the outfitters — and the outfitters are part of this too. I

was going to mention them up front. We bring in about \$350,000 a year in revenue from hunting and fishing licences— around there; it changes a little bit. The outfitters paid for their permits down the line. I'm just going on what I worked with over the years and what I heard from the Yukon Outfitters Association, the trappers, the Yukon Fish and Game Association. You'll see the highlight in the paper— usually it's somebody fighting over an animal. TOYA has an issue with it; someone has an issue; there are all of these organizations that have issues, but if we focus back on managing our animals to a sustainable population for all of us— our hunters haven't really changed that much. Our population hasn't tripled in 30 years. It grows— you can look at stats.

I think working with the boards, working with the outfitters, the Yukon Fish and Game Association and all of those organizations, focusing more on — and this goes for animals and fish too — maybe look at having a fund and stating on the licences — we let those groups take that over and manage it. They do it in other jurisdictions. BC is looking at different ways. Let them manage enhancement projects, habitat projects, feed for the animals and stuff like that.

I think with environment — and I know there are a lot of constituents I talked to when I was at the first show and people throughout the Yukon. The general consensus is that we need to start managing our animals, and we get that through listening to our elders and listening — I have been to the elders senate. The lady has passed away and she was one of the youngest elders there. She said, "Why am I not allowed to talk about bears?" I said, "I am here. You can talk about bears." We have to have that frank conversation. Hopefully there is no one here named Frank, because then that would be out of order. I have to have a pun once in awhile. When it comes to the budget with the Premier, I guess I would just like to ask that question. I know the Premier probably isn't up to speed on this, but I just think that being able to move in that direction I think is going to satisfy Yukoners.

Political stripes aside on that, everybody likes — they call it the 100-mile diet. There are many ways it has been said, but I think if we can put management back more and focused on that as opposed to that. It takes money to do that, but I think that would be a wonderful thing. That is all I will have to ask the Premier today. I just want to hear his thoughts on that a little bit.

**Hon. Mr. Silver:** We will let it go that we used first names here — Frank — in the Legislative Assembly. The member opposite makes two good points. One is on the mandate letters and the other one is on hunting.

I will go back to the mandate letter — good question. It is one of those things where one of the first conversations that we had with Executive Council Office was how important it is, from a communications perspective, when ECO is communicating with the public servants and then watching the political wing making their communications — how important it is that these conversations can go on in tandem if we are making sure that the decisions go back to the mandate letter. If it's in the mandate letters and if you can always have the

departments, the political folks and everybody saying that this is in my mandate letter and this is in the department's mandate letter — that gives the department a more whole-of-government approach to figuring out the issues and the problems of a government. If we stray from those mandate letters, that causes undue complications in communications between the Executive Council's job to communicate and to talk about policy, and then also our job to communicate as well if all of a sudden things are not on those mandate letters.

We are putting a lot of emphasis on these mandate letters, and I think that when we take a look at the mandate letters going into a business model — a business case is what we are doing as well this year — I think this helps with that certainty piece and it helps with the public as they get to know these things. I am so appreciative that your constituent is having this conversation. Clearly, he or she is paying attention. That means a lot. To answer your constituent's question, I will quote from my mandate letter. On the second page of my mandate letter, it says: "As Minister of Finance: use tax measures to help create Yukon jobs; return funds collected through a federal carbon pricing mechanism to Yukon individuals and businesses through a rebate system..."

So it isn't in my mandate letter, and the reason why it's not in the mandate letter of the Department of Environment — it would be different if it was our tax, if it was our pricing. It might have come out of one of the departments, but it's not. It's a federal tax that we, as the Department of Finance, are going to be working with. That's why it would show up in the Department of Finance, as opposed to in the Department of Environment, to answer the first question.

The second issue — it wasn't more of a question. It was more of a "I will hold you to this" type of thing over the next budgets. I applaud the member opposite for that endeavour because we all know the Minister of Environment is an avid hunter. If you had been to her cabin, you would have been scared, with all the rifles on the walls.

The information that she has from northern Yukon — it's information that I don't have, and it's based on a traditional way of life, whether it is hunting, trapping, caribou, and wildlife management. We have to rely on the people who know this industry and I will extend that to you as well, as the former minister responsible, but more importantly with your role in your community with the Rangers. Your knowledge of what goes on in your community in regard to hunting, trapping and these issues — I am going to say, in principle alone, from what I'm hearing today in the Legislative Assembly, there is nothing that you said that I wouldn't disagree with. This is how we have to —

# Chair's statement

Chair: Please refrain from using "you" and "yours".

**Hon. Mr. Silver:** I apologize wholeheartedly, Mr. Chair.

It's a matter of using the expertise in all of the different communities. I will reach out to the member opposite and our department will as well, as far as future years' management. There might not be changes in the population numbers, but there are changes happening. We're seeing it in the Klondike. We're definitely seeing a lot more people showing up in the goldfields than ever before for moose hunting. I think what we're seeing are a lot of pressures from folks who are not necessarily Yukoners and who are coming up as well. I know there has been a change there, and that is something I would definitely want to get the member opposite's opinion on as well.

Things are changing and pressures are happening in different areas. We know that there is litigation, and there are issues with the unsigned First Nation governments and rights there that we're working through and trying our best to identify and to address. None of this can happen in a silo, but we absolutely have to reach out to the communities, to the people who have been hunting and fishing in our great backyards all of their lives — especially those individuals like the member opposite, who relies on information from the elders in his community and we have to respect that information.

I will make my best effort to make sure that the evidence that we use when we're going down that road — looking at budgeting and programs. It makes sense to look at what the communities have to offer. First hunt and first fish are great examples in Dawson and other communities — where Education can put money toward them. We could have more money from different departments — having a whole-of-government approach. Let's take a look, like you said — from managing our wildlife and then, as we take a look at the mandate of managing our wildlife, all of these things feed into it. As the evidence mounts, then we make more decisions based on that evidence.

I have to say that the first fish — in my community anyway — has saved a lot of lives. It really has. That whole getting out on the land and getting some pride in your relatives who are now teaching the class is such an important part of the education system, and it's based upon who we are here as Yukoners. There are many opportunities moving forward. I know that the member opposite will definitely be a big resource when it comes to these issues moving forward.

**Mr. Istchenko:** I thank the Premier for his comments. The only thing to add is that the education is key. We've seen a huge increase in the trapping. When you go to the fur show, you see the youth category there now. The thing that came up there was they had to change how they give their award out because of the way the *Wildlife Act* is with kids — those under the age 16 aren't allowed to trap. There is going to be some legislative stuff. I'm sure the minister is probably privy to that already.

