



Yukon Legislative Assembly

Number 6

3rd Session

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HANSARD

Tuesday, October 15, 2019 — 1:00 p.m.

Speaker: The Honourable Nils Clarke

YUKON LEGISLATIVE ASSEMBLY

2019 Fall Sitting

SPEAKER — Hon. Nils Clarke, MLA, Riverdale North
DEPUTY SPEAKER and CHAIR OF COMMITTEE OF THE WHOLE — Don Hutton, MLA, Mayo-Tatchun
DEPUTY CHAIR OF COMMITTEE OF THE WHOLE — Ted Adel, MLA, Copperbelt North

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Sandy Silver	Klondike	Premier Minister of the Executive Council Office; Finance
Hon. Ranj Pillai	Porter Creek South	Deputy Premier Minister of Energy, Mines and Resources; Economic Development; Minister responsible for the Yukon Development Corporation and the Yukon Energy Corporation
Hon. Tracy-Anne McPhee	Riverdale South	Government House Leader Minister of Education; Justice
Hon. John Streicker	Mount Lorne-Southern Lakes	Minister of Community Services; Minister responsible for the French Language Services Directorate; Yukon Liquor Corporation and the Yukon Lottery Commission
Hon. Pauline Frost	Vuntut Gwitchin	Minister of Health and Social Services; Environment; Minister responsible for the Yukon Housing Corporation
Hon. Richard Mostyn	Whitehorse West	Minister of Highways and Public Works; the Public Service Commission
Hon. Jeanie Dendys	Mountainview	Minister of Tourism and Culture; Minister responsible for the Workers' Compensation Health and Safety Board; Women's Directorate

GOVERNMENT PRIVATE MEMBERS

Yukon Liberal Party

Ted Adel	Copperbelt North
Paolo Gallina	Porter Creek Centre
Don Hutton	Mayo-Tatchun

OFFICIAL OPPOSITION

Yukon Party

Stacey Hassard	Leader of the Official Opposition Pelly-Nisutlin	Scott Kent	Official Opposition House Leader Copperbelt South
Brad Cathers	Lake Laberge	Patti McLeod	Watson Lake
Wade Istchenko	Kluane	Geraldine Van Bibber	Porter Creek North

THIRD PARTY

New Democratic Party

Kate White	Leader of the Third Party Third Party House Leader Takhini-Kopper King
Liz Hanson	Whitehorse Centre

LEGISLATIVE STAFF

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Deputy Clerk	Linda Kolody
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Deputy Sergeant-at-Arms	Harris Cox
Hansard Administrator	Deana Lemke

**Yukon Legislative Assembly
Whitehorse, Yukon
Tuesday, October 15, 2019 — 1:00 p.m.**

Deputy Speaker (Mr. Hutton): I will now call the House to order.

We will proceed at this time with prayers.

Prayers

Withdrawal of motions

Deputy Speaker: The Chair wishes to inform the House of changes made to the Order Paper. Motion No. 6, standing in the name of the Leader of the Third Party, has been removed from the Order Paper as it is similar to Motion No. 7, which was adopted by this House, as amended, on October 10, 2019. In addition, Motion No. 17, standing in the name of the Member for Lake Laberge, has been removed from the Order Paper at the request of the member.

DAILY ROUTINE

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

Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Silver: I would like to ask everybody in the Legislative Assembly to help me in welcoming to the gallery a special surprise guest, Dr. Mike Silver.

Applause

Deputy Speaker: Tributes.

Are there any returns or documents for tabling?

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to work with the City of Whitehorse and parents to continue to improve road safety around our schools.

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

THAT this House urges the Government of Canada to honour the Truth and Reconciliation Commission of Canada's call to action to address child welfare, inequity, and reform by respecting the Canadian Human Rights Tribunal decision that orders:

(1) the Government of Canada to pay financial compensation to First Nation children, youth, and families as set out in the September 6, 2019, ruling; and

(2) that the Government of Canada not seek to further delay the implementation of this ruling by seeking leave to appeal.

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

THAT this House urges the Government of Yukon to develop and implement a climate lens to assess the climate impact of all government infrastructure, policy, legislative initiatives, and projects by:

(1) measuring the anticipated greenhouse gas emissions impact of a project;

(2) encouraging the adoption of alternatives that reduce any proposed project's carbon emission; and

(3) assessing the climate change resiliency of each project and decision.

Deputy Speaker: Are there any further notices of motions?

Is there a statement by a minister?

MINISTERIAL STATEMENT

Panache Ventures

Hon. Mr. Pillai: Mr. Deputy Speaker, one of our government's major commitments is to diversify Yukon's economy. True economic diversification is complex and multi-faceted. It requires a strategic vision with a comprehensive approach, including partners in industry that invest and work together for change.

As part of a strategic and concerted effort by our Liberal government to grow our burgeoning innovation and knowledge economy, we are making a number of investments. This includes the Dempster fibre project and support of Yukon College's Innovation and Entrepreneurship — formerly Cold Climate Innovation — and NorthLight Innovation, where the Launchspace boot camp for entrepreneurs is currently being conducted to help participants assess, adjust, and validate their business ideas for market.

An area of outstanding concern that has been continually brought to our attention by industry is a lack of access to equity investment in this sector. To address this challenge, the Government of Yukon is making a one-time financial contribution of \$2 million over two fiscal years to support the Yukon First Nation Investment Corporation's total investment of \$5 million in Panache Ventures Investment Fund Limited. The fund's initial target was \$50 million. The deal was finalized on August 30, with the fund closing at \$58 million.

The Yukon First Nation investment vehicle for this investment is a limited partnership comprised of seven Yukon First Nation development corporations. They include Chu N'ikwän Development Corporation, Da Daghay Development Corporation, Dakwakada Capital Investments, Dena Nezziddi Development Corporation, Kluane Dana Shāw Development Corporation, Na-Cho Nyäk Dun Development Corporation, and Selkirk Development Corporation.

This is the first time Yukon development corporations have undertaken this type of investment. In committing to this fund, they joined other investment luminaries such as Alberta

Enterprise Corporation, Le Fonds de solidarité FTQ, the Québec government's Investissement Québec arm, Bank of Montréal, National Bank of Canada, Telus Ventures, and British Columbia's BC Tech Fund.

The fund will invest in a portfolio of approximately 100 early stage technology companies across Canada. Yukon company Proof Date Technology has already benefited from an investment by Panache Ventures that enabled it to hire additional staff, most of whom are from the Yukon. As part of this investment, Panache Ventures has committed to helping the territory build capacity among local investors and entrepreneurs through mentorship, training support, and networking opportunities, as well as investment.

This investment opportunity is important to Yukoners, as it will encourage private sector investment in Yukon's technology start-up ecosystem, facilitate the entry of Yukon First Nations into the knowledge sector ecosystem, strengthen entrepreneurial opportunities for First Nation development corporations, develop Yukon's investment infrastructure for the technology industry, and provide access for Yukon start-ups to a national network of venture capital.

With this strategic investment, we are proud to honour the commitment of First Nation economic development under chapter 22 of the *Umbrella Final Agreement* — supporting and expanding Yukon First Nation investment strategies and the capacity of the technology sector in the Yukon that will help grow and diversify our economy, bringing good jobs and opening up new opportunities for all Yukoners.

This investment is the next step in our staged strategic approach to closing gaps and laying a solid foundation for the success of our knowledge and innovation sector. We are signalling that Yukon welcomes entrepreneurs and is well-positioned to support start-up activity. We look forward to continuing our work with our partners in these endeavours and to ensure that the emerging industry matures into a significant component of our diversified economy and helps our communities thrive.

Mr. Istchenko: As far as I can see, this is just a re-announcement of a press release that the government sent out about three weeks ago. Yes, this fund sounds very interesting. We do look forward to digging into it further and will have questions about it when we debate the budget over the next several weeks, but here we are today — the Liberals are once again using this House's time to re-announce something.

This is not to diminish the importance of what is being announced. Of course, we support investments in the knowledge economy and seeing the First Nation development corporations being supported — but there is literally \$1.5 billion of taxpayers' spending in legislation that we aren't able to discuss when the government spends a good chunk of its time re-announcing things via ministerial statements. It is becoming more and more clear to us that the Liberals do not really want to be accountable in this House, so they try to eat up the House's time through repetitive re-announcements in order to limit the debate on the budget on this legislation.

Unfortunately, we put a motion forward — and I spoke to that before — with some concerns — and the opposition brought forward a motion on the 30th stating that the extra two days that we had asked for prior — that was of course denied by the Liberals. They did not agree to that motion, so we are calling to either reduce the number of ministerial statements so that we can properly debate the \$1.5 billion in spending of taxpayers' money that the Government of Yukon is spending this year or to allow for a couple more Sitting days again in this Legislature so we can actually scrutinize what the government is doing.

Ms. Hanson: Mr. Deputy Speaker, the Yukon New Democratic Party has consistently advocated for increased investments in Yukon's knowledge, innovation, and tech sectors. That is why we are supportive of the general principles set out by the minister today.

To our knowledge, the Government of Yukon does not typically invest in venture capital firms to deliver capital to promising Yukon start-ups. This relatively novel mechanism for investing in Yukon businesses leaves us with a number of questions. Did the Yukon First Nation development corporations and the Government of Yukon seek out Panache Ventures, or did Panache approach the development corporations and Yukon with this proposal? Media reports have stated that \$5 million of Panache's \$58 million of total equity will be provided by Yukon investors and, in return, that Panache will invest three percent in Yukon for a total of approximately \$2 million.

How does the minister address concerns that have been raised as to whether Panache's investment should not more accurately reflect the total investment coming from Yukon, which is approximately eight percent of the total fund?

Can the minister explain whether provision for simple agreements for future equity have been incorporated into agreements with Panache Ventures? What assessment was done to determine Yukon government's \$2-million investment? Were other options for delivering funding to tech start-ups explored? If so, what were they and why was this particular investment mechanism chosen? What sort of long-term return on investment analysis did this government conduct? If this assessment did happen, will the minister share that analysis with this House so that we can better understand how the decision was made?

The minister said that the fund will invest in 100 early stage technology companies across Canada. As of September, we are aware that 52 start-ups in Canada and the US have accessed the Panache seed fund. How many start-ups in the Yukon does the minister anticipate will receive funding from Panache this year and next?

The minister also said that Panache Ventures will help build capacity among local investors and entrepreneurs through mentorship training support and networking opportunities. A question that arises is: Doesn't the NorthLight Innovation Centre already provide these services to entrepreneurs?

Again, we are supportive of this investment in principle, but the mechanism of this investment has left us with many

questions, and we would appreciate if the minister would endeavor to answer our questions and clarify how this arrangement came about.

Hon. Mr. Pillai: I would like to thank the members opposite. The Member for Whitehorse Centre has asked a number of very good questions. I will endeavor to do my best in the period of time that I have and then pass on a few other comments.

Mr. Deputy Speaker, I think it is important to understand the commitment that was made by this government to put together a fund that could help innovation and help our local companies. Through due diligence in the early stages, one of the things that I did with our team at both Economic Development and the Yukon Development Corporation was to go back and look at the history of how the Government of Yukon, under different leadership, has invested in the private sector. I think that our comfort level with this particular investment was really based on the fact that the Kluane First Nation development corporation — which had the initial conversations with Panache and then brought in some of their other partners such as Da Daghay, who was a lead on the work behind this — once they brought this option and we knew that we had subject matter experts who were going to make the decisions on the investments, it gave us a lot more comfort.

In the past, when you go back in history — there's a couple of investments that I went to today and I took an analysis and put them into real 2019 dollars — investments where there was \$19 million put into an investment into one of the communities by the government, and inevitably what happened was those were lost investments.

We really think it's important to have subject-matter experts. When you talk about this particular investment — that's a minimum threshold, I believe, of what they're going to invest. If there are 10 great Yukon companies that are looking for an opportunity to see capital, they're going to invest in those. But once again, the private sector will define that. I think that, with the help of the board of representation which is defined by the First Nation, we're in a very good position to have leadership there.

Also, I think it's important just for us to touch on — this is just one element of many things that we're doing. Of course, the Dempster fibre project — just for our listening audience — is now submitted to YESAB and the Mackenzie Valley Land and Water Board assessment, which is another important component of what we're doing.

As well, our strategic approach to developing and growing Yukon's tech sector knowledge — really with NorthLight Innovation — so there is some early mentorship that's happening, but I think with Panache coming and making a commitment to bring, I think, about 60 CEOs to the Yukon — to have them in NorthLight and to work with our start-up sector is something that's going to be quite special and gives something that NorthLight at this particular time doesn't offer.

Also, I think it's important, especially for the member who has just asked me these questions — because of significant knowledge — really the key to this was looking at the *Umbrella*

Final Agreement, looking at the requests that came through, and understanding that chapter 22 with the *Umbrella Final Agreement* — the essence of those first three pieces of section 22.1.1.1 — which really talked about providing participation for our development corporations and indigenous governments — also, section 22.1.1.2, which talked about ensuring that self-reliance is there and supporting that self-reliance — and then the last one — obtaining economic benefits — flowing directly from the settlement agreements.

Looking at those core principles and really embracing that — and then mixing it with a really modern-day economy and ensuring that our start-ups that are here can grow and that they can hire young individuals who have gone away for university or to our university here and want to make Yukon their home. That's the goal of this. I really commend the First Nation development corporations that have done such great work in pulling this together.

Deputy Speaker: This then brings us to Question Period.

QUESTION PERIOD

Question re: Hospital staffing

Ms. McLeod: Yesterday, the CBC reported that the Government of Yukon has sent a letter to employees of the hospital indicating that they may be forced to work in the community hospitals. The letter describes the challenges for government in recruiting health care professionals in the region. It also states that the Yukon Hospital Corporation has had challenges maintaining levels of continuity of services at the hospitals.

The minister needs to show some leadership here. Last year, instead of coming up with a plan for recruitment and retention of nurses, we saw her department launch a campaign that simply asked people to offer up a spare room or a pullout couch as a way to attract new nurses to the Yukon. That's not going to cut it, Mr. Deputy Speaker. We need to see a real plan from the Liberal government to ensure that we have enough nurses and hospital staff to ensure continued services.

What is the minister doing to address these staffing issues?

Hon. Ms. Frost: I'm very proud of the work that we've done to ensure that Yukoners are leading happier, healthier lives. We are doing that by supporting and working with our partners — in particular, working with the Yukon Hospital Corporation as well as looking at our partnerships outside of the Yukon. Our goal is to look at ensuring that we provide supports to all citizens of the Yukon and the hospital, and that means working with the Yukon Hospital Corporation.

The Yukon Hospital Corporation takes the lead on their negotiations with their union and with their staff and we ensure that they effectively deliver the supports that they're obligated to under our transfer payment agreement, as the member opposite well knows. We do work with the hospital and we do know that Yukoners deserve the best possible care and we will ensure that it continues to evolve.

Ms. McLeod: The minister's current approach to staffing and retention of nurses is unsustainable. The Watson

Lake hospital is supposed to employ nine full-time nursing positions. However, at the end of August, there were four vacant registered nursing positions. Shuffling our nurses all over the territory to fill in gaps here and there is not a long-term solution. The minister needs to take action now to help recruit full-time long-term nurses for the Watson Lake hospital.

What is the minister doing to actually support nurses to move to and live in our communities so that there is a long-term consistency in our community hospitals and we don't have to force nurses from elsewhere to rotate in and out?

Hon. Ms. Frost: I thank the member opposite for the question because it's one that has been here for a long time in Yukon — about stabilizing and about bringing services to Yukoners effectively.

We look at our hospital system, our system with three specific hospitals — Dawson City, Whitehorse, and Watson Lake — and our obligation to use all the resources that we have in the best possible way to ensure safety and of course continuing care in those hospital settings. The facilities are there essentially to provide necessary supports. We know that Watson Lake and Dawson City have unique responsibilities and of course we need to ensure that they are adequately staffed. In doing that, we explore all our options.

As the member knows, we had a bit of a crisis quite a few years ago now, and it's continuing up to here and now. We are looking at all options as we continue to ensure that we maintain a complement of staff that addresses the needs of all Yukoners. We brought in some specialized supports. We have taken some creative approaches to bring nurse practitioners into our care system, which is very progressive and of course innovative, and we continue to work with the Hospital Corporation, Yukon Medical Association, and of course our staff will continue to look at solutions as we go forward.

Ms. McLeod: With regard to the maternity unit, there were significant staffing shortages for nurses this past summer. As a result, the Liberal government resorted to flying in nurses from outside of Yukon on a rotational basis and compensating them with a pay premium above the rates provided to nurses who live in Whitehorse. This included paid travel, accommodations, and a weekly bonus — benefits that were not provided to local Yukon nurses.

Can the minister tell us how many Outside nurses were rotated in this summer, and what are Liberals doing to ensure we don't have to resort to this again?

Hon. Ms. Frost: I'll attempt to enlighten the member opposite with more information of what we are doing.

As the member knows, we have an agreement with the Hospital Corporation. The Hospital Corporation then takes its mandate to ensure that it provides the necessary resources and staff complement in the best way possible, always with patient safety in the forefront, ensuring that Yukoners receive excellent patient care.

In extenuating circumstances, they do look for alternatives to meet the mandate that they've been given, and that is to ensure that we have the right complement of staff. We will continue to work with the Hospital Corporation to ensure that

we are not in a situation where we are challenged, as we have been historically.

We have taken some different approaches in terms of recruitment and retention strategies. As an example, we are no longer having them deal only with the nursing recruitment strategies for the hospital, but we have the same concerns and pressures with our continuing care facilities and our health centres. So rather than taking two specific paths of how we recruit and retain, we want to ensure that we take a consistent approach.

Question re: Election voting by special ballot

Mr. Cathers: In the Yukon, territorial elections are often won and lost by a small number of votes. In the last election, 10 ridings were won by less than 60 votes. A change of less than 200 votes could significantly change the balance of seats in the Legislative Assembly. In 2015, the Assembly unanimously voted in favour of legislation that expanded the ability for people to vote by special ballot. Last week, the Liberals tabled changes to the *Elections Act* that dramatically shortened the time period when people can vote by special ballot. In the last election, 206 people voted by special ballot during the early voting time period that the Liberals are now trying to eliminate.

Why does the Liberal government believe that potentially disenfranchising 206 voters is reasonable?

Hon. Mr. Silver: It is an interesting question coming from a member of the Members' Services Board where we debated and spoke with the elections officer and with all parties on the amendments to this particular bill. As the member opposite knows, we have actually increased the ability for special ballot voting here in the Yukon as opposed to decreasing it, as he actually makes it seem he believes.

The time did change in that we want to make sure that the Elections Office itself has the ability to maintain the sanctity of these lists — now that we have new lists and new ways of voting. Also, a good example happened on a federal basis. We saw a federal situation where people in my riding could not vote because they didn't have the option of special ballots. In the Yukon, we do because of this new and modernized legislation. I want to thank all Members of the Legislative Assembly from all three parties who represented their thoughts and their visions for keeping special ballots in the options for voters in territorial elections.

Mr. Cathers: Contrary to what the Premier has indicated, this legislation decreases the ability to use special ballots. The Yukon Party believes in the principle of increasing opportunities and removing barriers for people to vote. The Premier claims that their planned changes to the *Elections Act* will not prevent people from voting, but in the last election, 206 people voted by special ballot during the early voting time period that the Liberals are trying to eliminate. The ability to vote by special ballot before the writ was officially dropped made it easier for students going to university, people who were planning to travel, and people who work in remote locations — 206 people took advantage of this opportunity in the last election.

How can the Liberal government support shortening this time period without even consulting Yukon citizens to see if they support this change, which would easily make a difference in which party forms the government in the next election? Do the Liberals believe that they have a right to make this change without any public consultation, or will they reconsider and agree to consult with Yukoners before making these changes?

Hon. Mr. Silver: It is a very interesting tack from the member opposite. Again, special ballots are something that we have increased the options for with these changes to the *Elections Act* as opposed to what has happened in the past.

The member opposite isn't happy that the special ballots aren't opened up right until the actual day of elections. For the record, you can still vote by special ballot on the day of the election; you just can't register for it at that time.

Again, if you took a look at the whole story — as opposed to just the one specific piece that the member opposite is talking about — we have increased the ability of all Yukoners to be able to use special ballots. We have actually increased the chances of a person who can't make it to the poll on election day — we have increased the ability for these individuals to vote.

I want to thank all members of the Members' Services Board, members of the Yukon Party, including the person asking the questions, and also the NDP. What I did was to make sure that I consulted with my Cabinet and talked with Yukoners on potential changes. I would have hoped that the member opposite did as well.

For us to be able to have the sanctity of the list, to make sure that we avoid opportunities for double-voting or for inconsistencies in those voting — this is the right thing to do when it comes to the sanctity of that list and modernizing the way that we vote.

Mr. Cathers: Mr. Speaker, the Premier can argue that black is white and that wrong is right all he wants, but the facts speak otherwise. We have seen this Liberal government take a very bullish, one-party-decides-all approach to electoral reform. Now they have tabled legislation that would reduce the window when Yukoners can vote by special ballot.

The Premier can claim all he wants that it won't reduce the opportunity for people to vote, but in the last election, the facts are that 206 people voted by special ballot during the early voting time period that the Liberals are now moving to eliminate. If these changes were in place in the last election, 206 Yukoners might not have been able to cast their votes. A change of less than 200 votes in that election could significantly have changed the makeup of this Legislative Assembly, including who was in government.

Will the Liberals agree to drop this from their proposed changes to the *Elections Act* and agree to consult with Yukoners first about whether pre-writ voting by special ballot should be allowed instead of using their majority to ram through these undemocratic changes?

Hon. Mr. Silver: A couple of things to note: The only person arguing about this particular change is the member opposite and those 206 Yukoners are still eligible to vote by special ballot right up until the date of the election. Actually,

more people can vote by special ballot now than they could in previous elections.

Again, the member opposite — he can characterize this in any way he wants, but it is inaccurate. Mr. Speaker, you can actually vote more with special ballots now than you could in the past.

Question re: Seniors home care

Ms. White: Mr. Speaker, a year ago, Whistle Bend Place continuing care facility was opened and began welcoming new residents. It is great that more seniors now have a place to call home where they can receive the care and support they need and that they are no longer occupying acute care beds in hospitals or being transferred to other community hospitals due to bed shortages in Whitehorse.

Whistle Bend Place is home to seniors where their care and medical needs should be met, but we have heard that this isn't always the case. We have heard of seniors experiencing extended stays in Whitehorse General Hospital because of a lack of clear policies around the administration of IVs. A resident physically well enough to return home, but who requires short-term IV treatment, must remain in hospital. Mr. Speaker, this is a sad state of affairs.

Can the minister explain the policy at Whistle Bend Place that does not allow for the use of IVs?

Hon. Ms. Frost: With respect to care at the Whistle Bend facility — it offers various programs available to residents in the long-term care units. As well, we work through our extended care program with residents who choose to stay at home or enter the re-enablement unit through the Thomson Centre.

Our community day program offers Yukoners quite a lot of program supports at Whistle Bend Place. With respect to how IVs are used at Whistle Bend Place — I am not able to give that specific answer, but I will endeavor to seek that information for the member opposite.

Ms. White: I look forward to hearing back from the minister.

When this facility was built, it was to include care for those residents requiring more complex medical care. Seniors are being housed in acute care hospital beds when, with appropriate nursing support, they could be back in their home environment of Whistle Bend Place, where they want to be.

We are aware of the critical bed shortage at Whitehorse General Hospital and we know that surgeries have been cancelled and some patients have had to overnight in the Emergency department due to a lack of beds.

Mr. Speaker, what is the minister doing to ensure that seniors can receive the appropriate medical care that they require at Whistle Bend Place instead of being kept in acute care beds at the hospital?

Hon. Ms. Frost: I would like to thank the member opposite for the question.

What we have done in fact to address some of the pressures we are seeing at Whistle Bend Place and in our other care facilities — as our seniors age, they sometimes require some acute care at the hospital. To allow them to get the support they

require, we have essentially created 10 beds at the Thomson Centre to allow them to transition back into the care facility of their choosing or to reside in their own homes.

We will continue to ensure that the seniors receive the best possible care. I am very pleased to say that, just in the last year, we have gone through an extensive consultation and discussions with our aging population and our elders in our Yukon communities to seek their input on how and what they would like to see when it comes to care and care within their respective communities.

Ms. White: We know that seniors having to stay in hospital due to the lack of available supports to return home have poor health outcomes. Hospitals are meant for people who are sick, and it's not right that a senior who could return home with home care support is not able to return to their home in a fully staffed continuing care facility. We are even aware of individuals and seniors who have been able to return to their homes and have family members trained to provide the IV support that they need. There must be a simple solution to provide seniors the care they deserve in their home, especially when that home is Whistle Bend Place.

Mr. Speaker, how will the minister address these glaring gaps in services for seniors to make sure that they can stay in their homes?

Hon. Ms. Frost: What I will talk about to help Yukoners better understand is that we have taken some significant steps to allow seniors to stay in their homes longer. We have worked with the Yukon Housing Corporation to ensure that the homes are appropriately suited and fitted to the senior as they age. We have worked with our home care program to put more resources into our home care and our home care nurses to work with our aging population. We have looked at ensuring that we provide a physician at Whistle Bend Place, and we are attempting as much as we can to ensure that seniors do not stay in the hospitals. As we know, the longer you stay in the hospital, the less mobile you become. We want to ensure that we enable them to get home as quickly as possible or to a facility of their choosing.

We have thus created the re-enablement unit to allow that to happen, expanded our resources and supports for our continuing care patients, and we have brought in specialized supports to rural Yukon and collaborative models to essentially ensure that our Yukon citizens are given the care they need where they reside — where they choose to reside — whether it's at Whistle Bend Place or in their own home communities.

Question re: Medical travel

Ms. McLeod: Last week, we raised questions and debated a Yukon Party motion to increase the reimbursement rates for medical travel. Despite many Yukoners coming forward to say that the current system does not support them, the Liberals have brushed this off and said, "Well, we'll look at this in a year — sometime down the road, in a year or two."

Liberal MLAs like to complain that we advocate for improved medical travel too much, but we will not apologize for pushing the government to take action on this important health care issue. The Liberals need to realize that there are

Yukoners facing real hardships today because of medical travel. A vague review in a year or two does nothing to help Yukoners who need help today.

Will the minister please do the right thing, show some heart, and make immediate improvements to the medical travel reimbursement rates today?

Hon. Ms. Frost: I believe I answered the question many times in the Legislative Assembly. I'm not going to reiterate what I have already said. I will continue to say that we will provide supports to Yukoners and we have the best medical rate in the country. We will ensure that we provide Yukoners the support they require and look for the ability to provide services in rural Yukon communities. I will highlight all of the significant successes that we have done in partnership with the Hospital Corporation and in partnership with our medical community, and we will ensure that Yukoners are brought the services here in Yukon and not look at making arbitrary decisions that have not been well-thought-out. This has long been in existence — 2006 — I would say, when the previous government was in office and looked at this and they considered this as an alternative. What did they do? Nothing.

Ms. McLeod: I guess that was a no.

The minister likes to talk about the comprehensive health review. In the Liberal government's survey for the comprehensive health review that they are consulting on is whether or not to bring in income testing for medical travel for rural Yukoners.

We already know that medical travel isn't keeping up with costs. The government is reimbursing Yukoners travelling for needed health care procedures at 30 cents a kilometre, but meanwhile, government employees — including members of the Liberal Cabinet and MLAs — get almost 62 cents a kilometre when they travel for work. In no world is this fair.

But now they are contemplating bringing in a policy which would potentially reduce people's eligibility for medical travel, essentially amounting to a cut in health care services.

Will the minister rule out income testing for medical travel?

Hon. Ms. Frost: Thank you, Mr. Speaker. As I indicated earlier — and I will continue to say this — we are very proud of the work that we are doing — very proud of Health and Social Services, our partners — we are bringing to Yukoners the supports that they need to lead happy, healthier lives where they reside. We will ensure that we take this into consideration as we go ahead and look at the independent, comprehensive review, and essentially that will be a part of that discussion.

Ms. McLeod: Now, Mr. Speaker, the Liberals found half a million dollars for a new logo and website. They found \$120,000 to spray water into the air in Dawson City. They found \$160,000 to sole-source to a Liberal lobbying firm in Toronto. They found a quarter of a million dollars to increase the budget for the Liberal Cabinet offices, and they found money to give the Premier a raise. While they found money for everybody else, they are refusing to increase the medical travel rate. When you see a doctor, you should only have to give your health card, but with the Liberals looking at massive new health

premiums while refusing to improve medical travel, soon Yukoners are going to need a credit card too.

Does the minister really believe that making it more difficult to access medical travel will benefit Yukoners?

Hon. Mr. Silver: What we see here again is the members opposite having an issue that they are characterizing as inaccurate. As the minister stated over and over again, we are using evidence-based decision-making. We have a process and that process is a health and social services review. The members opposite are hedging their bets and they are bringing forth issues that are important to Yukoners, and we do appreciate that — but again, we are going to go through this systematic process. I want to say thank you to Health and Social Services for the work that they have done over the last two-and-a-half years to allow Yukoners to make healthier and happier lives, whether it be the diversions at the Whitehorse Emergency Shelter — we have contracted two organizations for helping us out with health counselling, the mental wellness hubs, supporting individual living environments with 10 new full-time home and health care positions.

Mr. Speaker, the work goes on with what the department is doing, and in the interim, when we take a look at how we are going to move forward in the next generations of health care, we have an independent committee that is doing work for us that we will look at — just like the members opposite had back in the early 2000s. They got recommendations and they decided what they wanted to do and what they didn't want to do. Again, we will take a very systematic approach to how we move forward when it comes to health care for Yukoners.

Question re: Affordable housing

Ms. Van Bibber: According to the Yukon Bureau of Statistics, the average price for a single detached home is well over \$500,000. This is an increase of over \$85,000 compared to just a few years ago. Home ownership is now unrealistic for many Yukoners. The down payment assistance program provided by Yukon Housing Corporation has been one way the government supports first-time home buyers in Yukon. However, as we have discussed previously, the Liberals cut funding for this program by 80 percent.

Can the minister explain, since they have cut this program, what they are doing to help people afford a new home?

Hon. Ms. Frost: As I noted in the Legislature not so many days ago, we have increased housing units in the Yukon — exceeded by some 400 units for Yukoners. We are essentially looking at working with our partners and looking at the demand that we are seeing. What we have not seen historically — as we're speaking about housing pressures in the Yukon — not so many years ago, the Minister responsible for Yukon Housing Corporation essentially did away with a significant — millions of dollars — and we're seeing the results of that now, today.

With respect to the updated processes for Yukon Housing Corporation, we are working with our partners through the housing initiative fund. We have a loans program and we have our support programs to allow seniors to remain home longer and we have increased our municipal matching grant. We have

made adjustments. We have essentially ensured that we have brought into the Yukon — Yukon rural communities that really didn't see a lot of support historically. We will continue to provide the supports where support is needed in ensuring that Yukoners are given homes and looking to the support that we are putting in place in rural Yukon communities.

Ms. Van Bibber: The average price of a home in Yukon has increased massively over the last several years. For many Yukoners the dream of home ownership is really unattainable.

Another program that the government offers to support Yukoners is the first-time homeowner mortgage loan program. This program is for Yukon residents who need to borrow up to the average real estate price to purchase an existing home. The Liberal budget earlier this year cut funding for this program from \$4 million to \$2.5 million.

Can the minister explain how cutting the first-time homeowner mortgage loan program will make home ownership more affordable for Yukoners?

Hon. Ms. Frost: Our loans program really aims to help Yukoners to buy, build, or retrofit their homes. It's important that we look at addressing the distinct responsibilities that we have through Yukon Housing Corporation, and that is to ensure that Yukoners, have access. The traditional loans process, as it was previously managed, perhaps didn't meet all of the requirements. We were still not seeing the needs being met in Yukon communities, so we made some adjustments. Thank you to the Housing Corporation for seeing and working with our partners — the innovation in our loans program, the availability of programs, and the alignment of our budgets — to emerge in such a way that we are now seeing Yukoners have quicker access — easier access — not going through the major hurdles to get the resources they need. We have partnered with our communities — the NGO communities and the construction community — to ensure that we have supports and more houses in Yukon through our housing initiative fund and through the municipal matching grant. We have also looked at the first-time home buyer incentive program and of course we now have partnerships with the federal government, and we will ensure that we appropriately use the resources to meet the needs of Yukoners.

Ms. Van Bibber: I don't think I heard an answer.

Many Yukoners are starting to look for other options to achieve their home ownership now that prices to buy are sky high. Many are looking to actually build their own home. That's why the Government of Yukon has a program called the owner-build program. The owner-build program provides a repayable loan to Yukoners who want to become a first-time homeowner by building a new home. But this year, the Liberals cut funding for this program by \$500,000.

Will the minister reverse this cut so that Yukoners get the support they need to build a home?

Hon. Ms. Frost: I'm very proud of the work that the Housing Corporation is doing — and yes, we will ensure that Yukoners get the support they require for their home through the loans program, through the housing initiative fund, through our partnerships, and through municipal matching grants.

So the loans program redesign will take into consideration the recently announced first-time home buyer incentive program. This program is working with CMHC to see how essentially the federal government will align with our program here in the Yukon. We are working with our partners and the federal government which provides us the funding.

We will look at as well — I want to just make note that we have the flexibility within our budget to move resources around. That was something that we've taken into consideration as we looked at the budget. A good example is the municipal matching grant. We've expended all of the resources, so we moved more resources in so that we can get more units and more support into Yukon communities. We will continue to do that as we evolve and as we look at managing the resources that we do have to ensure that it aligns with the needs of Yukoners.

Speaker: The time for Question Period has now elapsed.

Notice of government private members' business

Hon. Mr. Streicker: Pursuant to Standing Order 14.2(7), I would like to identify the items standing in the name of the government private members to be called on Wednesday, October 16, 2019. They are Motion No. 31, standing in the name of the Member for Mayo-Tatchun, Motion No. 32, standing in the name of the Member for Mayo-Tatchun, and Motion No. 4, standing in the name of the Member for Copperbelt North.