The other thing is the pressures that you're seeing in Dawson — a lot of the times the reason we see pressure is because when one area of the Yukon gets put on permit and there are only so many permits out where people used to go, they look for other opportunities and areas. That would just be the only thing I would add to that.

Mr. Chair, I have no more questions.

Ms. McLeod: I wanted to speak a little bit today about something we hear continually in the House, and that is evidence-based decision-making. What I've heard several times is — actually, I heard it twice today even — decisions that seem to come out of government where there has been no evidence-gathering or where government says, "Well, we're going to look at the evidence, but yes, we're going to do it." It kind of lessens any meaningful definition, I guess, of evidence-based decisions.

There are a couple of things I want to talk about as far as evidence. One has to do with something that is not in the budget. That is an increase on tax on alcohol. We know that in the last federal budget, the federal government raised taxes on tobacco and alcohol. In this Liberal government budget, we see a rise in taxes on tobacco and nothing on alcohol. I'm a little bit curious about that. I'm not advocating for a tax increase on alcohol; however, we don't have to look very far to know that most of our budget is based on the damaging effects of alcohol. Alcohol is affecting families, the workplace, certainly children — and it's a generational kind of effect. I just want to know what the rationale is — where the evidence is — that it would be a bad thing to raise taxes on alcohol.

Earlier this year, I sent a letter to the Minister of Highways and Public Works, raising an issue that was of concern for the people of Watson Lake, and that is the installation of street lighting on the Campbell Highway between the Town of Watson Lake and Two and One-Half Mile. This is a concern that was raised by a number of community members. This installation is supported by the RCMP, supported by mayor and council, supported by the citizens but the minister and his department said we didn't need it. The people didn't need it. I'm wondering where the evidence is there.

There was no discussion about — gosh, that's expensive. We can't afford it. There was no discussion that there has been any looking into any kind of evidence to base that decision on. I'm a little confused as to what this government means by "evidence-based decisions". I guess that's my major concern when I look through this budget. I see a lot of decisions being made. I don't know where the evidence is. I don't know what evidence was looked at, and perhaps government doesn't feel that it is something that the average Yukoner needs to know. I don't know. I honestly can say that I have no idea how the evidence comes about.

I guess that's all — my only comments on this budget in general debate. I'm certainly going to have some questions regarding evidence when we get into departments. It seems to be an overriding factor for everything that the government says, so it's a huge concern for me.

Earlier this year, I sent a letter to the Minister of Health and Social Services and asked for funding for the Watson Lake food bank. I don't know what evidence was looked at. I just got the answer of "no". I'm sure that I'm not the only one who is wondering in the Yukon what the evidence is for the decisions that government is making on where it spends its money.

Hon. Mr. Silver: With the evidence-based decision-making process — I'll start there. The member opposite said maybe we should just go away from that if we can't find the evidence. I would totally disagree with that statement. I believe what Yukoners want is more evidence-based decision-making in governance because, when you involve evidence, you can point toward a process. If you didn't get your lights in Watson Lake or if you didn't get your something else in some other community, it's harder to deny the system if that's given.

I will let the ministers specifically talk about things like street lighting or liquor, but I will talk in general about the concept. We got into government. We have short time frame to develop a budget, and in that we put forth a couple of different bills. We're being criticized by the opposition and it's totally their job to do so. I appreciate their research on these issues — on consultation on these particular items.

I would say that, on the two bills that we put forward, the evidence that we gathered was going door to door in the election campaign with a pledge to make these things happen. That's part of it.

There is more consultation as well. As we talked about, there was a consultation process for both National Aboriginal Day as a statutory holiday that was done in the summer and there was also a consultation done for the changes to the *Vital Statistics Act*.

Can we do better? I would say that as a government, we can always do better to get better evidence when we make our decisions. We will probably disagree on certain things — that's for sure — as to decisions that are made and whether or not the opposition believes the evidence or the consultation was enough, or legitimate or whatever the critique will be. We will take it on a case-by-case basis. To say that we shouldn't do that — the evidence-based — I think we should and I think we could always do a better job of getting that evidence as we move forward.

As we get through this legislative session and we move into the summer, that gives us an opportunity next time. Each time we get through this process, I believe, with the changes that we have in the Finance department, with the whole government approach, with the commitment to evidence-based decision-making, I believe that every year we are going to do a better and better job of making sure this government makes decisions based on evidence. Then we will let the electors decide at that time if we have done what we set out to do. That's the great thing about the democratic process: in the end, Yukoners will vote.

When it comes to liquor specifically — to the member opposite's question — we do have a liquor tax and liquor markups. It's an unusual system, to say it in the most polite way. I wonder if the Leader of the Official Opposition would agree or disagree. We are doing a review on it. The minister responsible would love to comment on that. We are still working on systems to generate evidence — for example, our investment in the Department of Finance that I talked about — and that is our evidence-based decision-making every year getting better, in my opinion.

When it comes to street lights, I will ask my Minister of Highways and Public Works to get into those more specific answers.

**Ms. McLeod:** I would appreciate having those discussions when those departments come up, for sure. I did not say that we didn't need evidence-based decision-making. I don't like to be pinned with something I didn't say. Consultation is not always evidence. In fact, there is evidence that consultation is not always done. I can go to my community and I can ask everybody I see on the street if they were asked or saw any kind of consultation about a certain particular item and they can say, "Gosh, no; I never even heard there was a consultation going on."

Government can say they're consulting. I don't know who government is consulting with if I can't find one single person who has been consulted. I can appreciate that maybe you have a target audience you would want to consult with — you don't want to consult with Yukon in general — but I can tell you that consultation is not very effective to date.

I don't agree — obviously — with the Premier that the election was a consultation, so to speak. It was just what it is — it was an election.

Congratulations, you won; however, the devil is always in the details. People who take these broad stances on something like evidence-based decision-making — it's going to mean different things to different people, nine times out of 10. I'm looking for some kind of commonality that the average Yukoner can understand. We have evidence-based decision-making where we actually have evidence. I think people can understand that. When we have evidence-based decision-making where there is no evidence or no studies and nothing has been looked at, then that's something else. I don't know if there are too many people who could understand that, but maybe there are some who do.

I don't actually have a question at this point. I look forward to going into departments and drilling down into the details. What I will say is that I know the government thinks that this new budgeting format is helpful, and it may be to departments and it may be to the government, but to the average person who might look at a budget document, where we used to see projects listed out, we're not seeing that any more and that's not very helpful. When I'm looking for a project, I can't find it in the budget. The government telling me it's there is not very comforting if I don't see it.

Thank you very much, Mr. Chair, and I'm going to wrap up.

**Hon. Mr. Silver:** I just want to make a comment on — the member opposite said we're targeting just specific Yukoners — that's absolutely not true.

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

#### Point of order

**Chair:** Mr. Kent, on a point of order.

**Mr. Kent:** Mr. Chair, you have ruled in the past that using the words "not true" implies a falsehood, so I would just ask you to have the Premier retract that.

#### Chair's ruling

Chair: Mr. Silver, please refrain from using those words

**Hon. Mr. Silver:** My apologies. I will refrain from using that statement. I will say the member opposite's remarks are inaccurate. They are, because we're not targeting any specific group of Yukoners. If the member opposite would like to give us some input as far as the individual groups and agencies in her community the member opposite would like us to consult with moving forward, we would happily do that.

Again, we're just starting to show evidence for our decisions, so we're building systems. I'm sure the member opposite would want to see improvements. We did say the other day in the Legislative Assembly that the up-front part of the binder doesn't have as much detail — yes, we took it out and instead we put other things in, we took things out like forecasts and really important information we put in, like economic outlooks — really important things to be putting into these documents.

If at the end of the year we feel those things should go back in, then we'll take a look. We have already said in the Legislative Assembly and I've committed already to the Yukon Party that we will look at that. If we believe that Yukoners want to see this list of all the things, all these items up front — to me — this is my personal opinion — it almost looks like it's our money, whereas this is the taxpayers' money. What we want to do is get into the line-by-line debate and discuss how we're paying taxpayers' money. Members opposite disagree.

We can take a look at that and as a team we'll decide whether or not that this is something that we want to change moving forward. Absolutely, we'll look into that. I'll give this off to the ministers to answer your specific questions on both street lights and liquor.

Hon. Mr. Mostyn: I thank the member opposite from Watson Lake for the question this afternoon in general debate. She is raising the issues that have been flagged by her constituents and I applaud that. On the issue of street lights from Watson Lake to Two and One-Half Mile subdivision on the Robert Campbell Highway, the member opposite did send me an e-mail on January 6 of this year. I responded to her on January 9 in an e-mail and said that I would get back to her with information. On January 30, I sent a letter to her explaining how we would proceed on the street light issue. I had asked my department to dig up the information they could on the issue of street lights along that stretch of highway. They informed me they had done the research. They had looked at the issue for the members opposite and had decided that the decision had been made and there was not enough need for street lights on that stretch of the highway. But that wasn't enough for me or this government. We decided to look into it further. I have asked them to look into it to see what the

They started gathering evidence this winter at my behest. They have started to do traffic counts and pedestrian counts for that stretch of road during the winter when street lights are most advantageous. I don't think the member opposite would like to run street lights in the summertime. I have asked them to look at that information and they're doing those counts. They haven't given me that information yet. I thank you for the reminder. I will certainly get back to my department and find out what the pedestrian counts show. As soon as I have that information, I would be more than happy to share that evidence with the member opposite.

Hon. Mr. Streicker: Just to follow up, but I think that the Premier, in his remarks, covered it off. We are doing a review of pricing. It has begun now. I look forward to working with all members of the Legislature around that. I think seeing what falls out of that pricing review will lead us to decisions about the subsequent budgets, but we didn't plan to do it within this budget — just to acknowledge we were out there working.

Also I want to be a little bit careful. It might happen through taxation, but it also might happen through markup pricing so that wouldn't necessarily hit the budget in the same way that it does because it's a corporation.

**Chair:** Is there any further general debate or Bill No. 201?

Seeing none, we will now proceed. The matter before the Committee is Vote 12, Department of Finance. The estimates for Vote 12 begin at page 11-3 of the main estimates document.

# **Department of Finance**

**Chair:** Is there any general debate on Vote 12, Department of Finance?

**Hon. Mr. Silver:** I do look forward to debate on the tabled appropriation. I would like to provide the Committee with a few introductory remarks on the Department of Finance as well as the budget for 2017-18.

In the past, I believe remarks in this department have been technical and more formulaic, but I would like to take a moment to highlight the sometimes unrecognized and underappreciated value of this government department. While it comprises just 83 full-time equivalent positions after the inclusion of the Business and Economic Research branch and the Yukon Bureau of Statistics, it is responsible for overseeing a large number of transactions and decisions that ultimately impact all Yukoners.

I would like to begin by applauding the department staff, who continually work with other jurisdictions, the Government of Canada and self-governing First Nations on issues relating to transfers and to negotiations. It is partially thanks to these individuals that we saw new funding for health care from the federal government in this year's federal budget. It has also led to significant funding under the territorial health investment fund in the federal budget as well. This money is used to offer the programs and services that Yukoners need and expect from the government. They deserve that recognition and I applaud their efforts.

The Department of Finance staff is also the staff that provides the critical financial analysis needed by Management

Board to make decisions that affect all Yukoners. While they regularly work to improve Yukon's bigger financial picture, staff in this department also help Yukoners on a daily basis. They are the individuals who deliver timely, efficient, reliable and ongoing services, including bill payments, cash receipts and payroll administration. They do all of this day in and day out to ensure that residents are able to conduct financial transactions with the government without issue. For many, they are the faceless public servants working behind the scenes, but without them, many government services would come to a standstill. For example, you might not know that a majority of the surveys conducted by government departments are compiled with the expertise provided by the Yukon Bureau of Statistics.

While recognizing departmental staff, I would be remiss if I did not highlight the terrific work done by the Management Board Secretariat as well, Mr. Chair. Their work in bringing Management Board up to speed has been indispensable, as has been their ability to ensure the delivery of this very budget.

I would also like to speak now to the detailed estimates for this department. Let it be said that I, as well as the rest of our caucus, truly appreciate the work completed by department staff each and every day. For this reason, I am confident in the Department of Finance's ability to ensure value for money as we seek approval for total appropriations of \$12.9 million in the 2017-18 budget. Of this total, \$12.2 million is for operation and maintenance, while \$648,000 is allocated for capital expenditures.

With respect to operation and maintenance, approval for \$9.75 million is sought for salaries — or basically 80 percent of the total O&M. You will notice an increase of approximately \$2.56 million over the 2016-17 main estimates. This represents the transfer of the Yukon Bureau of Statistics and Business and Economic Research to the department and the money required for the reorganization and the business modernization efforts inside this department.

While the Department of Finance has made significant strides toward improving and modernizing its business practices in the past years, some changes in structure are required for the department to effectively carry out its mandate to provide government with strategic evidence-based recommendations and advice.

Currently, the department excels at conducting transactional debit and investment and accounting functions. However, it does lack the ability to provide timely, accurate and robust fiscal forecasting to bring internal consistency to government's expenditures while preparing the budget. By adding 10 critical positions, the Department of Finance will be able to increase its capacity to develop accurate, Yukon-specific forecasting. It will also place fiscal policy at the forefront of budget development and influence advice to Management Board, leading to decisions based on a consistent set of assumptions across departments that will better support Yukoners.