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

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 200: *Second Appropriation Act 2019-20* — Second Reading

Clerk: Second reading, Bill No. 200, standing in the name of the Hon. Mr. Silver.

Hon. Mr. Silver: I move that Bill No. 200, entitled *Second Appropriation Act 2019-20*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 200, entitled *Second Appropriation Act 2019-20*, be now read a second time.

Hon. Mr. Silver: I'm pleased to rise this afternoon to outline the spending requests in the first supplementary estimates for 2019-20. We are listening to the facts and we are listening to Yukoners. We must support the programs that people value and invest in Yukoners' futures for generations to come. Then we must make tough evidence-based decisions — decisions that will shape the future of Yukon, sound social legislative policy and — today — fiscal decisions. These decisions have brought us to the supplementary estimates today.

Most departments will see no change from the spring. We believe in budgeting for needs once a year. That being said, unforeseen circumstances and events and the timing of projects

can shift our fiscal position throughout the year. The supplementary estimates address two main themes: a very long and active wildfire season and the need to keep up with housing demand and infrastructure development.

I would like to now outline the budgetary changes that we are making between the main estimates and the supplementary estimates. In total, the 2019-20 first supplementary estimates contain \$63.8 million in additional spending. It can be broken down into \$20.5 million for operation and maintenance and \$43.3 million in gross capital. Outside of an increase in spending for a busy fire season, projected expenses are largely recoverable from various federal funding programs and those recoveries have increased. \$26.3 million more from the federal government will offset much of our capital increases.

The annual deficit of \$5.95 million tabled in the spring budget is now forecasted to be \$20 million. That change is due to wildfires that were causing evacuation alerts as recently as just a few weeks ago. It was a long fire season that burned close to our communities and infrastructure, resulting in significantly higher costs to protect Yukoners. The safety of our communities is a priority.

Climate change threatens Yukon and the north in many ways; this year, it included greater fire risks. Those climate change risks are not just seen in wildfires but also building, maintaining, and replacing infrastructure.

Infrastructure is the other area where we are seeing an increase in these supplementary estimates. I'll start with capital increases. The breakdown of those increases is \$35.5 million toward community infrastructure and \$9.8 million for land development. This funding is essential to replace outdated and failing infrastructure. It helps communities meet the needs of their residents — needs like: water and sewer upgrades in Dawson City or Mayo; the reconstruction of Whitehorse streets or sewage upgrades in Watson Lake; building a new community hub for the Kwanlin Dün First Nation; if you've been to Haines Junction recently, it's hard to miss water, sewer, and road upgrades there; four new 40-foot, fully accessible buses and upgrades to the compost facility in Whitehorse; providing Carmacks with a new arena; a water treatment plant at Marsh Lake; and a new community centre in Old Crow.

Investing in the services used by Yukoners and leveraging federal funding opportunities is investing in Yukoners. The needs come in a range of forms, from land to building houses to overcoming the challenges of affordable housing and working with First Nations to develop land. Needs vary by community.

In Whitehorse, there has been a focus on a variety of residential lots — single family, townhouses, and multi-family opportunities. In September, there was another successful lottery for 74 lots in Whistle Bend phases 3 and 4. Another 100 are coming out later this fall. Phase 5 of land development construction is underway. Phase 6 will be put to tender this year and we expect to release more commercial residential lots next year.

The \$9.8-million increase will go a long way to building up the lot inventory in Whitehorse and around the territory. Our communities are being supported through 20 different land

development projects. We are working with municipal and First Nation governments to ensure land development takes into account their interests and their priorities. These partnerships include those with private and not-for-profit sectors and are essential to addressing housing needs in the territory. Local solutions need to be found for local problems.

One way that we are local is through the business incentive program, for which an additional \$1.5 million of funding is required in the supplementary estimate. Yukon contractors, tradespeople, apprentices, and businesses are benefitting from this program. It helps put Yukon-made construction materials in the hands of contractors building our schools and facilities.

The last increase for capital spending is for the Yukon Development Corporation. An increase of \$457,000 offsets an undersubscription for the innovative renewable energy initiative which occurred in previous years. There is also a small offset in capital spending. This change is due to a delay in the Challenge Cornerstone project. The project is now expected to break ground in the spring; however, there is a \$4-million change in cash flow to deal with the change in the pace of the project.

Now, Mr. Speaker, to operation and maintenance — commonly referred to as O&M — there is an increase of \$20.5 million in O&M. The main contributor to this additional spending is due to a substantial wildfire year here in Yukon. There was \$6 million budgeted in the spring, and these supplementary estimates include an additional \$19 million, for a total in Wildland Fire Management of \$25 million. To put this in perspective, the current five-year average is just over \$11 million. The numbers of fires doubled year over year. Our crews say that it has been the most complex and challenging fire season in the past 15 years, with many of the fires burning close to communities and infrastructure.

I want to take this time, Mr. Speaker, to thank the Yukon Wildland Fire branch and their fire crews for their hard work and dedication.

The other increase in O&M spending will support a group of Yukon First Nations. This \$1.5-million investment will help invest in a Canadian technology sector equity investment fund. As a condition of the investment, the fund managers will support the growth of Yukon's innovation and knowledge economy. They will provide Yukon technology companies capacity development support and opportunities to access equity financing for the next decade. Helping Yukon start-ups access capital and mentorship will grow Yukon's tech support sectors and diversify our economy.

There are changes to recoveries included in our first supplementary estimates, including \$26.3 million for infrastructure. These are federal funds that come from things like the gas tax fund, the small communities fund, the clean water and waste-water fund, and the public transit infrastructure fund.

Of note, there are no changes to revenue in the first supplementary estimates for 2019-20. This week, we also released the interim fiscal and economic outlook. The current economy landscape has low unemployment and continued population growth. This is one reason why we need to put more

money into land and infrastructure development. The positive outlook is also due to better than expected gains in labour earnings and continued growth in retail sales.

Yukon's economic fundamentals remain strong. From the supplementary estimates to the fiscal outlook, it is all related. During this period of growth, we are still maintaining accurate forecasting and dealing with fiscal pressures. We are still moving toward a balanced budget, with an expected surplus in 2020-21 and small surpluses in the following years. We are still on track thanks to the recommendations of the Yukon Financial Advisory Panel. In the last year, we started implementing the actions recommended by the panel, and we are taking a fair, principled, and evidence-based approach.

Mr. Speaker, I would like to conclude my remarks today by reflecting on the situation in which we find ourselves. People want to be here. People want to live here. As a government, we are in the position of keeping up with the population and the economic growth that comes with it. We have the responsibility to provide safety, infrastructure, housing opportunities, and fiscal management. These supplementary estimates are reflective of our current state, responsive to our current conditions, and responsible to Yukoners. We provide main estimates that are realistic assessments of our annual spending at the start of the year. We understand that there can be unexpected changes. Our government has presented responsible supplementary estimates.

I urge all members to support this bill.

Mr. Hassard: It is a pleasure to rise today. Mr. Speaker, as we move through this Sitting, we will obviously have many questions regarding this supplementary budget and of course we have many concerns with the growing deficit. As well, we have some questions regarding the new infrastructure spending, as it appears to be related to helping the Liberals' cousins in Ottawa. Making a ton of federal announcements and rushing funding through the door just prior to a federal election being called definitely warrants some scrutiny.

As well, Mr. Speaker, it is important to know that this is our time to question the government on their spending as a whole, so we intend to ask questions in general debate on the majority of the departments, not just those with line items in this supplementary budget. We certainly look forward to some meaningful answers to those questions.

With that, Mr. Speaker, I will conclude my remarks in order to expedite debate.

Ms. Hanson: I believe I will make my remarks at this stage of Bill No. 200 — a record short, emanating from this seat.

There are, as the Minister of Finance has identified, only three votes that are highlighted in supplementary Bill No. 200, but it is in fact in general debate that the opposition will be wanting to raise a significant number of questions that affect, as the minister said, on what basis the government has made these tough evidence-based decisions and in fact look for the evidence-based approach that underlies what we have been

seeing as quite contrary to what is being espoused by the minister in terms of decisions that affect citizens throughout the territory. I anticipate that we will be using a number of fact-based community examples and looking for demonstrations from this government when they use the language of “whole of government”. I am giving notice now that there are a number of scenarios where we looked at Community Services, Economic Development, Tourism and Culture, Environment, and Highways and Public Works for one example of where there is a very clear lack of a whole-of-government approach — or, in other scenarios, at Health and Social Services, Tourism and Culture, Community Services, and Economic Development. We will be looking for that as part of the Committee of the Whole debate in terms of the government’s approach to how, as the Minister of Finance says, they are listening to the facts and listening to Yukoners, and we will be looking for the evidence of that in Committee of the Whole.

Hon. Mr. Streicker: Thank you to all Members of the Legislative Assembly for the opportunity to speak here to the supplementary budget. I will make some comments here.

Much of what is in the supplementary budget has to do with Community Services, so I will make some comments and wait for Committee of the Whole when we get down into some of the detailed discussion.

Another thing that is worth noting, Mr. Speaker, is that much of the supplementary budget consists of federal funding dollars. When Community Services is in the budget under the capital side for infrastructure with an additional \$35.7 million and under land development for an additional \$9.8 million — that \$9.8 million is generally recoverable through land sales and the \$35.7 million on infrastructure is at least 75-percent recoverable through federal investment — again, because we get a preferential rate and also because there are other funds within that supplementary amount — for example, the gas tax fund — which are 100-percent recoverable.

Let me speak to some of this. I want to try to add some commentary here to the table. Again, I am looking forward to Committee of the Whole.

We made a commitment to Yukoners to not leave money on the table and to best use our resources to address the needs of our communities. What we did was we began immediately to travel to each community to ask them to identify their priorities. That means meeting with mayors and councils and the municipal staff. That means meeting with chiefs and councils and their staff to identify what their priorities were.

We did not say, “Hey, this should be your priority.” We asked, and we have a list. Most of us being able to move forward is because of the great work of the Department of Community Services and the ability to move more quickly than we had anticipated — again this year — and I hope that, for next year, we just budget more dollars in the main budget overall.

I think it’s worth noting, Mr. Speaker, that when we landed, we identified infrastructure deficits across the territory. There was a need to invest in infrastructure. I didn’t just hear

this here in the Yukon; I heard this through the Federation of Canadian Municipalities across the country.

When we met with ministers of infrastructure at federal-provincial-territorial meetings on several occasions, I’ve heard about the desire to see a strong investment in infrastructure across Canada.

In my history, I don’t recall when we made this much investment. I’m sure if we look back in the past, there will be times — maybe in the 1970s or somewhere far back in the past — when there was a significant investment in infrastructure across Canada, but not only is it needed, it is significant at this point.

We are making a significant push on infrastructure at all times, working to try to stay working across departments but also working to try to stay balanced, both in terms of the environment and the economy, to make sure that we are investing in a way that’s sustainable for our communities. For example, when communities come forward and say, “This is our priority,” we make sure to talk through with them about asset management, operation and maintenance dollars — making sure that they’re going to be able to sustain this type of investment — but it has clearly been directed by our community partners. We’ve been asked to go forward.

There have been some comments — both by the Leader of the Official Opposition and the Member for Lake Laberge — suggesting that this was an attempt to try to work to support the federal government. I would like to thank the federal government for making this type of investment. I think it is completely true that, when we saw an election period coming, we made sure to get as many infrastructure projects as we could through the funding application process because we didn’t want to be caught by that window — not being able to move forward on those infrastructure projects.

It’s also true that came with a request from all of the municipalities and the First Nations to please, please try to get those funds in for their communities. So they have been strong advocates and we’re doing our best to support them.

This past Friday, we saw the platform of the federal Conservatives. I am still working my way through it to try to understand it, but what I have been given to understand is that there will ultimately be a reduction in infrastructure spending. I am trying to get that analysis done to understand what that might mean. I am not trying to pick where we are going federally. I look forward to seeing the results of the election next week, but I do want to express a concern. I have just picked up a quote from the Federation of Canadian Municipalities and the President Bill Karsten — and now I quote for Hansard, Mr. Speaker: “Cities and communities across the country have an urgent need for increased investment in infrastructure. Proposed measures in this platform appear to move in the opposite direction, with fewer infrastructure dollars available year-over-year to create, jobs, improve roads and bridges, and maintain the local services Canadians rely on.”

I am going to talk a little bit about each of these. With respect to Community Services, the supplementary estimates, both in terms of infrastructure and in terms of lot and land development, and in capital with respect to wildland fire. There

is another small piece where we are moving libraries across from one branch to another. I believe that will not be of concern, but I am happy to answer questions when we get to Committee of the Whole.

One of the things that I wanted to point out, Mr. Speaker, is that over the past several years, we have stood up and announced the investment that Canada is making in the Yukon — some \$354 million, maybe \$352 million — Mr. Speaker, I will check on that number to be sure — in the small communities fund and the Investing in Canada infrastructure plan, which I believe is \$594 million. Together, that is adding up to \$950 million and that is over 10 years. In order to spend those out, Mr. Speaker, what we would need to do is spend roughly \$95 million a year in the territory. Not all of that money will be spent under Community Services, but a large portion of it will, because we are talking to our communities to ask them about their infrastructure priorities and that is what we want to do — is base that investment on those priorities.

I am looking forward to hearing which of the projects the members opposite have a concern with and which ones they would like us to slow down or push out in time — or cancel, if that is their concern. I'm very interested to hear which of those projects they don't believe we should be spending on.

I am going to talk for a moment about lot development. We know that lot development for homes and community infrastructure are significant priorities for Yukoners, and we are planning and responding to this need accordingly. Community Services has been working hard this past year to make land available. We had a question in Question Period today about the price of houses. One of the things that drives up the price of houses is the price of land, so it is really important that we try our best: (1) to make sure that land is available for lot development, and (2) that we find a blend of prices of lots so that it isn't just those big, expensive lots — that we have some lots that will be more accessible.

I looked back over the past budgets. From the 2013-14 budget through to the 2016-17 budget — so the previous four years to us landing as a government — I looked at land development and what I saw was an average of about \$6 million per year in lot development — \$24 million over those four years. In our first year here — the 2017-18 budget — we invested \$16.7 million. Last year, we invested \$25.8 million. This year, we are looking to invest just a little under — the total will be \$29.3 million. We are investing heavily in lot development. Ultimately for Yukoners, that money is recoverable, so I hope we are not arguing about whether that is a good investment of money. What we really believe is that we need to invest in order to make sure that lot development is happening.

Let me go back to my notes, Mr. Speaker. Work underway by Community Services will help to make lots available and can eventually help with collective efforts around housing affordability in the Yukon. We are also in the process of examining options that will ensure greater opportunities for private sector land developers and First Nations in land development and are looking at how to improve options for

citizens, while creating more economic development opportunities.

We develop land in municipalities based on municipal priorities and continue efforts in Whitehorse on the Whistle Bend subdivision, while advancing more than 20 small- to medium-sized land development projects in the communities. There is \$9.8 million in this supplementary budget. This funding will help to fund land development efforts that are advancing beyond what was originally thought possible for this fiscal year — and we don't want to lose momentum.

Overall, we're in a good position in that it has been moving faster than we had hoped.

Land development projects underway include phases 3, 4, and 5 of Whistle Bend, along with design work for phases 6 and 7. Again, we followed the lead of the City of Whitehorse — or all municipalities. They talked to us about what they want to see in their communities through the official community plan or through planning. We helped to provide that.

We have infill lots happening in Whitehorse and Dawson; we have road upgrades for the Grizzly Valley subdivision; development of lots in Dawson's north end and design of industrial lots and planning for a new residential subdivision on the Dome Road; commercial and industrial lots in Carmacks; the Marshall Creek subdivision and planning for Bear Creek in Haines Junction; commercial, industrial, and residential lots in Watson Lake; Silver Trail road upgrades in Mayo to improve access to the subdivision along with vacant lot servicing and tenders; upgrades to roads in Tagish and Carcross for future development potential; lot development, road upgrades in Teslin; infill planning in Keno; assessment and concept work in Destruction Bay; lot development scoping in Faro; and we continue to engage with First Nations and municipal partners to plan for future land development priorities.

The last thing I want to say on lot development, Mr. Speaker, is that I mentioned earlier that we're trying to provide a range of lots — for example, in Whistle Bend. I was really happy to see that earlier this year when there was a release of lots; some of those lots were for smaller lots. Not every Yukoner wants a smaller lot but certainly some first-time homebuyers do and we've seen this move toward smaller homes with the tiny home movement. It's possible to build more affordably when we just build smaller in size. Those lots — I would have to go back to check, but it's my belief that for the most affordable of the multi-family lots or the townhouse lots — they were coming in around \$50,000 to \$60,000 a lot. That is far more affordable than the larger lots and that is a good thing.

Some Hon. Member: (Inaudible)

Hon. Mr. Streicker: Per unit, Mr. Speaker. That is correct. \$40,000 to \$50,000 per unit — so in a development sense — per lot.

The supplementary budget also includes \$35.7 million for infrastructure development. This investment advances work to replace outdated and failing infrastructure and helps communities meet the needs of the residents. We're investing in priorities identified by municipal First Nation and community partners. This year is another record-breaking year

for infrastructure projects in the Yukon. There are nearly 100 projects underway in Yukon communities across the territory.