The addition of a new division, which will be known as the Economics, Fiscal Policy and Statistics division, will operate in a highly collaborative manner with departments to ensure that all budget planning incorporates the latest information and provides for an internally consistent financial plan. These changes will help the department evolve from a department of budgeting to a true Department of Finance. This business modernization will boost strategic management and leadership capacities within the organization and will allow the department to better fulfill its role as an organizational leader. Our government is making a commitment to evidence-based decision-making, and this commitment we intend to keep.

For the first time in recent memory, documents now include economic and population outlooks, thereby improving the sophistication of the government's budgeting process. I would also like to highlight the \$250,000 in this section that will go toward establishing the Financial Advisory Panel. While I spoke to this in great detail during the government budget speech and in general debate, I would like to draw the Committee's attention to the fact that funds spent on establishing this time-limited panel will ensure better value for money for the government as a whole. It will also ensure that Yukon finances are sound now and into the future while meeting the fundamental needs of Yukoners.

Because we want to hear from all Yukoners on their financial priorities, I have directed the panel to engage with residents, First Nation governments, municipalities, businesses and organizations on how we make the Government of Yukon financially sustainable now and into the future. This panel will submit a report containing options for financial tools associated with all major government spending decisions. These options will form the Government of Yukon's financial decisions and policies for the next five years and will lead to decisions that will better reflect spending priorities of Yukoners.

The remaining two percent associated with O&M consists of an ongoing transfer payment related to the public utilities income tax transfer. This payment provides a rebate to Yukon ratepayers through a grant to the Yukon Energy Corporation to cover deemed income taxes collected from local electricity providers.

While it is clear that there are sufficient opportunities to identify and to reduce inefficiencies and duplication, a coordinated client-focused approach is needed. This is why our government is demonstrating this commitment by making key investments in the Department of Finance, including increasing fiscal analysis as well as establishing a program evaluation function.

With respect to capital expenditures, this department is seeking approval for \$648,000 for 2017-18. Of this amount, \$250,000 is allocated for upgrades to the government's accounting system; \$200,000 will be used for the planning and design associated with the new budgeting system; \$140,000 is associated with furniture, equipment and moving costs associated with the departmental business modernization; and \$58,000 is set aside for computers, workstations, printers and a coveted envelope stuffer.

On the revenue side, we will see growth again this year as the federal government continues to make important significant investments to the Yukon. We recognize that this investment from Canada continues to allow Yukoners to realize many of their key priorities and goals. In 2017-18, this amount is expected to be \$972 million, which is an increase of \$25 million.

This 2.7-percent increase from the previous year can be largely attributed to an increase in population related to the rest of Canada. As I said earlier, these transfers are critical with respect to offering the numerous services required to make lives better for all Yukoners. This money helps support a diverse and growing Yukon economy, contributes to healthy, sustainable communities, improves the wellness of our people, and allows for continued improvements in government-to-government relationships.

The Government of Yukon as well as the Department of Finance continues to work hard to ensure that our health agreements provide Yukoners with funding and services that address all health care needs. Yukon's new agreement on the latest health accord provides additional new funding for mental health and for home care as well as an annual percentage increase to the Canadian health transfer funds.

As members are very much aware, Yukon benefits from Canada's transfer in three subareas: the Canada health transfer, which for this year it is set at \$38 million; the Canada social transfer, which is once again set at \$14 million; and the territorial funding formula total, in which we see an increase from \$895 million in 2016-17 to \$919 million in 2017-18. This represents a 2.7-percent increase in this area as well.

Finally we're looking at tax revenue. You will note stable increases of three percent over the last year, with some notable changes. The department's 2017-18 budget estimates reflect \$101 million in tax revenue for Yukon. This figure takes into account adjustments to the corporate tax rate by reducing it from three to two percent for small corporations and from 15 to 12 percent under the general rate.

It is the government's priority to use tax measures to help create jobs for Yukoners. This change supports our commitment of offering competitive taxation rates that will allow Yukoners to invest in marketing, training and innovation in order to create more good jobs for Yukoners. This change will also encourage economic activity in the territory by creating a favourable corporate tax rate for those looking to do business in the Yukon.

But, as I said in the budget speech, we will act on evidence. We will study the implications of future decisions to determine how to take the next steps. We will take the steps needed, but we will first look where we are stepping so that we will get it right.

The government has also made a decision to increase taxes associated with cigarettes and other tobacco products. This government continues to work to support Yukoners in their tobacco cessation efforts. Raising the tax rate on cigarettes and loose tobacco will support the government's effort to support long-term well-being and the quality of life

for Yukoners. This change will also close the gap caused by a decade of inaction when it comes to keeping up with inflation.

In 2017-18, these two changes work out to a near net-zero change with respect to overall taxation revenue. Revenue from other sources like banking and investments as well as received interest payments of an additional \$3.3 million will account for an additional \$3.3 million in revenue. This concludes the numbers for the Department of Finance.

While the main estimates are a great snapshot of the many activities that the Department of Finance undertakes in order to support a growing economy and to provide good jobs for Yukoners, it does not capture my appreciation for what they do. In that vein, I would like to end my remarks by thanking the staff of the Department of Finance for their dedication and professional contributions to this government and to the territory. They truly are committed to providing honest, ethical management of public money and valuing integrity, trustworthiness, responsiveness and reliability in their work, and adhering to professional and financial standards. They provide sound financial and fiscal planning advice and analysis and also provide financial leadership while aiming for innovation and straightforward and transparent outcomes.

I am very fortunate to be joined here today by the deputy minister of Finance, Katherine White. Kate, along with her senior management team and the fine folks who work within the department are largely responsible for much of this department's success. Kate will assist me with answering the questions from the opposition today.

Mr. Chair, I would like to thank you and I would like to thank the members in advance for their questions on these appropriations, and I look forward to fruitful discussions.

**Chair:** Would the members like to take a brief recess? **All Hon. Members:** Agreed.

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

Recess

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

The matter before the Committee is Vote 12, Department of Finance. Is there any further general debate on Vote 12, Department of Finance?

Mr. Cathers: Mr. Chair, first of all, beginning with debate on the Department of Finance, I would like to welcome the official, the deputy minister, here and thank all of the staff at the Department of Finance for their work, not only in preparing the budget for this department but, in fact, their work in preparing the entire budget. I just want to again express appreciation on behalf of myself and members of the Yukon Party caucus for the work done by staff of the Department of Finance, dating back especially over the 14 years we were in government, for their assistance day in and day out. I also want to make clear to staff that, while they have and may hear me criticize decisions by the Minister of Finance and Cabinet, our criticism is directed at those

ultimately making the decisions, not at staff of the department. I would like to thank staff, as well, and note that, while we do have some concerns with the budgeting format, we recognize that those decisions are made at a Cabinet level and they're not ultimately the responsibility of department staff.