These projects are addressing fundamental services needed for Yukon communities to thrive. Projects underway include: recreation infrastructure with the construction of the new Carmacks arena; the F.H. Collins track in Whitehorse; community centres and gathering places for the Kwanlin Dün First Nation and the Vuntut Gwitchin First Nation; piped water and/or waste-water upgrades in Dawson City, Haines Junction, Faro, Mayo, Watson Lake, Ross River, Tagish, Pelly Crossing, and Old Crow; aquifer improvements in Whitehorse; bus replacements; reconstruction of various streets; compost facility upgrades and asphalt overlay; water treatment plants and upgrades in Burwash Landing, Mayo, Dawson City, and Marsh Lake; and balers — for awhile, I was called the minister not getting balers delivered, so I'm very happy that we now have balers for our solid-waste facilities— compactors and improvements for solid-waste and recycling facilities in various communities to further our work to modernize and build a more sustainable system to manage solid waste in the Yukon, to name a few.

I have already spoken about how much of the investment of the new dollars for the new projects are going toward retrofits in our municipal and First Nation government buildings. The great news about that is that we reduce greenhouse gas emissions, we reduce the costs of operating for our partner governments, and we upgrade the infrastructure. We are maximizing value for our communities in Yukon through the \$68.5 million for the clean water and waste-water fund and the \$342 million for the small communities fund and the \$594 million for Investing in Canada infrastructure program to fund green energy, improve water and waste-water, community, and culture infrastructure, public transportation, and northern community development.

Again, I have already mentioned the 75-cent dollars from the federal government and 25-cent dollars from the Yukon — again, thank you to the federal government. Noting that \$27 million of the \$35 million in supplementary spending are projects that fall under the clean water and waste-water small communities fund programs, expenditure deadlines for these programs are 2020 and 2023 respectively. Again, I look forward to hearing from the members opposite which of these projects they are not interested in seeing go forward.

Last year, we started with a \$35-million envelope for infrastructure projects. Those projects were in various stages. With great progress over the year, we brought forward a special warrant to add \$15 million so as to continue with those multi-year projects. Many of those projects are the ones that are back in front of us now. This year, we recognized earlier in the year that, to keep momentum on project delivery for our communities, the supplementary budget is a transparent way to seek approval from this Legislative Assembly to continue the good work. I look forward to the debate on these projects here in this House.

We began in 2019-20 with many multi-year projects under each of the funding programs in various stages of scoping, design, construction, and completion, so we are seeing even

more infrastructure projects underway around the territory this year compared to last year. The high level of advanced scoping and feasibility work from the previous three years has left the department poised to deliver more projects than originally estimated, and a large part of this is advanced work by partners who will lead their own projects through transfer payment agreements. Projects are not overbudget; rather they are advancing more quickly — so for me, that is a good news story for our communities.

Community Services project managers have worked with private sector contractors and municipal and First Nation governments to move projects forward. Last spring, we also met with First Nations and municipalities to discuss how to allocate these infrastructure funds to address local infrastructure priorities and develop multi-year plans based on these priorities. In our recent community tours, it was encouraging to hear that the infrastructure projects we are working on still reflect the priorities identified by our community leaders, and we expect other priorities to come forward in the future.

We made a lot of progress last year and this year. We aim to more accurately reflect the spending in the mains next year. We cannot afford to lose momentum as the next round of projects are approved and tendered. The supplementary funding will ensure we can continue to advance projects that contribute to vibrant, healthy, and sustainable communities in balance with the environment.

Finally, I wish to give a few comments on operation and maintenance. We are requesting just under \$20 million to pay for the cost of fighting wildland fires in the summer of 2019. As the Premier noted — and as my colleague for Mayo-Tatchun noted — this was an incredibly challenging fire season. We had a large number of fires in close proximity to communities and infrastructure —

Speaker: One minute.

Hon. Mr. Streicker: Thank you, Mr. Speaker — and whatever I don't manage to get here, I am sure will add when we get into Committee of the Whole.

By late September, there were 116 fires in the 2019 wildland fire season, and 73 percent of these fires were lightning-caused. The remainder were human-caused. By comparison, we only had 67 fires last year. This year's total number of burned hectares is more than triple that of last year — 277,000 hectares, many of which were near communities and values.

All I would like to say at this time, Mr. Speaker, is that I would just say thank you to our wildland fire crews, both Yukon government and First Nation crews, and all the supporting firefighting teams — structural firefighters across all of our communities. They did a wonderful job. We will be working to make sure that this is more sustainable in the future.

Hon. Mr. Mostyn: It is my pleasure this afternoon to rise to speak to the supplementary estimates this year. It is my pleasure because, over the last 30 years, I have seen a lot of supplementary budgets come through this House as I sat in the box up there with my colleagues in the media. Honestly, I have

not seen as much accuracy in a budget process as my colleagues on this side of the House have been delivering over the last several years. I am saying that the accuracy with which we are budgeting for this government on behalf of Yukoners is fairly remarkable. This year, we have — to the Finance minister's point — about \$63 million in spending that wasn't accounted for at the beginning of the year, and a large portion of that had to do with wildland fire — about \$20.5 million in unexpected O&M because this was an extraordinary year. I will get back to that in a minute.

We are projecting an annual deficit of about \$20 million. That dovetails very nicely with the O&M costs that we incurred for wildland fire. In many ways, Mr. Speaker, had we not had the extraordinary wildland fire season this year, we might very well have been very close to a surplus budget this year. I think that is important to note as well. It is important to note the extraordinary work and dedication that the wildland fire crews put into fighting this extraordinarily long, extraordinarily expensive, and extraordinarily dangerous fire season to protect our communities.

At the heart of that threat lies the change in our climate, which we recognized in our throne speech, recognizing that we face a climate emergency. Because of that and the good work of my colleague from beautiful Mount Lorne-Southern Lakes, we have started diligently tracking our greenhouse gas emissions and actually taking action on a number of different fronts and have, for the last three years, working within a responsible financial framework, sought to reverse the practice of spending \$1.50 for every dollar that we collected. We are making changes in the way that we budget, build buildings, and roll out capital projects.

We have been very fortunate to have the support of the federal government in addressing some of the long-standing infrastructure deficits in the territory. That cuts to the debate that we find ourselves in over the supplementaries about community infrastructure. As my colleague, the Minister of Community Services, noted just a few minutes ago, rural Yukon is clamouring for these projects. This isn't something that we are fabricating ourselves in isolation. We are listening to our community partners, to our First Nation partners, and to the unincorporated communities and coming up with a plan to rebuild and invest in infrastructure that has long been ignored.

I am sure the reasons for this are clear right now. We have a government that is willing to invest in this infrastructure and has recognized the importance of it, recognized that interest rates are low right now and that this money is affordable, and our economy as a result is growing by leaps and bounds. I think that my colleague, the Minister of Economic Development, will speak to this as well this afternoon. I have no doubt that he will reflect on the speed with which the territory's economy is growing — and a lot of that comes through the strategic investments that our government and the federal government are making in this territory to improve things, to bring down costs, and to reduce our greenhouse gas emissions. We are investing in Yukoners. We are working for Yukoners with our First Nation partners and with our communities to develop lands, to invest in and replace aging and, frankly, inadequate

infrastructure, and to rebuild our roads and our sewer systems. This is all very important to the people of the territory.

One of the reasons why we know this is because we've been in the community in the last three years. We have made an effort to get out of Whitehorse and into rural Yukon. I think my colleague, the Minister for Community Services, has been tracking the stats. We're doing a community visit every three days — about 100 community visits a year. That again is a change in practice — a change in approach to actually hear from Yukoners about what matters to Yukoners.

The Leader of the Official Opposition — both opposition parties gave fairly terse responses to the Premier's opening remarks. The Leader of the Official Opposition, parroting his federal counterparts, is concerned with the growing deficit and new infrastructure spending, and we know where that's headed — a dramatic curtailing, cutting, and reduction in infrastructure spending to placate the core of the base.

The Leader of the Official Opposition said we are rushing these projects. Nothing could be further from the truth. As my colleague had mentioned, we are responding to sincere pleas from the community to make sure that, when the election campaign hit, their projects were in the queue and ready to go — their critical projects — and so we triaged the projects. We looked at what we could do and we moved forward with the projects that were important to rural Yukoners.

Now, it's funny — the opposition has mentioned concerns with the infrastructure spending, but they never get specific, Mr. Speaker. It's always sort of in the abstract: "We don't like infrastructure spending. We don't like what you are doing." I'm going to be very interested to hear what the opposition parties actually come up with in terms of their specific complaints about the infrastructure spending that Yukoners have flagged for us that is important to the Yukon public so they can actually see specifically what they object to. I'm doubtful we're going to get any specifics out of the opposition. They have an aversion to specifics. They like to talk generalities, and I think we're probably going to see more of that in the specific debate to come. But I remain hopeful that we will actually get something of substance out of the Official Opposition that will point to exactly what their vision for the future of the territory, with less infrastructure spending and deficit fighting, means to them.

It is also a little bit surprising to me on this side of the House to hear the opposition talking about concerns with the growing deficit when we know that we saw growths in government of up to 19 percent in some years — in previous years — 19 percent growth in operation and maintenance spending. That's remarkable. We know the Financial Advisory Panel has said that they were spending \$1.50 for every dollar they collected in this territory, which put us in a deficit position which sort of ate up any reserves it might have accumulated and left very little in the kitty for future governments, which is what we've been dealing with for the last three years.

We've been fortunate — I won't say otherwise — but we have also been responsible in trying to find new ways of managing this territory that actually gets more efficient — saves money in the long run.

Now, that infrastructure spending that the Official Opposition is looking to cut, curtail, and deprive Yukoners of is mostly recoverable from Ottawa — which again, I question the approach — but that's their approach — that's fine — 75 percent of every dollar — 75 cents of every dollar we spend is recoverable from the federal government, and in some cases — as my good colleague has noted on land development — that's fully recoverable.

So I don't recall a time, Mr. Speaker, when we've seen this type of structural investment in our future in this territory. As I said, I'm looking forward to seeing where my good colleagues on the opposition benches are looking at cutting. Is it the Nisutlin Bay bridge — a project that we're going forward with in the Leader of the Official Opposition's community of Teslin? I'm not sure if he wants that struck from the books, but maybe that's what it is. Maybe he wants to keep the existing bridge and he can explain that to his constituents. Maybe it's Dempster fibre, something the entire Yukon has been clamouring for so they don't see Internet outages.

Perhaps it's the north Klondike Highway rebuilding, which is designed to reduce the weight restrictions we put on the highways — we reduced the time we put those weight restrictions on the highway so we can actually get goods and equipment up to the mine fields in the north Yukon to retailers — all sorts of things. Maybe that's what they want to curtail and stop. It remains to be seen. I look forward to them enlightening us in the coming debate.

The Dawson runway is finished. Perhaps they didn't want that investment. Land development — maybe they want to have less land development. That has been the approach for many, many years — is just to sort of curtail investment in lot development and that type of thing. Fortunately, we have my good colleague in Community Services over here actually making the hard decisions and putting that lot development — an almost historic amount of lot development happening in the territory right now. He has the stats on that. I believe it's more lot development in the last two years than we've seen in the previous four years or something. He can correct me on that. But that's an amazing thing. Now, we know that didn't happen in the past. Maybe we will revert to that and then we'll have more housing problems going forward.

Perhaps it's the Mayo aerodrome. There's a lot of work going on up there. We're making strategic investments in that piece of infrastructure. Perhaps they don't want that to go ahead.

The Robert Campbell Highway investment — again in the Leader of the Official Opposition's riding — perhaps he doesn't want that investment to happen. I know they make numerous complaints about how we don't invest in every community. I'm just trying to remind the member opposite that we actually are making fairly substantial investments in his riding.

Green energy investments — we're making those across the territory to make sure that we're transitioning to a new economy — a new energy economy — and that takes a lot of money and a lot of foresight and a lot of investment. We're making that investment right now in advance of any

environmental plan that we're going to table; we've been making this since we got into office. We're now seeing green energy initiatives in every single community in the territory to transition us to a greener future. Now, maybe they don't want to proceed with that. We'll see in this discussion coming.

Recreational facilities — maybe the members opposite feel those are unnecessary. New running tracks, community centres, water and waste-water projects, aquifer improvements, bus replacement, solid waste facility improvements, retrofits to municipal and First Nation government buildings that will reduce greenhouse gas emissions and reduce costs. All of this investment from Ottawa — all of the hard work that the civil service of the Yukon government is doing to pull these things together to make them happen — and I'm sure it's a little bit disappointing to hear the members opposite criticize that effort, but perhaps they can shed some light on how they would do it better. That will be an interesting discussion.

The cost of climate change is baked into these supplementary estimates — about \$20 million in O&M just to fight an exceptionally challenging year. We have heard from my good friend, the Member for Mayo-Tatchun, talking about this and how challenging it was. We have seen 116 fires this year — three-quarters of them lightning-caused, some of them human-caused, unfortunately. That is a dramatic increase over that year — certainly not an improvement, but a frightening new statistic that we have to deal with. Hopefully it is not the norm — in future years, we'll see that. We saw the budget for firefighting rise absolutely dramatically over what it was in previous years. That is because we're in the midst of a climate emergency, which this government fully recognizes that we are in, and we are taking action on a daily, weekly, monthly, yearly basis to try to mitigate that.

So with that, Mr. Speaker, I look forward to the coming debate on the supplementary estimates, and I really am curious to see the members opposite actually come up with some specifics and actually start to question and fulfill their role as the Official Opposition.

Ms. White: Today, talking about the supplementary estimates for 2019-20 — the one thing I want to flag is I do appreciate that there are only three departments that we are going to be bringing up for Committee of the Whole — and that all the questions need to be asked in general — I do. The Premier committed to making these changes — and to the full credit of the Department of Finance and each of these departments — there is a really good job. That is fantastic. The concern that I have as a member sitting in this Assembly in the opposition is that it becomes a lot harder — and the Premier will understand this — the questions that you have about departments sometimes can't wait until the spring. So we'll be asking those questions in the general debate on the supplementary, but I'm hoping that the ministers — because some of them are about programs, where we have noticed things have changed; some of them might be about funding; some of them might be about access. So just a thought — as the budgeting is changed — and no disagreement — for the better — being the fact that we have such a small supplementary

budget compared to what the Premier and I were used to in the 33rd Assembly — but one of the things that I think is really important about the opportunity with the budget is actually to be able to ask questions of the departments.

I know that I have questions about departments that have come up since the Spring Sitting when we were here. They may not be tied directly to a budget line. I know that the Premier has also told me that I need to refocus on the budget, but sometimes it is about programming — because this is my opportunity to ask those questions about programming. So as the budgeting has changed and as it has improved — again, no criticism on that from this side — the one point that I want to flag is that maybe we need to look in this House at how we do business if this is the new norm. How do we have these conversations about these departments in a way that still needs to happen? Because they are important questions. I, for example, have questions about just about every department that I pay attention to, but they aren't in the supplementary budget.

Again, it is a congratulations. As the Minister of Highways and Public Works pointed out multiple times, this is different. I don't disagree. It has been pointed out for the last three years. Again, there are going to be questions to departments that aren't up. The Premier has encouraged me at times to focus on the budget, and I do appreciate that, but sometimes, it is questions about departments. So maybe as we all move forward into the future together here — as we now are doing things differently from how they were done in the 33rd or the 29th or the 27th Assembly — how do we make sure that we — as elected representatives of our areas, of our ridings, of different people in the territory — are able to have conversations about those departments? Because it used to be in supplementary budgets — whether that was good or bad, we were still able to ask questions.

I appreciate people's second reading speeches, but I do look forward to the general debate in Committee of the Whole because — just to put that out there — we have questions for more than just the three departments that actually have had a line change.

I want to congratulate the Premier because this was a commitment that he made — he was determined that the supplementary budget wouldn't be for every department. It wasn't going to be what it was in the past, and it certainly isn't — so that is a congratulations. This is an honest congratulations here. But the concern that I have is that — I didn't necessarily like the supplementary budget that looked really kind of like a real budget or a full budget, but that gave me the opportunity to ask questions of each of the ministers with their officials in the House.

I do have questions for departments that are not going to be called up for the supplementary estimates, and I look forward to asking the Premier those questions.

Hon. Mr. Pillai: Mr. Speaker, I rise today to speak to the additional funds requested as part of the supplementary estimates of the 2019-20 for the Department of Economic Development and the Yukon Development Corporation.

As the Premier mentioned in his comments, the values of Yukoners are never far from our minds, but unforeseen events and the timing of projects can shift our fiscal position through the year. This is certainly the case with the requests made through the departments I am responsible for. Sometimes these unforeseen events are opportunities and that is what I want to focus on here today.

The Department of Economic Development requested a budget increase totalling \$3 million. There is \$1.5 million to support First Nation investments and \$1.5 million for the business incentive program. Within my mandate, I have been tasked to attract new investment to Yukon businesses, develop innovation and the knowledge economy and strengthen entrepreneurial opportunities for First Nation development corporations. The team of people I'm privileged to work with in the Department of Economic Development and I have been working hard to deliver on these items.

The opportunity arose to support First Nation investment through the newly formed Yukon First Nation Investment Corporation's participation in Panache Ventures' pan-national early stage start-up fund. The Yukon First Nation Investment Corporation is investing \$5 million in Panache Ventures, \$2 million of which is being funded by the Government of Yukon over the course of two fiscal years. I am requesting \$1.5 million in this supplementary budget to support the Yukon First Nation Investment Corporation's investment into this \$58-million private equity capital fund. This investment will support capacity development activities in Yukon for Yukon's tech sector. Yukon companies will have access to an international network of funds, investors, industry professionals, and entrepreneurs — which we discussed earlier today — and there will be mentorship opportunities with investors and entrepreneurs, regular visits to Yukon by fund partners, and local training in community investor development initiatives.

Our government has heard that a gap exists in the availability of private equity financing in Yukon's start-up ecosystem and the investment in this fund will help address this challenge. It also strengthens entrepreneurial opportunities for Yukon First Nation development corporations by opening up a new avenue in their investment strategies. We look forward to seeing the benefits that this investment brings to the tech sector here in Yukon.

I can't say enough — I appreciate the policy analysts, the communications team, and the advisors at Economic Development who put a tremendous amount of work into bringing this together. If you look at the history of indigenous investment, starting with the Yukon Indian Development Corporation and their initial investment of \$250 — I think with just over a dozen nations — in the initial tranche of money, and then take a look at this particular investment with seven First Nations — I am very excited to see the Ross River First Nation development corporation investing in this. It really says something about where all the of the development corporations are starting to evolve into very sophisticated investment strategies. It is not just your normal passive investment here locally or on Bay Street, so I am very excited to see this. I think

it really hits so many targets and opportunities. I really look forward to seeing the evolution of that investment and all of the bilateral opportunities that are going to exist from that — the ancillary value that will be created through this investment, starting in 2020, with many different mentors, groups, and networking opportunities here.

We also hope that there is an opportunity from other particular jurisdictions that may want to come to the Yukon and see that we have the appropriate ecosystem in place, whether it be from a platform of mentorship to a location that is a hive of activity or to being able to access appropriate capital, where of course there is such competition across the country.

As well, the business incentive program — we are also asking for \$1.5 million. The second request in the supplementary budget from the Department of Economic Development is the \$1.5 million to support the increased subscription to the business incentive program. The business incentive program provides two types of rebates for contractors and manufacturers: Yukon government construction contracts, rebates for labour and apprentice costs, youth employment, and Yukon manufacturers whose materials are incorporated into eligible construction projects.

In goods and services purchased by the Yukon government — rebates to Yukon manufacturers for items produced in Yukon and sold directly to the Yukon government. These rebates are an important tool for encouraging the use of locally manufactured materials and products and increase the employment and training opportunities for Yukon residents. The increased uptake indicates that Yukon contractors are securing government contracts and Yukon tradespeople and apprentices are employed and Yukon goods are being used. This is good news for our local economy.

At the onset of having the opportunity to work with my colleagues here in the Legislative Assembly, one thing that we had heard is that there was a lot of sentiment that local companies were not getting the opportunities to do local work. We had seen some very significant contracts being let by the Yukon government and firms from western Canada, but not from Yukon, having the opportunity to win those contracts.

There are two separate things. One is that if you look at this particular strategy, you will see that, with the increase in the business incentive — and if you take a snapshot and look at previous years and then you see where it has trended over the last couple of years — you will see that there are more local companies using this particular fund. It really kicked off with our partnership with the City of Whitehorse, because once that RFP had closed and the building began, we saw a local construction company — one that had competed previously over the last number of years on particular contracts and opportunities — continue to get work in the private sector but not so much from government contracts. They had essentially told the city that, if it hadn't been for that partnership and us ensuring that the business incentive program was in place, they wouldn't have been able to structure their budget the way they had. It is a very significant build now — a brand new build — and of course local companies and Yukoners are at work, and

that is why we see companies asking for Yukoners to come home. There are now these opportunities.

It is the same with strategies where we have, as well, taken a step aside, continued to focus on being a regulator versus managing the site in Faro — and of course a great opportunity where you have seen Pelly Construction just this year take on a very significant contract. Once again — setting a course, finding the clean line, ensuring that local companies are working. It wasn't happening before, but it is happening now.

The final item that I would like to speak to is the Yukon Development Corporation's request for a one-time budget increase of \$457,000 for the innovative renewable energy initiative to correct a discrepancy in the timing of reimbursements for the program expenses from the 2017-18 fiscal year. The innovative renewable energy initiative supports the development of both private and public sector renewable energy generation projects across the Yukon. Through this initiative, the Yukon Development Corporation is working with First Nations, communities, and private sector organizations to reduce Yukon's reliance on fossil fuels, to generate electricity, and to heat our homes and businesses.

This is increasingly important as we look to address the effects of climate change. The renewable energy projects funded will help to reduce greenhouse gas emissions and reduce our dependence on imported fossil fuels while helping communities to develop capacity in emerging technologies that can provide both economic and environmental benefits. This is important work, and I would like to thank the staff of the Yukon Development Corporation for their work.

The small but mighty team at Yukon Development Corporation — there are three key individuals on the policy analysis side, continuing to program officers, and then, with the president — there are over a dozen projects that they have taken on. The concerns out there about the strategies toward building renewable energy — those individuals have done an absolutely phenomenal job. They should be proud of themselves. From taking the independent power production in place and then expending these dollars to ensure that there are renewable energy projects in many different phases — from solar in Beaver Creek to biomass in Watson Lake or Teslin, right through to wind here as planned for Haeckel Hill.

These are extremely significant programs. You can come into the Legislative Assembly, and the porridge is always going to be too hot or too cold — it is never just right. Even though the rest of the country applauds Yukon Development Corporation, the Energy, Mines and Resources team, and Yukon Energy as they move a number of these pieces forward, they really look to the Yukon as a leader in working with our communities and indigenous governments — always understanding that self-determination is the underlying foundation of these relationships. Really, that is key to moving these programs and to having people at the local level being able to support, maintain, and expand these projects. These are all very significant things.

I will also say that I'm a bit fearful — and I know that we will probably talk later — of the fact that there are so many projects that we have out the door and they're in phase 1; some

of them are in phase 2. We're walking alongside our partners in the communities. Everybody is at different paces. You might have one project where, as I understand — if you want to look at financing a wind project through this program, we have administered dollars to do wind data collection which takes — usually you need — proper data collection takes about two years and then you can take that to finance a project. So it's extremely important. What I'm worried about is phase 2 and phase 3. We're hearing it out there — there is a lot of talk because we have another level of government in an election, and I'm fearful about the talk about infrastructure cuts across Canada. In my discussions with members from Natural Resources Canada — a lot of work at the federal level to ensure that these programs are in place, and of course these are the programs — whether it be the Arctic energy or through ICSP programs — that are really — many people in every community — whether it be Burwash, Beaver Creek, or Teslin — people are counting on these dollars to continue to have their programs build out. It's part of our strategy.

I have to say it — the Member for Takhini-Kopper King always has great questions for us. I can say it — the cards are on the table — those infrastructure dollars are part of the solution for a renewable energy future for the Yukon, and I'm fearful of some of the comments that have come out. I really hope that we don't see any kind of re-profiling or clawback or something along those lines, because it would really be many steps backwards here for Yukoners and Yukon communities.

Beyond the financial assistance that the individuals at Yukon Development Corporation administer, I know of course they have been working hard to assist their clients in accessing funds at the federal level. They've been doing a great — absolutely fantastic — job of helping people get to where they need to be, and these federal funds have been a critical resource in funding our infrastructure needs here in the territory.

I know there will be some more questions. I want to thank the Member for Whitehorse Centre. There were some great questions and I apologize that I didn't get to answer all those questions about rate of return, due diligence — all those key points. I'm happy to get into a broader discussion when we go into Committee of the Whole on that particular \$1.5-million allocation.

With that, I will take my rest.

Speaker: If the member now speaks, he will close debate on second reading of Bill No. 200.

Does any other member wish to be heard?

Hon. Mr. Silver: I want to thank all my colleagues today for their comments here in second reading of Bill No. 200 for supplementary estimates for 2019-20. I didn't hear a lot of specific questions from the opposition but I did hear a common theme among both, and that is that we reserve the right for general debate to continue to be what it used to be. Again, I respectfully thank my colleagues for bringing that up — and thank you to the Leader of the Third Party, who identified the reason why. There is less opportunity in Committee of the Whole under this new government because we budget once, as

much as we possibly can. We have full debate in the Legislative Assembly in the spring about the main estimates, and we are trying our best to have comprehensive legislation in the fall — and you see that here.

We have the *Yukon University Act* — an act that is extremely important for pedagogy. It's extremely important for life-long learning here in Yukon. The *Tobacco and Vaping Products Control and Regulation Act* — it would be great to have a fulsome conversation about — this is all happening in real time — vaping and Juuling and concepts that I wouldn't even have known about if I didn't start researching for debate here in the Legislative Assembly. The *Act to Amend the Elections Act* — the *Liquor Act* — Mr. Speaker, that is a massive piece of legislation that has taken years and years to get to where we are through the CCL process — the Cabinet Committee on Legislation — and the Cabinet Committee on Priorities and Planning into Cabinet — and just a Herculean effort of a whole bunch of different departments working together. That alone — the debate on that act alone could take days and days. The *Technical Amendments Act, 2019* — although a little bit smaller, it's a very important conversation. *Act to Amend the Corrections Act, 2009* — again, an extremely important topic, Mr. Speaker — and then of course our *Second Appropriation Act 2019-20*.

It is interesting when it comes to things like ministerial statements, we'll get from the Yukon Party, the Official Opposition, that they want to get down and talk about the supplementary budget. Yet, in the Standing Orders — and correct me if I'm wrong — ministerial statements are a legitimate part of the Standing Orders and the daily proceedings — as are tributes, as are motions, as are other opportunities for anybody in the Legislative Assembly to get up and voice their opinions representing their communities.

I will say as well that through casework and through Question Period — again, great opportunities to ask questions about a gamut of what is important to Yukoners from the political lens of the opposition members.

Some Hon. Member: (Inaudible)

Hon. Mr. Silver: I know that the Member of Lake Laberge thinks that this is funny, but we on this side of the Legislative Assembly believe that we are more accountable than before. And when we have all of our main estimates taken care of in the first semester, in the first part of the year, well, we do come into a situation here in the fall, where now there are less departments. We have two budget considerations and one other that will be here standing for Committee of the Whole. I do take the point from the Leader of the Third Party in that there is now less opportunity, but I would say less opportunity in Committee of the Whole to ask questions about all these other things.

Mr. Speaker, what I would love to see — and it hasn't happened — correct me if I'm wrong. I would love to be able to see us finish debate and not have to use the guillotine clause. That hasn't happened. If we did get through all of these government bills — a thorough debate on those and also a thorough debate on which particular community projects or capital assets that the Yukon Party doesn't like to see — and

continue having a conversation — I believe that will take the full amount of time here. If it doesn't — well again, I am more than willing to sit down with the leaders of the two opposition parties and talk about what that means. But until we get there, it is hard to hedge that bet. What I would like to see, again, is for us to do what parliamentary procedures do all across the world in Commonwealth countries — using the Committee and using the Legislative Assembly to debate the bills on the floor. That is exactly what we're going to do.

I am looking forward to having a debate in Committee of the Whole this afternoon when it comes to the line items in the supplementary budget — but we are making a point, Mr. Speaker. We are not the last government that has two budgets — one in the spring and one in the fall. We try our best to have more information up front with the five-year capital plan to lead Yukoners into a longer term vision of where these capital assets are happening — but again, adding certainty by getting projects out earlier in the year and by getting budgetary considerations done in the spring. That allows us to be more nimble in the fall. If we run out of time in this Legislative Assembly — well, that would be astounding, and I will commend both the opposition members and my team as well, if we can even get there.

It would be hard to do. Again, that *Liquor Act* alone is a massive piece of legislation. There is a lot of spending in the supplementary estimates when it comes to Community Services and when it comes to making sure that we prioritize recoveries — money from Ottawa that we can get back — and I think that the Department of Community Services has done an extraordinary job of not only prioritizing those federal dollars — which sometimes becomes kind of a Rubik's Cube when it comes to getting new flexibilities and applying it to old sources of funding — but also being able to work with the communities, being able to work with the First Nation governments and the municipalities — when we went out on the summer tour to see that these things are still lining up and that their priorities are the priorities that are being identified here in the Legislative Assembly. We would love to have a conversation on those issues and those items.

So again, I am more than willing to consider the concerns from the Leader of the Third Party as to how we can increase our opportunities to talk about all of these things, but I would also urge the members to help us to get to a point where we don't need to use the guillotine clause and use our time effectively in Committee of the Whole on the bills which we talk of.

With that being said, I look forward to a very rigorous debate this afternoon in the general debate in Committee of the Whole when it comes to the supplementary items.

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. 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: Disagree.

Mr. Kent: Disagree.

Ms. Van Bibber: Disagree.

Mr. Cathers: Disagree.

Ms. McLeod: Disagree.

Mr. Istchenko: Disagree.

Ms. White: Disagree.

Ms. Hanson: Disagree.

Clerk: Mr. Speaker, the results are nine yeas, eight nays.

Speaker: The yeas have it. I declare the motion carried.
Motion for second reading of Bill No. 200 agreed to

Hon. Mr. Streicker: 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 Acting 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 now before the Committee is general debate on Bill No. 7, entitled *Technical Amendments Act, 2019*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: I will now call Committee of the Whole to order.

Bill No. 7: *Technical Amendments Act, 2019*

Chair: The matter before Committee is general debate on Bill No. 7, entitled *Technical Amendments Act, 2019*.

Is there any general debate?

Hon. Mr. Streicker: Mr. Chair, to begin with, I would like to welcome Mr. Al Lucier, the Assistant Deputy Minister of Community Justice and Public Safety, and also Ms. Sandra Markman, who is our chief legislative counsel from Legal Services. I know that they have done a lot of work, and I

think that on behalf of my colleague, the Minister of Justice, I would just like to say thank you very much to them for their work on this act.

I will give a few opening remarks and then I look forward to the conversation. I know our debate last Thursday on second reading was very brief, and basically what I heard from members opposite was that they may have questions. The Member for Lake Laberge said that he might have questions at Committee of the Whole, and I look forward to those.

In second reading, I provided an overview of the content of the act today. Our focus is on sharing with Committee of the Whole an understanding of the details of the bill. Again, thank you to my colleagues for being here today. As I mentioned during second reading, the Government of Yukon has put forward an act to amend three existing statutes, including the *Crime Prevention and Victim Services Trust Act*, the *Jury Act*, and the *Safer Communities and Neighbourhoods Act*. This act that we are debating today in Committee of the Whole, the *Technical Amendments Act, 2019*, is designed to ensure that Yukon's legislation is consistent with recent amendments to federal legislation and aligns with recent court challenges.

In 2018, the Supreme Court of Canada ruled that mandatory fines constitute cruel and unusual punishment, violating section 12 of the *Canadian Charter of Rights and Freedoms*. As a result, the federal government repealed mandatory surcharges with Bill C-75. The Yukon's *Crime Prevention and Victims Services Trust Act* currently states that a person who is convicted of an offense against an act or regulation that is not a municipal act must pay a fine surcharge in addition to the fine itself.

The surcharge under Yukon's laws, as currently written, is mandatory. Through Bill No. 7, the Government of Yukon is seeking to amend the provisions of the *Crime Prevention and Victim Services Trust Act* to allow the fine surcharge to be applied in a discretionary manner. Specifically, these amendments will allow the court to use discretion to ensure that those who are not financially able to pay the fine are not subjected to further action. Additionally, these amendments will ensure that the 2018 Supreme Court of Canada ruling is respected.

Also included within the bill are amendments to the Yukon's *Jury Act*. Currently, the *Jury Act* automatically disqualifies individuals who have received a sentence for which a term of imprisonment exceeding 12 months was imposed. The Government of Canada's Bill C-65 altered this limitation to allow those sentenced to a term of imprisonment of less than two years to participate as potential jurors. Consequentially, the Government of Yukon is proposing to amend the Yukon's *Jury Act* to also allow individuals who have been sentenced to a term of imprisonment of less than two years to serve on a jury. The proposed amendments will align Yukon's requirements with those of Canada.

The third and final component of Bill No. 7 will amend the specified uses as defined within the *Safer Communities and Neighbourhoods Act* to provide the SCAN unit with the authority to investigate illegal activities related to cannabis that contravene the *Cannabis Act* or the *Cannabis Control and*

Regulation Act. This change restores the initial scope of the act to provide the SCAN unit with authority to address illegal cannabis activity as it could prior to cannabis legalization. Specifically, these amendments will enable the SCAN unit to investigate property-related complaints where the possession, consumption, purchase, sale, distribution, production, cultivation, propagation, harvesting, or use of cannabis contravenes federal or territorial legislation.

I outlined the several ways — the overarching policy decisions — and identified their alignment with federal legislation recent court decisions, and I look forward to further comments and questions on these important amendments.