I would like to again thank everyone — especially the staff of Finance, but also finance staff within individual departments — for their able assistance over the past 14 years when the Yukon Party was in office. Without their assistance, both in the Department of Finance and in individual departments, we would not have been able to achieve the responsible fiscal management and leave the Yukon with a very healthy surplus situation, as we did — not to mention that, during that time period, we achieved a great many operational priorities and achievements across departments.

I won't name names, not knowing the comfort level of former staff of having their names brought up in the House. I would just like to acknowledge some former staff at the Department of Finance for their work and assistance to not only myself but to the entire Management Board during those 14 years. That includes three former deputy ministers, two ADMs, a director of budgets, Management Board analysts, and as well as all of the current staff. Without naming names, I would like to acknowledge as well one who was the very first Finance director who had to assist me in my department during my first portfolio of Health and Social Services, and is still to this day providing capable service to the government in her current role. Thank you to all of them.

In moving on to some of my specific questions to the Minister of Finance, I will note that I am not actually ready to ask that many questions in the Department of Finance since the minister and I had a fairly lengthy debate during general debate on the budget. I would like to ask the Premier a couple of questions related to some of the planned changes here in the Department of Finance. The first question I would ask is: Of any new positions which have been transferred from other departments or are being added to the Department of Finance, are any of those positions intended to deal with either administering a carbon tax once it comes in or administering rebates? If the answer is no, can the government estimate what additional resources are required to achieve the Yukon's role in whatever that new tax model looks like?

Secondly, relating to the change that we've been advised of that the typical reporting of financial variances collected by the Department of Finance — we understand that there are increased strategic plan reporting requirements, which again I would note there may be some merit to, but one of the first concerns that sprang to my mind is about how much additional paperwork requirements would be entailed by what we understand would be a requirement for the strategic plan report, along with the tabling of the department budget submissions when the call letter is issued, as well as the period 5, 8 and 12 variance reports. Again, that specific question if the Premier, as part of their approach to evidence-based decision-making, has done a full analysis and costing of the estimated additional hours within the Department of Finance and across government departments, including deputy

minister, ADM and director time that will be required to deal with the new paperwork requirements because of this increased strategic plan reporting within any given fiscal year.

Hon. Mr. Silver: With respect to the carbon-pricing mechanism from the federal government, I would say that one of the new positions that would be dealing inside of that would be the new tax and fiscal policy analysis position. I wouldn't say that this is their only thing. This would definitely go into their department, as they have a whole raft of other responsibilities, but that would be an example of somebody who would be dealing with carbon pricing, once we know what the federal government's direction is on that.

As far as strategic planning goes, it has always been done in Corporate Services from each of the departments and that will not change. It's the same as before, but again, I think further debate in ECO would probably be a better place for that, as far as the policy piece, if the member opposite wants to draw down into government policies in that regard. Strategic planning, again, is always in Corporate Services within each of the departments. I guess what would be new is that this process is now aligning with the budgetary process as well.

**Mr. Cathers:** I appreciate that answer from the Premier.

I would note — since it seems that the assumption today has been that this will be largely handled within Corporate Services within each department — that I would just add the cautionary note and leave it today as friendly advice for the Premier and officials to consider that although I know and agree in theory the strategic planning is primarily done within Corporate Services within each department, functionally in every department that I have been minister for that does involve Corporate Services working with individual managers and ultimately a dialogue in seeking approval from ADMs for individual departments, with the deputy minister and often the minister, before that plan is signed off on.

My concern is that reporting on that plan may involve unanticipated amounts of staff time being spent on reporting that may end up — I recognize that it is well-intentioned, but my genuine concern is whether there is more paperwork and staff time requirements than anticipated, and whether this will add unintentional additional time costs to the government system that's taking some of these key people away from meeting with Yukoners, reviewing individual projects, going out to communities and so on and so forth.

I'll just leave that as a consideration for the Premier and officials and just suggest that, if they haven't fully costed that out, taken a look at that and asked departments — especially some of the larger ones — what they think the impact will be, they consider that and consider whether they'll continue with the requirement of new reporting on strategic plans with the variance reports, or whether they might simplify that or ask, for example, if departments could simply advise them of any significant changes versus a lengthy report at that time. I'm not asking for even a response on that; I'm just leaving that as a suggestion. The concern about staff time was one of the first ones that occurred to me, especially senior staff time.

Moving on to another area — to just reiterate the request we made before in general debate on the budget that we look forward to seeing the terms of reference of the Financial Advisory Panel quickly. Though I am not going to belabour the point, as we have already discussed it, I think it was a mistake to not include any current or past government staff on that panel to help broaden the capacity of that group. I think I have made those points before so I'm just going to reiterate them and leave it there.

I would ask the Premier to provide an update on is the territorial funding formula negotiations, and whether those negotiations on the renewal agreement have started — and, if not, when they are likely to - and whether they have any indication at this point that there is going to be a significant change in the agreement structure. The reason I mention this is that the territorial funding formula, from agreement to agreement, largely depending on the federal government of the day and their relationship with the territorial governments — there have been times where the next agreement has not had significant change in it. We have seen within the evolution of the TFF agreement, going back to the 1980s and 1990s, that at one point not only was the agreement significantly smaller, but prior to government successfully negotiating a change to the structure, one of the ongoing concerns of governments of every stripe, back in the 1980s and 1990s, was about what was then called the perversity factor, wherein under the structure at that point in time, for every dollar of own-source revenue that was received, there was a corresponding reduction in federal revenue. At one point, if memory serves, that went as high as \$1.29 in lost federal revenue for every dollar of territorial own-source revenue, collected from everything from liquor tax, land revenues and so on and so forth.

While that is history in terms of TFF agreements, the point I'm making is that if the will of the federal government were to change significantly, there can be a big impact on the TFF. In past territorial funding formulas, there have sometimes been adjustments on more of an annual basis. In the past agreement, the original calculation was the starting year and it used a highly complex formula starting with the growth's expenditure base factoring all provinces and territories across the country and then adjusted based on a number of factors, including population change and expenditures and revenues across the country, with the formula influenced in fact by a number of complicated factors.

The basic elements of it were starting from the gross expenditure base across the country then the population-adjusted growth escalator would, in every year, make adjustments for that fiscal year starting with the original calendar year of the gross expenditure base as calculated across the country.