Mr. Cathers: We don't really have a lot of questions regarding this. We understand the explanation that we were provided by officials regarding the requirement to make some of these changes to not be out of step with Supreme Court decisions, and we recognize that it is the normal course of business for government to recognize when a Supreme Court ruling has come out — that it is not at the moment technically binding on the territorial legislation but, based on the content of the Supreme Court decision, it gives a very clear indication of what would happen with a territorial statute if someone were to appeal it because of the decision of the Supreme Court — in this case, having a problem with mandatory provisions instead of discretionary provisions.

We also understand the explanation provided by officials that the changes to reflect the federal government's changes in Bill C-75 were necessary, as stated by officials, to eliminate the risk that a conviction in the Yukon could be subject to a successful appeal because it was not in compliance with Bill C-75.

While noting, of course, that personally I do have a number of concerns with the content of that federal legislation, which lightened the offences for some fairly serious crimes, we recognize that the decision to do that was made by the Liberal government in Ottawa, and since it did pass through Parliament, unfortunately Bill C-75 is now the law of the land.

With that, Mr. Chair, I don't really have additional questions on what are relatively straightforward amendments. I would note that the changes around cannabis reflecting the change in other legislation also seems to be appropriate as it pertains to the *Safer Communities and Neighbourhoods Act*. We do support the concept of ensuring that the safer communities and neighbourhoods unit has the authority to investigate illegal property-based activity that relates to contraventions of the federal *Cannabis Act* and the territorial *Cannabis Control and Regulation Act*.

With that, I will turn the floor over to the Member for Whitehorse Centre as the Third Party critic on this for whatever questions they may have during general debate.

Ms. Hanson: I just want to thank the minister for his opening remarks. As he said, for the most part, the technical amendments that were contained in Bill No. 7 are fairly straightforward.

I just note that, through the amendments to the *Crime Prevention and Victim Services Trust Act*, we are in fact seeing an amendment that takes it back to the way — sort of the notion

of victim surcharges — as I understood it — that had been in place as a discretionary matter until 2013, at which point, the conservative government made it a mandatory penalty, and that's really what caused the Supreme Court to address this matter in terms of ensuring that those who are poor or homeless and — effectively, as the court said, this could be deemed to be cruel and unusual punishment. So we have no problems with the proposed amendments there.

I do want to raise — and I will be looking to the minister to elaborate when we get into the discussion on the technical amendments with respect to the *Safer Communities and Neighbourhoods Act* because — and I'm not trying to read beyond what's being proposed here, but just the scope of the language that was used in describing it — I'll be looking to the minister to describe for this House how this doesn't move closer to some of the concepts or provisions that have been more commonly found in civil forfeiture legislation which, as some members will recall in this House, found no favour in this territory — quite the opposite — very strong opposition to the concepts of civil forfeiture — sort of what you can't get through the criminal system, you can do through the civil system.

We do know that the *Safer Communities and Neighbourhoods Act* is set up under the civil system and not the *Criminal Code* and in response to the specific circumstances in downtown Whitehorse at the time around, essentially, drug houses on Wheeler Street. It's a notion that people have a right to their safety and to peaceful enjoyment of their own properties, but when I hear some of the expansive language around intervening when you may have or might be suspected of being involved in criminal activity — I just want to be able to have the minister provide the necessary assurances to citizens that there is no intention to circumvent the criminal system by using a civil system to get the outcome that they're looking for.

I look forward to that discussion, Mr. Chair.

Hon. Mr. Streicker: I'll do my best to respond and then hopefully there is more follow-up as we go further.

First of all, what I understand from the act is that it's not touching the process of the act at all except that, once we legalized cannabis under the *Cannabis Control and Regulation Act* here — and nationally under the *Cannabis Act* — it dropped out of the controlled substances. It was no longer considered to be on the list, so it fell away, but of course that doesn't mean that there isn't illicit activity around cannabis — and we well know that. We've been doing our best. It has been one of our priorities to try to displace the illicit market. We recognize that the illicit market continues. We will do our best to combat it, but there still are elements where it's there. In other words, cannabis still can exist in our communities and be used in a way that is not legal. We don't want to see that removed inadvertently through the legalization of cannabis. It's really just to put it back in.

As I understand, how the *Safer Communities and Neighbourhoods Act* works is that the notion is that the remedies are the same. We would start with a warning and then we would move to a community safety order. That's something that would be registered with the Yukon Supreme Court. It

allows for a continuation of the work that is ongoing now under the amendments that are here today. Finally, if it was warranted, we could end up with an eviction notice. I mean, sometimes the homeowners themselves are not involved — or even aware at times — of some of the activities that are going on.

There is no consideration of civil forfeiture or anything like that. There is no move afoot to change SCAN. It is just to reintroduce cannabis because it got un-introduced through the *Cannabis Control and Regulation Act*. Again, I really want to emphasize the point that this is only to be about cannabis which is being utilized in an illicit fashion and it is not to do with the legal cannabis use, where people can enjoy cannabis that is purchased through the legal market and that they can also grow for themselves in the confines of their home and property.

This does not replace the criminal law in any way. This is about adverse effects in the community and allowing provisions that make sure that, when the law is being broken, we can still address it through the *Safer Communities and Neighbourhoods Act*.

Ms. Hanson: I do respect the minister's response there, but I guess the issue is that we are in a transition period. There are still many people in the community who don't like marijuana — they don't like cannabis — and so the question is: Who determines whether it is being used in an illicit manner? Who determines that and makes the call with respect to causing an eviction — another matter of basically shutting down a residence in a community? It's basically around civil liberties, because we're talking about — as I understand it — SCAN is not part of the *Criminal Code*. It's not part of something that can be used for criminal proceedings, and maybe the minister can clarify that.

Hon. Mr. Streicker: Again, as everyone in the Legislature knows, this is not my normal area of expertise, so if I get anything wrong, I will happily get right back up from talking with colleagues and make sure that I get it right for everyone here.

The process, as it unfolds — while there are some people who — I recognize full well that in our society, there is a diversity of views and considerations and that some people still are concerned about cannabis. How do we differentiate between legal activity — the enjoyment of Yukoners in a safe and controlled fashion — and illegal activity? As with anything to do with the *Safer Communities and Neighbourhoods Act*, it is a complaint-driven process to begin with, but that doesn't lead to a decision; that leads to an investigation. Typically, that investigation is required to be exhaustive in nature. There is a lot of work that is required.

There was another point I missed, but I will just get that information and come back — as to how that investigation is undertaken. Once that investigation is undertaken, if the investigators believe that there is a case, then it starts escalating in sort of a rational fashion. We start off with a knock-and-talk — meaning that someone goes to the door and tries to talk to the residents to express the concerns. Then we can move up to a warning.

From there, we can work with the registered owner; we can issue a five-day suspension; and then if it goes further, we provide a safety order — and it has to come through a justice — so it has to go through a Yukon Supreme Court justice and they issue the affidavit. It is the investigators who look at it, and then ultimately, it's the justice who will make the decision.

That is applied for an order under section 4 of the *Safer Communities and Neighbourhoods Act*. I will just check to see if I have answered the question from the member opposite and provide more detail if it is sought.

Ms. Hanson: I appreciate the minister's explanation there.

My question then is about the execution of any order under this act. Is it executed by civil authorities or by the police?

Hon. Mr. Streicker: Mr. Chair, let me clarify about making a community safety order. Again, it's all happening under our act, the *Safer Communities and Neighbourhoods Act*. So we have investigators who are there investigating, but it is the Yukon Supreme Court that will make the order. I am now reading from the *Safer Communities and Neighbourhoods Act*, section 6(1) under making a community safety order: "The court may make a community safety order if it is satisfied that (a) activities have been occurring on or near the property that give rise to a reasonable inference that it is being habitually used for a specified use..." Again, what we are talking about is that illegal activity.

Under 6(3)(b): "... a provision enjoining all persons from causing, contributing to, permitting, or acquiescing in the activities, beginning on the day after the person is served with the order and continuing until the order ceases to be in effect..." It is under this act, and it is the Yukon Supreme Court that would issue this order.

Ms. Hanson: I understand it is under this act, but if you make the determination that someone is doing something illegal, normally they have an opportunity to speak to that. I understand the history of this legislation. My colleague Todd Hardy brought it in, so I understand the rationale for it — and that's why I'm raising it now, because there are people in the community who would be concerned about how much broader the net gets cast in terms of the impact on civil liberties.

We are talking about private residences here. Does this apply? Would we be seeing a provision terminating the tenancy agreement or lease of any tenant and the shutting down — "... close the property from use and occupation on a specified date and keep it closed for up to 90 days..." — if that was Yukon Housing or the Whitehorse Emergency Shelter? Should there be, as we've seen, that kind of activity going on in some of those apartment buildings and/or perhaps adjacent to that building?

Hon. Mr. Streicker: Again, I will do my best.

What I want to say is that, throughout the act, there is an appeal process that would allow owners of the property and tenants — or the people who are being investigated and have orders brought toward them — to be able to respond through the courts and to put forward their position.

The Member for Whitehorse Centre was referring to Housing First, for example, and the Yukon Housing

Corporation's properties. Let's just acknowledge that, if the activity is legal, there is no issue. For example, after October 17 of this year, if we get to edibles being legal — the issue in the apartments will be anything — smoking is not going to be allowed in the first place, but if we get to those consumptions that allow for a way that is not going to interfere with other residents within the unit — whether it is an apartment building or a condo or, in this case, Housing First — it comes down to whether or not the activity that's ongoing is legal. Of course, if, through an investigation, there is a sense that it is not, then that will take a justice of the Yukon Supreme Court to issue an order. We will execute the order — the government would execute the order — but there is also an appeal process that's in there.

I'm really trying to differentiate here that what I think is being brought forward today — and I appreciate the questions that are coming regarding the *Safer Communities and Neighbourhoods Act*, but that is not what's being amended here. What is being amended here is to make sure that, because cannabis effectively got pulled out of the controlled substance list, we are now allowing it back in where that activity is illegal. This means part of the black market, where something is being grown and/or sold in quantity — it's not about those aspects that are considered legal.

My anticipation of Housing First or any apartment unit is that, if the use and enjoyment is as per the rules that we have already set out, fine, great, no problem. If it is illegal in nature, then you want SCAN to be usable in that case. I don't want to prejudge outcomes. There's a whole set of processes we need to go through that ensure that all sides have the ability to bring forward their concerns.

I should note — or I'm being helped to note, and thank you — that not only under the *Safer Communities and Neighbourhoods Act* does the activity need to be illegal, it also needs to be adversely affecting the community. That's how I understand the legislation.

Ms. Hanson: Just along those lines, is it the intention — we're talking about something that is illegal under — so it's not allowed under the cannabis legislation — the minister made reference to the changes to the *Smoke-Free Places Act* and to Bill No. 3 — when that passes and there are prohibitions and there are fines for offences up to \$5,000, is it intended that SCAN will also apply to those offences under Bill No. 3, the *Tobacco and Vaping Products Control and Regulation Act*?

Hon. Mr. Streicker: I thank the member opposite for her question. The answer is no. This is not about smoking or vaping. Under the current *Safer Communities and Neighbourhoods Act*, it has to be a specified use. I see it as listed out that it talks about a contravention of the *Liquor Act* — of course, that's also before us too, so that's there — also the *Controlled Drugs and Substances Act* and prostitution and activities related to prostitution. Those are the three. Now, with this amendment, it would be illicit activity regarding cannabis. That's what is being amended here.

So there is no intention of adding things. It's really meant to be quite targeted and to be both illegal and adversely affecting the community.

Chair: Is there any further general debate on Bill No. 7? Seeing none, we will proceed to clause-by-clause debate.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Title

Title agreed to

Hon. Mr. Streicker: Mr. Chair, I move that you report Bill No. 7, entitled *Technical Amendments Act, 2019*, without amendment.

Chair: It has been moved by Mr. Streicker that the Chair report Bill No. 7, entitled *Technical Amendments Act, 2019*, without amendment.

Motion agreed to

Chair: The matter now before the Committee is general debate on Bill No. 200, entitled *Second Appropriation Act 2019-20*.

Do members wish 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.

Bill No. 200: *Second Appropriation Act 2019-20*

Chair: The matter before the Committee is general debate on Bill No. 200, entitled *Second Appropriation Act 2019-20*.

Is there any general debate?

Hon. Mr. Silver: I want to thank Deputy Minister Chris Mahar for being here today and for 30 years of public service.

I am very pleased to rise before Committee of the Whole to outline the spending requests as part of the first supplementary estimates for 2019-20. This government has stressed the importance of supplementary estimates as an exercise in accountability. When we table the main estimates in the spring, we need to be getting it as close to accurate as possible, given the information at the time.

It is a process of planning, evidence-based decision-making and, in the end, accountability as we end up halfway through the fiscal year. That process showed up when we tabled these supplementary estimates because we are not changing the numbers based on changing priorities. We are addressing unforeseen changes in our world and taking advantage of opportunities to keep pushing ahead to ensure that Yukoners have the infrastructure that they need. This year's numbers may

be bigger than the last, but much of those additional costs will be recovered through federal funding agreements. The amount for fighting some of Yukon's biggest fires of the last decade is what largely takes away from what you heard in the spring.

I would like to spend a few moments detailing variances in spending between the main estimates and the supplementary estimates. In total, the 2019-20 first supplementary estimates contain \$63.8 million in additional spending. This is made up of \$20.5 million in operation and maintenance and \$43.3 million in capital. While we are not projecting increases in revenues, there is \$26.3 million in recovery of capital costs. The transfers from Canada remain unchanged.

2019 has seen \$20.5 million in net additional spending for operation and maintenance. The largest contributor by far was the addition of \$19 million to combat wildfires across the territory. This spending is far above the five-year average due to the number of fires doubling year over year. It was a very long season — from April 5 until well into September — and one of the most complex and challenging of recent history, with fires burning dangerously close to communities and infrastructure.

The other increase to O&M is supporting First Nation investment in a technology venture fund. This \$1.5 million is not just an investment in the fund, but it is also an investment in Yukoners. As a condition of the fund, there will be an entrepreneurial program to support early stage start-ups. This will include coaching, training, education, networking, and events such as pitch competitions. It is a great opportunity to diversify our economy and to develop technology investment infrastructure in Yukon.

Mr. Chair, there are also a few notable changes to capital spending. Of the \$43.3 million in additional capital spending, the most significant amount is attributed to \$35.5 million in infrastructure spending. This is funding to replace outdated and failing infrastructure and fulfilling the needs of residents across the territory. The range of these projects is vast, showing the variety of needs of Yukoners and services provided: from community centres to sewer upgrades to new buses and also water treatment plants. There is also \$9.8 million for land development. While a large portion of this land will be used for a variety of lots in the Whistle Bend area of Whitehorse, we are also supporting 20 other land development projects in the communities.

The business incentive program, or BIP, has been shown to be so successful that there is an additional \$1.5 million in the supplementary estimates. Yukon contractors, tradespeople, apprentices, and businesses are benefiting from this program. This program helps put Yukoners to work on those important infrastructure projects, especially young people and apprentices. It means construction materials made in Yukon help to build our facilities and our community centres.

The last increase for spending in the supplementary estimates is for the Yukon Development Corporation — an increase of \$457,000 — offsets and undersubscription for the renewable energy initiative, which occurred in previous years.

There is also a small offset in capital spending. The Challenge Cornerstone project is still fully supported by the

Government of Yukon; however, a change of pace in the project means that these funds will be pushed to next fiscal year. This is a cash-flow change rather than a priority change. This project will get underway next year.

The first supplementary estimates reflect \$26.3 million in recoveries. This funding from the federal government is what helps cover our capital infrastructure commitments and ensures that Yukoners have the services — like roads, water, and community centres — that they need.

There are no changes to revenues.

I will conclude my remarks by restating the purpose of supplementary estimates. While they may be used to convey unexpected changes to the main estimates, our supplementary must be responsive to the needs of Yukoners and fiscally responsible. Today our government presents supplementary estimates that address the needs of our territory — having places to live, services to rely on, and safety in the face of a wildfire season.

I invite members to request further details on any of the areas included in the supplementary estimates, and I will answer any questions to the best of my abilities.

Mr. Cathers: I'm pleased as the Official Opposition Finance critic to rise in speaking to the supplementary budget, and I would like to begin by acknowledging Chris Mahar's time in government, as the Premier made reference to, and thank her for her ongoing service under governments of all varieties. I have had the opportunity, in two portfolios, to work closely with Chris, and I thank her for her work on behalf of Yukoners.

Moving on to areas in this budget — and I also do want to note for the sake of all the officials across multiple government departments who have been involved in preparing the budget and involved with both the increases we see in this budget, as well as the operations — I do want to emphasize that, when we criticize the policy decisions that are made by the government of the day — that being the Liberal government — that we are not in any way, shape, or form criticizing the work of government employees. We recognize that those decisions are made by Cabinet, and as the Official Opposition, it is our job to hold Cabinet accountable, including identifying the areas where we agree with them, the areas where we disagree with them, and the areas where we question their decisions and believe they have an obligation to provide more accountability on behalf of Yukoners.

In terms of the supplementary estimates we see here, we do have a number of concerns and questions related to the new spending contained in this. The Premier's explanations have been rather superficial as it pertains to this budget, and we do believe that it's appropriate for MLAs and the public to see more accountability on the part of this government — including more accountability from the Premier about why he has diverged so far from his bold commitments at the start of this term and in several budgets about improving forecasting and having small supplementary estimates.

Budgets are fundamentally about priorities. We have seen the situation where the Liberal government took over and inherited almost \$100 million of cash in the bank. That is a situation that is almost unprecedented in Yukon history — for

a government to have that significant amount of resources — but we have seen a significant growth in government, including a substantial growth in the number of full-time equivalent positions across government. We have seen the Premier, after previously providing figures that indicate that the government had grown by 659 full-time equivalent positions — his revised totals provided in the spring had a growth of some 450 full-time equivalent positions, which is still a growth of government of roughly 10 percent in the time that this government has been in power.

While we do agree that there are some areas, such as the Whistle Bend facility, where the growth is necessary, much as with the growth of spending, we do not for a moment believe that all of it was required. It is our job on behalf of Yukoners to try to get to the bottom of what the government is doing, to hold them to account for their decisions, and to call them out on the decisions that we believe were questionable decisions by the Cabinet of the day.

I would like to give the Premier and the government credit for a few areas, including — I was pleased to see the announcement of the modern health information system to be launched in the Yukon. The replacement of the Meditech system — which is nearly 30 years old — is being called *Health Yukon*. I am pleased to hear that this is being rolled out not only for the Yukon Hospital Corporation, but also for Health and Social Services. I do have to point out that the Meditech upgrade is something that both the Official Opposition critic for Health and Social Services and I have called for many times on the floor of this Assembly and that our caucus has been calling on the government to support this project. It has taken them until roughly the three-year mark in their mandate before we see this action outlined in this press release, although we do acknowledge that there was money contained earlier in the budget this year — so perhaps we'll say two and a half years instead of three years into the government's mandate before they've acted in this area.

It is a project that is needed. For every Yukoner who walks around with modern technology in terms of smartphones, computers, and so on — the fact that our health system is dependent on technology that is 30 years old — if one imagines the computer systems we were dealing with back then — I think that it would illustrate to the average Yukoner the importance of modernizing a system of ensuring that technology is a part of helping the Yukon deliver health care services. Again, I'm pleased to see that increase, though it's unfortunate it took as long as it did.

I would note, Mr. Chair — in moving on to some of the questions we have regarding this budget — that although the Premier has largely glossed over this funding and acknowledged that there is an increase in the budget this year in other areas, he continually points to the \$19 million spent on forest fires and suggests that this is the main cause of increased spending. We see that is clearly not the case.

We see in one department alone — according to the documents the government themselves tabled — a whopping \$64.3-million increase in the Department of Community Services. For people who are not familiar with what that means

in real terms, the Department of Community Services in the 2019-20 budget was originally approved at \$165.3 million. So on top of that \$165.3 million is another \$64.3 million, bringing the total amount for that one department to \$229,604,000. That's an increase in total spending for that department of over 38 percent — so a 38-percent increase in a single department.

Now, as large as that number sounds, it gets even larger when one looks at the capital spending that was planned in the Department of Community Services versus what's included in this budget. Again, I do have to remind all members of the Assembly and everyone listening that this Premier and this Liberal government have spent a lot of time talking about how much more accurate their budgets were going to be. It was their excuse for why they said they had to wait longer than any previous government in Yukon history before calling a first real Sitting of the Legislative Assembly, and that included the government spending close to a half-billion dollars through special warrants prior to that time. The reason the Premier gave repeatedly was that they were going to improve the accuracy of their budgeting and the forecasting in future years.

When we look to the spending for Community Services alone, we see — and for anyone interested in reviewing this information, you will find it on page S-14 of the supplementary estimates tabled by the government — that the 2019-20 budget included \$71.24 million in capital. We have seen that increased in this budget by some \$45.3 million. That increase reflects an increase of over 63.5 percent in capital spending. Again, for a government that has spent a lot of time and laid out a lot of rhetoric and commitments about accuracy in budgeting, a 63.5-percent increase in capital spending in a single department is a pretty big increase.

As I noted publicly before, it does appear to us that the timing of this appears to have been in direct connection to rushed spending by the federal Liberal government in a series of photo op, after photo op, after photo op this summer. We know that, while typically federal governments do engage in pre-election spending, national publications have reported that the pre-election spending by the Trudeau Liberals has reached unprecedented levels when compared to the previous government and other governments. One national news story included numbers that suggested their spending was over nine times as much as the previous government in the period just before the election.

When those announcements are made, if the federal government is planning on engaging in pre-election spending, the territorial government has the choice of whether to participate or not. Again, with the spending with individual projects — first of all, we are calling on the government to give a better breakdown of what projects are actually included on this list, because it is hard for us to comment on projects if the government has not been transparent about what is included in that increase of \$43.3 million in gross capital.

Even once we see that detail, the question then becomes — for government to answer to this Legislative Assembly and to the public — if it believes that those projects were appropriate, why could those projects not wait until the next fiscal year? I point out that, based on this Liberal government's budget in the

spring, any of these projects now included in the supplementary budget were contemplated to have money allocated to them in a future fiscal year. So what changed between the spring and now? It does seem to us to be a case of the territorial government deciding to support the federal government's pre-election spending spree and to chip in a share of Yukon taxpayers' dollars to support that.

The onus is on the Premier, if he does not agree with that characterization, to prove it to us, to demonstrate why these projects could not have waited until a future fiscal year — even if those projects were appropriate.

With that, Mr. Chair, I will close my introductory remarks. I will add others later. In the interest of not overwhelming the Premier with too long a list of comments and questions, I will wrap up at this point, and I look forward to hearing his breakdown of what those projects are under Community Services, his explanation of why those projects were not anticipated in the spring, and why that whopping 63.5-percent increase in capital spending in the single department there of Community Services was necessary and appropriate and not simply, as some have seen it, an exercise in trying to support the federal Liberal government in their desperate attempts to get re-elected.

Hon. Mr. Silver: I will go right into priorities. The member opposite started talking about priorities. It was in a response in the second reading that the Minister of Community Services asked a very important question: Which of these projects are the ones that the member opposite doesn't like? He did bring up the modern health system, Meditech, which is great — but again, that is not in this supplementary budget. That was debated in the mains, so I hope he asked all of his questions that he had for that system at that time when we were debating that bill in which that line item belonged.

With the priorities — the changes to capital include an increase to accommodate land and infrastructure development to meet growing housing demands. The member opposite would say that we are not being honest or open about this. Well, we have said many times exactly why we are doing what we are doing here with the supplementary budget. Historically, the supplementary budgets and the amount of capital assets and projects in previous governments — quite sweeping in comparison. I will just leave it at that.

We are tightening up that process. We are replacing outdated and failing infrastructure and helping communities to meet the needs of their residents. The majority of the increases will be offset by recoveries. The member opposite is using both the main estimate numbers and the supplementary budget numbers without those recoveries considered. I could see it if we were talking dollar for dollar or 50 percent and 50 percent or if all of the capital assets had recoveries, but they don't. So if the member opposite is going to — for convenience or to help him with a certain narrative, glaze over those details — that's on him, not on us. We are trying to be as accountable as possible, because when you take the gross of the \$43.2 million and then if you subtract from that the recoveries that are \$26,300,000 and some, you are left with a number of \$16.9 million. Again, when we compare that to the \$20-

odd million — the \$19 million for O&M — when it comes to forest fires — now you can see the comparison. At the end of the day, after recoveries, it is hard not to see how important the Wildland Fire Management numbers are to this supplementary budget.

The member opposite did ask some very valid questions as to: Why now? It is a legitimate question, and our answers to that are: for one, we can't wait when we have a hot economy, and when you have federal money coming at you at 25-cent dollars, you want to maximize this. This is the reason why you want to maximize that — these federal funds do come with sunset clauses. There is a federal election coming — yes, the member opposite is correct about that — but our intent doesn't have anything to do with political motivation; it has more to do with community motivation. Waste water is extremely important to all of our rural communities. Is there a particular waste-water or water project that the member opposite would have us not prioritize if the federal funding is there?

Again, we are moving forward, building infrastructure needs with this hot economy, trying to keep up with the economy, with these assets, and I will say we were at a little bit of a deficit. We saw that certain communities got some horizontal infrastructure — that was based upon Walkerton and forward — and we saw other communities that just didn't get that under the last government. So having to take a look at the timelines that we have — you know, five years sounds like a long time, but it isn't when you are trying to play catch-up/keep-up. If you have communities that are ready to go — shovel-ready projects — you have sunset-clause agreements and 25-cent dollars — and if we can do this, I think we have to prioritize and make sure that our capital spending on assets reflects the modern and always-changing needs of our communities.

The member opposite spent a lot of time at the mains — but now again, talking about the growth of government — in the *Supplementary Estimates No. 1*, there are no increases for additional FTEs. Now, I will say that, with that, there is a caveat. There has been increased fire activity in the territory, so there have been some additional overtime costs that have been incurred.

Mr. Cathers: Unfortunately, that was a fairly flailing answer by the Premier, and we didn't get the answer to the question that we asked about spending. Again, as I have noted, the government has not provided a full breakdown on what this capital spending is for, so it's rather rich for the Premier to suggest that any criticism of the spending must mean that we're criticizing individual projects, when we still have yet to see a full breakdown of what those individual projects are and clarification. I would point out that I asked — at the budget briefing that was provided — if we could get a breakdown of the projects. We have not received that breakdown yet.

Again, it is rather rich for a government that talked about transparency and being more open and accountable to have a situation where, beginning debate on the supplementary budget, it still hasn't provided the details on the significant increase in capital spending to members of the Official Opposition — or to my knowledge, the Third Party — and is

asking us to debate those projects and suggesting that if we dare to criticize the massive increase, that we must somehow be arguing against specific, individual projects that the Premier and ministers point to.

Again, I would note that, since the Premier seems to have missed the point, we're not saying that any of these projects should not happen. The question is: Why this fiscal year? The Premier, in the spring — in the budget speech in March 2019 — talked about keeping spending on capital projects stable, compared to last year, at \$288 million. Now we see "instability", to use the Premier's words in comparison. When we see such a massive increase in capital in the Department of Community Services, we are left having to ask: Why, and why now? In the why, that includes asking: What is the list of projects? Why were those projects necessary, or if not necessary, appropriate in the government's view?

Secondly, and very importantly: Why could that spending not wait until next year? The Premier, in talking about federal funding, seems to be suggesting that there's a sense of urgency, but I would point out, from the information we were provided by officials at the briefing in the spring, we were given to understand that most of the federal funding agreements that this new spending has occurred in connection to are 10-year agreements. If it's a 10-year agreement, and if in the spring, neither the territorial government nor the federal government planned the spending, what changed between spring and now?

Clearly what has changed on the federal side is there is an election underway. The federal Liberals have been increasingly desperate and have been seen across the country with an almost unprecedented series of — actually, I think, unprecedented series of — photo op, after photo op, after photo op and spending announcement, after spending announcement, after spending announcement — again, according to national media coverage, spending that is roughly nine times more than the previous federal government spent in the lead up to the 2015 election. If the territorial government — if the territorial Liberals are choosing to go along for the ride and be part of the spending announcements and increase spending in the process, we do have to ask the question of its appropriateness.

If Yukoners, especially Yukoners who may not support the federal Liberal Party, are seeing their tax dollars spent by the territorial Liberal government in what appears to us to be an effort to support the federal Liberal re-election chances, then I believe the onus is on the Premier, as Finance minister, to explain and defend those choices and, importantly, to answer the two questions as to why the spending needed to occur and, very importantly, why did it need to occur in this fiscal year instead of occurring in a future fiscal year?

Again, we see unbudgeted, rushed spending, and that also leaves us questions about how it has affected the current government's cash position, considering these spending announcements have been rushed out the door. Perhaps the Premier could provide an explanation of what the government's current cash position is. Has there been any increase to the long-term debt that is on the Government of Yukon's books? Secondly, since the spring of this year, how much has

government grown, in terms of the total number of government employees, and what is the cost of that payroll?

Hon. Mr. Silver: Again, we're not hearing a narrative about some kind of political ruse by anybody other than the Yukon Party — or specifically the Member for Lake Laberge. It's an interesting narrative. What we are hearing is priority of projects per community are being matched up by the dollars that are being spent — the taxpayers' dollars that were being spent — at a great rate of 25-cent dollars for the 75-cent contributions of the federal government.

The member opposite would also have you believe that all of these long 10-year commitment federal programs all started overnight at the same time. That is just simply not true, Mr. Chair. For example, the clean water and waste-water fund — this is its last year. We have to move on this or money will fall off the table.

Again, does the member opposite have a specific project that we have talked to them about in our briefing that he didn't think we should have gone through with?

It would also make it seem like we weren't honest and open with them as far as what those projects are. I have in my hands a complete list of the projects which was given to the members opposite during the briefing, whether it be for the clean water and waste-water fund — including projects like Carmacks phase 3 water upgrades —

Some Hon. Member: (Inaudible)

Point of order

Chair: Mr. Cathers, on a point of order.

Mr. Cathers: The Premier appears to be reading from a document that we actually haven't received, and in keeping with the conventions of this Legislative Assembly, I would ask that you ask that he table that so that all members may see it.

Chair: Hon. Mr. Silver, on the point of order.

Hon. Mr. Silver: On the point of order, Mr. Chair, this document was hand-delivered to both caucuses on Friday. Maybe the member opposite wasn't around at that time.

Chair's ruling

Chair: There is no point of order.

Hon. Mr. Silver: Thank you, Mr. Chair. Again, a 10-year project, for sure — but the next one — another project that is ending in the year 2024 is the small communities fund. Again, this didn't start right away this year as a 10-year fund. If we have an opportunity to make sure that federal dollars don't fall off the table, then we're going to take every opportunity to do that, especially if it's projects that make sense for the communities.

When I take a look at the documentation of all the projects — the Dawson City lift station, for example — another clean water and waste-water fund category.

In that category, the total was \$14,762,000. We have Faro — varied infrastructure upgrades, phase 1, and Faro pumphouse repair and reservoir upgrades. The list goes on, including: Haines Junction lagoon upgrades, infrastructure upgrades, the water, sewers, and roads; Marsh Lake — the

WTTP replacement; Mayo had a lift station put in; and Watson Lake had well water and lift stations, as well as a reservoir lagoon and sludge-drying beds.

The member opposite said that we didn't give him these projects' numbers — we did. I will say that they are lumped together into summation totals. For example, that clean water and waste-water fund — we don't have the number specifically for each one of these projects, but we do have the lump sum for each. For example, for the gas tax fund, the 2019-20 forecast for all of those projects would total just over \$2.4 million. The reason why we don't have a breakdown of individual dollar values for each of these projects is — to ask those questions now would slow down those projects with those who have the tenders for each of these particular projects; however, I am sure that Community Services could get into, at Committee of the Whole, some more in-depth dialogue when it comes to the specific projects.

We look at the Investing in Canada plan — again, there are some really great projects here. There are Whitehorse compost facility upgrades, the asphalt overlay — I have to say, that project was done very quickly and very professionally. What a difference and what a change for the community of Whitehorse. Also in Whitehorse were the skate park upgrades, the Yukon grid scale battery energy storage system — all of these projects — including in Faro a reservoir replacement — we are talking \$16.1 or almost \$16.2 million forecasted for the 2019-20 Investing in Canada plan funds. We have a breakdown of the small communities fund. For all of these projects that they were asking about in the briefings, we did respond to the members opposite and gave them a complete background.

So, Mr. Chair, when the member opposite tells you that we are not being open and accountable with these dollars, I beg to differ. The member opposite again went into the overall — we gave him the numbers from the main estimates last time in Committee of the Whole as far as FTEs, so he has that information, but again, with the *Supplementary Estimate No. 1* which we are debating here in the Legislative Assembly, there are no additional FTEs.

Mr. Cathers: It is interesting. The Premier claims that they provided a breakdown of the projects on Friday afternoon, but contrary to the Premier's assertion, I was in fact in the office on Friday. I did not receive a copy of the projects. I have sent a note to our staff just in case that did arrive as the Premier claimed, but the Premier might want to check whether it is stuck in his outgoing mail.

I would also point out that, for a government that knew exactly when they were coming into the Legislative Assembly and that could easily anticipate that the Official Opposition and the Third Party would want a breakdown of projects — if they were actually being open, accountable, and proactive, they could have handed that breakdown of projects to us at the budget briefing rather than slipping it in late on a Friday afternoon right before the Thanksgiving weekend and then calling the supplementary estimates here for debate on the Tuesday after the Thanksgiving weekend. It certainly does seem that if indeed the Premier is accurate that a list was provided, they certainly ensured that it arrived when rural

members are known to go back to their ridings on the Friday. The Premier at one point used to be no different. Certainly, for my colleagues who are in rural Yukon and returned home to their ridings on Friday, to suggest that government slipping the information in written form — if indeed they did provide it on Friday — to those members allows those members to have an opportunity to look through it and work as part of our caucus on analyzing the projects and determining what comments to make on it is certainly quite ridiculous, Mr. Chair.

Again, in this area, even with the projects that the Premier did read off, the question of timing and why those projects were not anticipated in the spring — and then somehow between the spring and now became urgent enough that not only did the project agreements have to be signed with the federal government, but the actual spending itself had to be put into this fiscal year — it does look like rushed pre-election spending. It does call into real question the appropriateness of the territorial Liberal government spending taxpayers' money in this manner.