With that rather long and complicated — for anyone not familiar with it — structure explained, my question as to whether we're looking at if the TFF negotiations have begun or are underway or are about to begin — whether the Premier and officials have clarity on whether there is going to be any notable change in that structure; whether it's going to continue

to have a starting year factoring in the gross expenditure base and then using the PAGE calculator every year; whether there is a different structure this time; and whether the federal government is proposing any significant changes.

I'll just leave it there and I look forward to any information the Premier as Minister of Finance can provide.

**Hon.** Mr. Silver: I know the member opposite was more waxing than asking questions for the first two pieces, but again I just want to reiterate as far as our reorganization that we're not anticipating this causing more paperwork or more staff time, so that's where we are with that.

Also, the member opposite mentioned some advice as far as the panel goes. As far as the panel's working relationship with the department — I absolutely agree, they will be working hand in hand. They will be having the expertise of the Department of Finance and other departments as they go through their process through the summer. We're looking forward to those conversations and again to getting the terms of reference out to the members opposite.

For those of you listening — just as far as the backup with the territorial funding formula for financing — it's an annual transfer from the federal government to each of the territorial governments and its purpose is to enable those territories and governments to provide the range of programs and services that are comparable to the rest of Canada. The amount the Yukon receives is based in large part on changes in provincial government spending from previous years. In 2015, Statistics Canada did the recalculation that the member opposite — his question, I believe, is kind of a warning based upon what was witnessed when they were in government and it was a recalculation of historical provincial spending, spending growth rates and revising those numbers downward.

To do the full story, this did result in Yukon receiving \$23 million less than was forecasted for the fiscal year 2016-17. The Government of Canada then subsequently changed the calculation formula in 2016-17 and future years. As a result of that change, \$17 million was added back to Yukon's amounts for the fiscal year, and we will receive higher amounts in subsequent years as we have noticed this year.

The change also meant that the territorial governments will have more certainty and stability in the amounts that are forecasted to be received since the recalculation will have a much less significant impact on the territorial formula financing escalation rate. The conversation that I have had with the federal minister on this topic is about certainty. Certainty for the economy comes from a certainty from the federal transfer. The federal minister agrees with that statement. As far as conversations, we are working among our officials, but conversations have not yet started — to answer the member's question about the TFF — but we are eagerly awaiting those conversations. They are pending — very quickly. In conversations with Minister Morneau on the TFF, I have reiterated that our position is that the principles of the TFF are very important and that we are in agreement on that statement as far as the escalation rate, as far as consistency, as far as the ability to forecast how much money is going to be

coming in future years. Again, that was reiterated and agreed upon by the federal minister.

Mr. Cathers: I appreciate the Premier's explanation on that and note that the Premier was referring to a specific calculation change done by the federal government that was, from our view, a unilateral change. I am not going to debate the politics of it so much as just the specifics of it. I don't think the minister and I are necessarily even disagreeing on this point.

I just want to reiterate the importance of the devil being in the details on the territorial funding formula and that if there is the ability, whether through a StatsCan recalculation or federal choice or both, for adjustment within the TFF, there is risk in terms of certainty for budgeting. If a change was made, for example, so that, rather than taking the countrywide picture of the gross expenditure base from year one of the next agreement and then factoring it in based on the population-adjusted growth escalator, which basically — the key point is that if the agreement is structured properly, we should have certainty that at least the funding formula isn't going down in a fiscal year. The devil is really in the fine print here.

My point to the Premier is that I would sincerely urge him and the officials to pay very close attention to the details of the formula as negotiations begin — to start early by reaching out to the premiers of NWT and Nunavut, if he hasn't already done so, to try to come up with a common approach on key elements and noting that the federal government does have the big stick in that negotiation. If there isn't a united pan-northern approach, there is a risk that they can effectively dictate the terms of the new agreement. While ultimately, of course, they could choose not to listen to the three territories, the Yukon, NWT and Nunavut are much stronger working together than working separately.

I won't spend a lot more time on this. I understand the status of negotiation. I am just encouraging the Premier to reach out early to his counterparts in other jurisdictions, to pay very close attention and ask officials about any proposed changes to the agreement, from a hopefully united pannorthern approach — propose some minor changes that would prevent that type of fluctuation downwards in current agreements based on federal recalculations, and to do their level best to negotiate that.

Those are my points on that area. I would just ask the Premier — moving on to another file. We've heard about a number of the new federal infrastructure funds that the new federal government has put in place. Can the minister confirm — with those funds, are there any that have been booked at this point within the future fiscal years as receivables, or are those still project-specific in those cases for some of those new infrastructure funds? Option three is: Are you for waiting for additional clarity from the federal government on some of the new funds — of what the Yukon will be eligible for and whether we receive a predictable allocation or whether it's project-specific and potentially not yet booked in future fiscal years?

**Hon. Mr. Silver:** No, they will get booked. They are project-specific, to answer the member opposite's question. If the member would like to talk to the Minister of Community Services in his debate time in Committee of the Whole, he can give you more of an update and breakdown. In general, they will get booked. This is on a project-specific basis, to answer his question, from the options he provided.

**Mr. Cathers:** That does answer my question — the Premier's indication that they will get booked. My question was not whether they would be off balance sheet accounting but whether those amounts have currently been booked or have yet to be booked. What I believe the Premier is saying is that some of those new amounts will be booked once projects are approved.

Let's see; what was my next question here? The Council of the Federation and the premiers, in negotiating federal health funding — the premiers had agreed on an amount they were requesting per year. Our understanding is that the actual negotiations on that health care funding ended up with a lower annual escalator. I'm sure he doesn't have it on him, but would the Premier be willing to provide a comparison chart, showing what the premiers had requested as the initial negotiating position and what was actually negotiated by the federal government, and comparing that, year to year, request versus actual agreement?

**Hon. Mr. Silver:** I do appreciate the question from the member opposite. I can speak to this, as opposed to going to the Minister of Health and Social Services. As the member opposite knows, these conversations were being had in the finance ministers' conversations in tandem with the health ministers. There's a little bit of a history there as to how it found its way to the finance table, but we'll save that for another day.

When we went into negotiation, Mr. Chair, we took a look at the difference between what the provinces and territories wanted — 5.2 percent of the escalator — and what the federal government was willing to give — the 3.5. The negotiations started with these rates. If you take a look at the difference that would mean to the Yukon, it's about \$1 million. If you take a look at provinces, it's billions of dollars. So you can imagine the debate, as I'm chairing this conference with all premiers, as far as the provinces really wanting to have a united front to take a look at considerations for Quebec and these bigger jurisdictions where, in the balance in those numbers, it's billions of dollars' difference in funding, whereas our focus was THIF funding, the investment in THIF, the health investment fund.

That's a lot more money than the \$1 million in the differential between these numbers. Again, I'm using averages here for the sake of conversation. It's pretty close to \$1 million in the difference between those two rates.

I believe the process worked really well, insofar as we found that there was no negotiation room from Ottawa. They kept on saying that this is the rate and would go off into conversations from the provinces' perspective — especially Quebec — saying you can't determine how we spend our

money and this is not enough for what the *Canada Health Act* says.

The conversations were arduous. They were long and they were involved. We took the approach of solidarity, which kind of parallels the member opposite's question when it comes to a united north. I totally agree with that comment and we have used that in the pan-Canadian framework. We've also used that when we went to the finance ministers meeting and with the health ministers and we expanded it Canada-wide. We stood strong and we stood strong for the announcement and then from there, negotiations started as far as other pockets of money and those other pockets of money — for us, it was really important to get THIF back on the table. It was set to expire and there was no desire from the federal government to continue that funding, but we did get it reinstated.

Getting that money reinstated — \$24 million over four years — is a more substantial amount of money for Yukon. When you take a look at quality of care, when you take a look at how Yukoners deserve the same quality of care as the rest of Canada, that money allows us to determine how we spend federal money on those things that make the quality of care equal here, living in the north. That was an important thing for us and I think with our opinion of going in with provinces and territories and explaining at that table — it was the difference in amounts for us and we said that. We said, this is not necessarily — the difference between those is important to us, but more important is this target funding.

I think the Department of Health and Social Services did a fantastic job of working with their federal counterparts, of working with the provinces and territories and again, Intergovernmental Relations in ECO and the Department of Finance — they provided me with the information background to go in there and have a quality conversation and the confidence of my convictions.

**Mr. Cathers:** I thank the Premier for the response. I'm going to ask a fairly specific question because it's one that relates to how a corporation is booked in the Public Accounts. For reference of the Premier and officials, I'm referring to page 41 of the Consolidated Financial Statements in the Public Accounts 2015-16. As noted on page 41, the Yukon Development Corporation's opening balance of accumulated surplus and net financial assets were adjusted because of the requirement that, in accordance with international financial reporting standards and the requirements of both the Public Sector Accounting Board and the Auditor General, there was a requirement for government business enterprises to transition to international financial reporting standards, commonly called IFRS, as issued by the International Accounting Standards Board. That transition for its year-end, which occurred on December 31, 2015 — it has a different year-end from the Government of Yukon — those financial standards were prepared in accordance with IFRS and IFRS 1, which is the first-time adoption of international financial reporting standards. IFRS provides a specific requirement for an entity's initial adoption of the international financial reporting standards.

In doing that, as a requirement of changing to meet those new standards — "In preparing its opening IFRS statement of financial position, YDC adjusted amounts reported previously in its financial statements in accordance with Part V of the Chartered Professional Accountants of Canada Handbook ('Previous GAAP')" — and GAAP, by the way — it doesn't list it on this page of the Public Accounts that I was mostly quoting from — GAAP was generally accepted accounting principles.

Skipping over a few lines it refers to the fact that, "As a result of YDC's transition to IFRS, certain opening balances in the Government's consolidated financial statements were affected. The opening balance of accumulated surplus in net financial assets decreased by \$5,033,000 primarily due to IFRS transition adjustments in the area of post-employment benefits."

For reference of Hansard, most of what I just read in is a quote from page 41 of the 2015-16 Public Accounts.

The question for the minister is whether — since there were initial adoption standards required for the reporting of IFRS, have there been any adjustments since the 2015-16 Public Accounts in how any of the Yukon Development Corporation assets, surplus or liabilities are booked? If not, are there any that are anticipated in the upcoming fiscal year and, if so, is the minister able to tell me what the value of those adjustments would be, now that YDC is fully under the international financial reporting standards regime?

Hon. Mr. Silver: It is a very technical question, but the member opposite is correct that the IASB issued IFRS 14, the regulatory deferral accounts, which does allow for entities, subject to their regulation rates, to continue to apply its previous GAAP accounting processes and policies for regulatory deferrals on account balances when it first adopts to the IFRS. In that transition process — to answer the member's specific question, we haven't done any yet, as far as anticipated. What we could do — again, this is largely made for the consolidations. This is consolidated budgeting we're talking about. I don't want to talk on behalf of the Yukon Development Corporation's accounting processes and how they're adhering to these changes but we can make available for the member opposite Tina Frisch, the comptroller, for any specific questions on this issue that the member opposite has when it comes to anticipated or projected or changes moving forward, in terms of the corporation and Public Accounts.

**Mr. Cathers:** I appreciate the response from the Premier. I know it was a very technical question and I would be happy to take him up on that offer for a briefing from officials on that. For anyone listening, it might sound like a fairly specific question, because it does have an effect of \$5 million here and there, and pretty soon you're talking real money. It was one I wanted to ask the minister.

My next big question would be — as members will be familiar with, on page 51 of the Public Accounts, under the borrowing statements, the end of the fiscal year for 2015-16, the Government of Yukon had available \$198,442,000 in variable borrowing capacity.

Has the government, since taking office, taken on any new borrowings or long-term debt, or is that number still accurate?

**Hon. Mr. Silver:** No, no new borrowing, so that number is currently accurate.

**Mr. Cathers:** I appreciate the response from the minister. The Leader of the Official Opposition passed me a reference to an Ottawa report on Yukon's health care deal. I know a deal signed is a deal signed, so we are gazing in a rear-view mirror to an extent. I would just note that the study, as reported in the *Yukon News* in February of this year and published by the Institute of Fiscal Studies and Democracy, finds that the health care spending in Ontario should increase by 4.5 to five percent per year after 2018, and references the fact that the deal signed by provinces and territories in recent weeks offers only a guaranteed annual increase of three percent to Canadian health transfer payments.

That data, which was published by the institute's chief economist, Randall Bartlett, noted that the Yukon's health expenditures increased by an average of 7.4 percent in each year between 2010 and 2016. Stepping aside from the article for a moment, I would just note that this includes factors such as aging population as well as, in some cases, numbers that would show up in there, increases to areas such as the funding of the 811 health line, the bursary programs for doctors, nurses and other health professionals, as well as the family physician incentive program. All of those would factor into our health care spending. There are some new programs that — hopefully the member would share the view — are valuable and constitute increased spending as the result of government's decision, not necessarily forced growth.

I would reference that article from February 10, 2017 and note that we're still concerned about the amount of money that is provided by the federal government in the health care accord to provinces and concerned by the amount of funding that's provided to the Yukon government under the territorial health investment fund, particularly that rate of growth. Without belabouring the point, as I know I have raised it — and both the minister and Minister of Health and Social Services have responded — and I raised it previously in debate — we are concerned about the government's current funding agreement with the Yukon Hospital Corporation and don't believe that one percent per year is sufficient.

I'm not going to belabour any of those points at this point in time, but I would note to the Premier that we are not just raising these points for political reasons; we are raising them out of genuine concern. Please take that into account and continue to evaluate both the adequacy of the Yukon government's funding of the Hospital Corporation and, along with other provinces and territories, recognize that the federal government — the agreements are not quite keeping up with our rate of forced growth in those areas. That is something that, to the extent that provinces and territories can, looking for increased funding out of other agreements or other pots or through the territorial funding formula negotiation that would assist us — this is a very important consideration that should be kept on the front burner for the Premier each and every day

when he is thinking about what can be done in working with the federal government and working with jurisdictions across the country.

**Hon. Mr. Silver:** I will take that under advisement. I don't think I heard a specific question other than a whole bunch of advice from the member opposite.

What he is quoting from — that is where the bargaining started from as far as the provinces and territories. The 5.2 percent that we came up as a number took into consideration the data that the member opposite is speaking to

Again, I will just reiterate what I said before. To us, the difference between 5.2 and 3.5 is roughly about \$1 million. THIF is \$25.6 million over four years. I think we did a good job of making sure that we re-established that funding that was set to sunset. Again, over four years, for that to sunset would have been a big deal for Yukon because the quality of service with medevacs and medical travel — that is where some of that money goes. It allows Yukon to have more control over how we actually spend that money. That was really important to Yukoners and it was really important to this government.

**Mr. Cathers:** I thank the Premier for the answers. I have no further questions at this time in general debate on the Department of Finance and would pass the floor to the Leader of the NDP.

**Ms. Hanson:** I do thank the member from the Official Opposition as we approach 5:20 p.m.

I want to echo the thanks to the officials from the Department of Finance for the briefing on the changes — in particular, on the changes to the Department of Finance and how that will improve, I hope, the kind of budget forecasting.

I couldn't help but reflect, as I was listening to the many pieces of advice that were being cast across the way, that perhaps one of the reasons why there is some hesitation in the Official Opposition to the notion of integrating strategic and financial planning is that, over the last 14 years, we saw the result of a lack of that integrated way. I recall the many debates in the Legislative Assembly where my former colleague, the MLA from Riverdale South, would use a phrase that is actually a paraphrase of one of those management fellows, Peter Drucker. She would always say that, "You can't manage what you can't measure." Basically what Drucker was saying is that you can't know whether or not you are successful unless you define the success and you measure it.

We're encouraged by the notion that the Department of Finance, in its role as a core central agency, together — from what I've heard and I certainly look for confirmation from the Minister of Finance — with ECO will in fact be playing that central agency role, working with line departments and agencies to ensure that there is consistency of both an integration in our strategic planning of the financial implications of what is being planned — because I can tell you right now that when I look at strategic plans and even when I look down to ops plans, I don't see very much about what is measureable. I don't see what the expected outcomes are, and I don't see when and who is accountable for

achieving that. Those are all things that are integral to ministers being able to stand in this Legislative Assembly and say, "We did it" or "We didn't, and this is what we're going to do to fix it."

We are encouraged by those proposals that were set out. We would like to also commend the notion of integrating the economic forecasting into the Department of Finance. I think that what we are seeing — and I'm hopeful that this will prove itself out — is that maturity of governance with respect to understanding the implications of decisions that are taken — are not one-offs and they do have an overall impact on how government can or cannot function.

During the presentation, or the overview that was provided by officials, there was — the minister spoke a little bit about the expert Financial Advisory Panel. It is my understanding that at the beginning of May, there was going to be a briefing for those new panel members and that they would be finalizing the terms of reference. I have two stars beside a note that there would be an opportunity for opposition in May — so we're in May — to be briefed by or about the actual workings of this expert Financial Advisory Panel, who would then be going on in the beginning of June to start their public engagement. So can the minister confirm that there will be an opportunity for opposition engagement with this advisory panel?

**Hon. Mr. Silver:** As far as the Financial Advisory Panel goes, I'll be meeting with the panel this Thursday. After that, we're still on schedule for a briefing, as we said to the members opposite, in May. We will determine at that time when specifically, so we'll have more information for the member opposite as of our meeting in a couple of days.

I do want to thank the member opposite for her comments on the reorganization. I do want to say when it comes to the previous government, there was an initiative. It's worth giving credit where credit is due when it comes to the innovative budgeting initiative from the previous government. I do believe that was an attempt to do some things internally as far as fiscal accountability. It's our opinion as well that if the department didn't have the resources, both human resources and systems to implement that concept, it would be really hard to track whether or not the objectives would actually happen or if the savings actually were there.

I completely agree with the member opposite as far as defining success. In my previous career, it was about assessment. It was about three different styles of assessment. You assess where you are, you assess as you go and you assess at the end of a term. For me, that's an important piece. We call it assessment as, of and for. To me, the reorganization of the Finance department is doing that. It's assessing where we are and where we want to be. That's the Financial Advisory Panel, but it's also the reorganization with the new departments and bringing the Bureau of Statistics into the department as well.

**Ms. Hanson:** I thank the minister for his comments. The expert Financial Advisory Panel will be presenting options for achieving — it's a pretty broad statement — fiscal sustainability. It's my understanding that the intent is to

inform the 2018-19 budget. At the same time, the department is going to be spending 200 this year and another 300 next year in a new budgeting system. Is it the intent to have that new budgeting system completed by the next fiscal year?

I move that you report progress, Mr. Chair, seeing the hour.

**Chair:** It has been moved by Ms. Hanson that the Chair report progress.

Motion agreed to

**Hon. Ms. McPhee:** I move that the Speaker do now resume the Chair.

**Chair:** It has been moved by Ms. McPhee that the Speaker do now resume the Chair.

Motion agreed to

Speaker resumes the Chair

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

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

#### Chair's report

**Mr. Hutton:** Mr. Speaker, Committee of the Whole has considered Bill No. 201, entitled *First Appropriation Act*, 2017-18, 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.

The time being 5:30 p.m., this House now stands adjourned until 1:00 p.m. tomorrow.

The House adjourned at 5:30 p.m.

# The following legislative return was tabled May 16, 2017:

34-2-14

Response to Mr. Kent re: list of clean water and wastewater fund projects (Streicker)

#### The following document was filed May 16, 2017:

34-2-4

Consultation period for proposed amendments to *Vital Statistics Act* and *Human Rights Act*, letter re (dated March 22, 2017) from Patti McLeod, Member for Watson Lake to Hon. Pauline Frost, Minister of Health and Social Services, and Hon. Tracy-Anne McPhee, Minister of Justice (Cathers)