Mr. Chair, in moving on to other areas — the Premier was just very dismissive about us asking about the growth in full-time equivalent positions. I would point out that although the Premier said that there were no new positions included in the supplementary estimates — and that may perhaps be the case — when we see the government promising to do one thing and then doing something very different, we are left questioning whether they've done the same thing in terms of growing government more than they initially claimed they would.

We again have the situation where — when we look at that growth in the area of the increased capital spending and again an increase of some 63.5 percent in Community Services — it does leave us wondering about increases in other areas that may not be budgeted for, including whether the government is further growing government by hiring more employees. As I have noted before in areas such as — for example, when employees are necessary for the Whistle Bend continuing care facility — we do agree that some of that is necessary, but much as with the government spending, we do not believe that all of it is necessary.

So the Premier — I don't believe he answered the question about what the government's current cash position is or whether there has been any increase to the long-term debt since the Public Accounts last year.

I should note, in mentioning the growth of full-time equivalent positions, that — for people who are listening and reading this and are trying to just make sense of exactly what that increase of 450 full-time positions means — comparatively, 450 is about the size of several of Yukon's small towns. It's about the same as adding a community the size of Carmacks or Mayo to the government workforce and hiring everyone in that new community.

It should be noted that, when the Premier talks about a hot economy and claims that they need to respond to a hot economy, government spending and government hiring are in fact helping create the problem that he claims they need to respond to. The shortage of housing in the Whitehorse area — if you look to the sources of the shortage, the largest single

cause of that shortage that's ongoing right now and the source of demand is the Premier's Liberal government hiring new government employees — because it is effectively adding a demand for houses similar to a Yukon small community such as Carmacks or Mayo to the City of Whitehorse area. That has an impact and it is also driving up housing prices for other citizens. So uncontrolled government spending does have negative impacts.

Mr. Chair, I would note as well that, in these areas, we see that certain communities seem to — the Liberal government ran on the slogan that “All Communities Matter”, but certain communities seem to matter more than others. There has certainly been a lot of spending on roads and public works in the Premier's riding. We note the road to Dawson — I've never seen so much gravel on it since it was a gravel road as this summer when it was ripped up — mile after mile of the road to the Premier's riding. Meanwhile, I'm receiving more complaints this year than I recall receiving any previous year from constituents about secondary roads and rural roads in my riding. Those include, for example, complaints that I've received recently about lack of basic maintenance and the need for more work such as ditching to prevent flooding problems. That includes a constituent recently contacting me about the Horse Creek Road and Jackfish Bay Road needing both work on the surface and having drainage problems with the ditches and wondering when government is going to do something about it. I had a constituent on Kuhn Road who contacted me that was asking if government actually does maintenance on that road, because during the time that he had lived there, since moving there relatively recently within the past year, he said that, to the best of his knowledge, there hadn't even been a grader on that road. I also received a complaint just this morning about the Fossil Point Road and maintenance on that.

So when government is making decisions that benefit Liberal-held ridings but ignore others, it does create a situation of concern about why some communities matter more than others, and it is our job to hold the government to account on those spending decisions and ask when the people on the roads that I mentioned can expect work. As well, my colleague, the Member for Watson Lake, has contacted the minister about street lights on the Robert Campbell Highway and has been turned down in that area. So there are areas across the territory where people are questioning the focus of this government and questioning why some communities seem to matter more than others to the government. Perhaps the Premier would care to elaborate on that and answer that question.

Hon. Mr. Silver: There was a lot in there to unpack.

I will start right away with — not taking me at my word — that, yes indeed, the document was sent to both opposition parties, whether or not it did or did not show up. It was very interesting because, just before we started this debate, the member opposite went off at length about how all criticisms are for me — I'm supposed to be the one taking the criticisms and not the public servants. All of these criticisms were on me, but they are not on the public servants. That is interesting, because it was my department — a public servant who did take this document down, which he does not believe was taken down to

his office. Not only was it taken down, but there was a conversation with the Leader of the Yukon Party during which this particular public servant asked, "Where should I put this?" It was noted that it should be in the incoming box, and they made a joke about — should I duck because of incoming mail or incoming things?

Again, it's hard to really see how serious the member opposite is about their criticisms when everything is criticized. Nothing is believed by the member opposite, including whether or not a physical document showed up in the office or not. Well, Mr. Chair, the Third Party has already said that, yes, it showed up there. The leader of the Yukon Party knows that it showed up in the Yukon Party's office. It's not up to me or the public servants if that information did not get to the critic who is responsible for this department. That is not on us. That is on his team. If he is very sincere and genuine about not criticizing public servants, maybe next time he gets to his feet, he should apologize, because that is exactly what he just did. He just said that he doesn't believe the public servants — the members of the Department of Finance — took that down. It was not a political point. It wasn't me hand-delivering this. It wasn't the caucus office. It was a public servant. I will give the member opposite an opportunity to apologize when he gets back to his feet.

He did move on to what the current cash situation is. Again, in the supplementary estimate — I don't have those numbers here. However, that number will be available extremely soon when the Public Accounts come out. We have until October 31 for that. The member opposite knows exactly where to find that information, so he can find it in the Public Accounts, which will be before the end of the month.

The member opposite spoke about housing. We have been working extremely hard to address housing pressures. We have been working over the last two years — our investment housing program is there. Our commitment to housing development has supported over 400 homes, including: support for 61 units of housing with services; 216 new, repaired, or renovated affordable rental homes; 14 home ownership options for Yukoners; over 200 homes addressed across the housing continuum for housing initiatives — and the list goes on and on. All of this is not new to the member opposite because all of this was debated in Committee of the Whole in the mains, and there is no extra funding in that department now.

I do know that housing will be up in Committee of the Whole, so there can be more opportunities to speak to those specific projects or if there is a specific funding allocation that the member opposite doesn't think a community deserves.

We keep on hearing the member opposite talk about how some communities are more worthy than others. That is not something that I have ever heard on this side of the Legislative Assembly at all. I am very proud of my team. As far as when we do go on these community tours and I speak to mayors, chiefs, and councillors and I ask if their needs are being met, they agree that they are. For the most part, we are doing the best we possibly can to make sure that the needs of the communities are being identified by the capital projects.

Here is the thing, though: Maybe it was that some communities were frozen out in the past. Maybe certain communities got the horizontal infrastructure for Walkerton — that might have been a Yukon Party riding — and maybe other communities didn't. The only way to solve this debate would be to go back into all of these budget bills, which are all there for the public to take a look at, and see — take a look to see what projects the Yukon Party did over their 14 years and line it up with their members. You can do the same comparison with the Liberal Party. You can do it with all of the parties. The information is out there. The member opposite is clever and he is putting out a certain narrative, but when you go out and talk with the mayors and the councillors and with the chiefs and councillors, and if you ask, "Are we doing the priorities that you want?", the answer is, for the most part, yes. There is definitely always more work to do, and things do change. Certain projects change.

I don't know how many times I saw the Minister of Community Services say to the mayors and councillors and to the chiefs and councillors, "Here are what we think are your next three priorities. Let me know if that changes. If it does change — no problem." That is not a minister who is picking and choosing winners and losers; it is not. We did have to play some catch-up in Dawson City. If you talk to the mayor there, there was definitely a lot of catch-up — a lot of horizontal infrastructure that needed to be in there based on the changes in the federal regulations through Walkerton. Again, we are working with that.

We have to also deal with the waste-water treatment facility up there too, but that is a whole other story.

When it comes to our record on all communities mattering — I believe we are doing as best a job as we possibly can to listen to the communities — all the communities — and trying our best to accommodate in a rational and evidence-based manner.

The member opposite went on about highways — and again, not new questions. These would be the exact same questions that were asked in Committee of the Whole for Highways and Public Works in the spring. Again, with all due respect to the member opposite, there are no adjustments to the Highways and Public Works main budget. The Minister of Highways and Public Works did a very eloquent job of explaining the new highway zoning that they're doing, prioritizing projects for the first time based upon zoning — that's a substantial change from the Department of Highways and Public Works — the amount of work they're doing on procurement. Again, I don't need to get into all of this, because it was debated on the floor of the Legislative Assembly for quite a long time in the mains.

I'll leave it at that. I think I got all of the member opposite's questions.

Mr. Cathers: To begin with, the Premier claimed that the highways questions that were asked were exactly the same as in the spring. It seems the Premier is not really paying attention to the questions coming from this side of the floor, because while we have criticized the government's choice to cut the operations budget for Highways and Public Works in

the area of road maintenance, the specific roads that I made mention of were in response to specific and recent complaints I have had from constituents about lack of maintenance. The example I gave of my colleague, the Member for Watson Lake, and the request for streetlights on the Robert Campbell Highway — that one is an older request but is one the Liberal government has still failed to act on, unfortunately — at great disappointment to my colleague's constituents.

When it comes to the reference to a document the Premier claims was taken to our office on Friday, I will apologize to public servants for the Premier dragging them into this debate and for them being involved in something that really should be a debate between politicians. That's not appropriate, and I'm sorry that they were dragged into this by the Premier.

With reference to the government's current cash position — I asked what the current cash position was. I asked about long-term debt, and the Premier claimed we will see that when the Public Accounts are tabled. Well, Mr. Chair, that's quite simply not true, because the Public Accounts reflect the government's audited financial position at the end of the last fiscal year. That will still not show a current cash position. It will not show current long-term debt.

In the area of Community Services, we have seen the 63.5-percent increase just in one area since the spring. My question is: Have there been significant changes in those areas that I outlined? We will not see that when the Public Accounts are tabled; we will only see the audited financial position at the end of the last fiscal year, ending at the end of March. As we have seen from the budget, apparently sometimes there is a long distance between the end of March and October.

I do want to note that — also in terms of the amount of debate being spent — the Premier has repeatedly said that there has been a lot of debate on the budget, that it was all debated in the spring, and tried to make that narrative run, but the reality is, as the Premier knows, the amount of time that was wasted by the Liberal government on fluff and frippery like ministerial statements re-announcing projects that had already been announced and spending time paying tribute to everything under the sun — when that is compared to the amount of time that was left debating two of the biggest budgets in the government — the Department of Health and Social Services, the single biggest area of spending in the government, and Education — we saw just 4.4 percent of the time in the Spring Sitting being available for debating those budgets.

When I requested, on behalf of our caucus, an extension to the Sitting of an extra two days to allow for debate on those departments, the Premier laughed it off, and the government of course did not agree to that request. The excuse given in the spring as to why we couldn't have a longer Sitting as we had requested at the beginning of the Spring Sitting was that they were going to have a very, very busy and very heavy fall legislative agenda. Mr. Chair, we have seen this fall that this is just not the case. The legislative agenda is not very heavy. We have seen some bills brought forward that are substantial in nature and others, such as the *Technical Amendments Act, 2019*, which is a very small piece of legislation making some relatively minor changes. It certainly is raising questions for

some about how much time is needed to debate that legislative agenda.

In comparison, I have to remind the government that the amount of money that was pushed through in the spring without sufficient debate in Health and Social Services and Education was unprecedented in the Yukon, to the best of my knowledge. We saw just two afternoons spent on debating those two major departments and we had to, as a caucus, prioritize our questions during that time, because every single member of the Official Opposition caucus had questions that they wanted asked under Health and Social Services or Education. It matters to our constituents. But we had to set priorities in determining what we could ask and what we could let slide until the fall or ask through other means. Unfortunately, despite the importance of those areas to most Yukoners, they don't appear to be a priority in terms of debate for this Liberal government.

I would just make the point that when the Premier says there was lots of catch-up required in Dawson — he may call it "catch-up", but some Yukoners are calling it "gravy". It does appear that certain communities matter more to this Liberal government, despite their claim in the last election that "All Communities Matter". Certainly, some communities seem to matter more than others to the Liberal government. Mr. Chair, the Premier doesn't like to hear that, but it is our job to hold them to account for that spending. It is our job — when they are ignoring the needs of other communities and the needs of people in rural Yukon, outside incorporated communities — when the government is turning a deaf ear to their concerns — it is our job to hold their feet to the fire, to call them out on those choices, and to ask them to explain them.

Moving on to another area that the government needs to explain, we saw the territorial Liberal government charge headlong into the area of retail of cannabis, despite the fact that we had repeatedly proposed constructive suggestions of how the government could approach this in a way similar in principle — though different in details — to how the Government of Saskatchewan was handling it, where government does not enter the retail market and government is not a distributor, but is simply the regulator of both. The government then, after initially planning to be in the business of retail for awhile, backed down after repeated pressure from the Official Opposition on that point and decided that they were only going to run the government retail store for a year. We are pleased that they have chosen to exit an area that they shouldn't have been in, in the first place — but we do have to ask the question: How much did the government lose on getting into the retail of cannabis?

We have seen the cannabis annual report, which is reflective of the March 31, 2019, year-end. In that area, it is concerning to look at that and see the amount of money that was wasted on start-up costs, including — according to the government's own reports — a total of \$550,000 and change on store renovations; \$128,678 on other operational expenses; \$87,592 on warehouse renovations; \$467,774 on computer systems, hardware, and software; \$49,982 on warehouse equipment; \$25,000 on stock insurance; \$126,734 on store

equipment; \$694,420 on personnel; and out of that \$2.9 million, just \$1.1 million of that was actually even toward inventory.

The question for government in this much-touted area of their agenda — the legalization of cannabis and their ill-considered foray into the retail market — is: How much money did the taxpayers lose?

Hon. Mr. Silver: Mr. Chair, I will be brief. I didn't hear any questions about the supplementary estimates in that long question or statement. The member opposite talked again about cash. I don't think that there is a government out there that collects that data on a weekly or monthly basis.

Again, the best place to see, from year to year, the cash situation of any government is in the Public Accounts, as it is an audited statement from the Office of the Auditor General — so that answers that question.

With cannabis — there is no new spending on cannabis in the supplementary budget. All monies were debated here in the Legislative Assembly for the store. I will say that I think that the department and the Yukon Liquor Corporation did a brilliant job — legal did a brilliant job — in creating a hybrid that allowed us to set up a brand-new business. It's not like selling sweaters — this is competing against an illicit market. They did a brilliant job of taking on the initial response of the consumer and response of the industry, allowing enough time for the private sector to get their feet on the ground and really curb the illicit market.

Again, there is no new money in the supplementary budget for cannabis.

Mr. Cathers: The Premier seems to have this notion that if he doesn't put it in the budget, that the opposition is just not allowed to ask the question. Of course, a huge part of the principles of accountability in this Legislative Assembly is that during the time that the members of the Assembly have an opportunity to ask questions of the government — during the time especially that the Official Opposition and the Third Party have to ask questions of the government — if we want to ask policy questions about a department or about their spending, we have a very limited opportunity to do that. During the spring, as pointed out, for two of the biggest departments in government combined, we had just 4.4 percent of the Sitting — part of two afternoons each — for those areas of great importance to Yukoners. Clearly the spring wasn't the time when the Premier wanted to talk about that.

In areas such as cannabis and the spending in there or spending in any government or corporation — under the current Standing Orders of the Legislative Assembly, there are two opportunities per year where members of the Official Opposition and the Third Party can stand here in the Assembly and ask questions of the ministers related to their portfolio. That sometimes occurs in Question Period. It sometimes occurs in debate on departments. Since the Premier made the choice to move away from individual spending allotments for departments in the supplementary estimates, that has meant that, for most of the departments in government, the only opportunity we have to ask questions in general debate is when it is general debate on the budget and the Premier is up answering those questions — or, I should say, more accurately,

responding to those questions — because I asked some perfectly reasonable questions that I didn't get an answer to.

The Premier said that the government doesn't — quote — keep track of cash on a weekly or monthly basis. Pardon me? Is the Premier actually saying that the Government of Yukon doesn't keep track of its cash position on a weekly or monthly basis? They may not publicly report it on that basis, but for the Premier to say that nobody is keeping track — I certainly hope that was a misstatement on the part of the Premier, rather than a reflection of the facts. I would certainly hope that not only are officials fully apprised of the cash position of the Yukon government on a regular basis, but I would assume and sincerely hope that the Premier still receives regular reports related to important financial matters such as one would expect the Finance minister of the Yukon to receive. If he isn't paying attention to the numbers, the spending, the cash position, and the big numbers that affect the territory, who is?

Again, the question I have asked related to cannabis is very much related to this government's agenda. In some of their previous throne speeches — of course we see the references to starting the legalization of cannabis in their throne speech 3.0 — or, as some would call it, their second throne speech do-over — but it is a question. As government is wrapping up this week, according to their announcements — unless they change within the next few days — the government is apparently closing down the cannabis retail store on — I believe it was October 17 that they announced. So as that wraps up and we see the report that the government released a few weeks ago reflecting the position as of earlier this year — in the Cannabis Yukon report to the end of the fiscal year ending March 31, 2019, the numbers are quite concerning for anyone who is concerned about financial responsibility and government spending. The government rushing into this area in retail appears to have seen a significant loss, with the total start-up costs of \$2.9 million, of which only \$1.1 million was spent on inventory. The rest of it includes a half-million dollars on store renovations on a store that they are now going to sell and the money for store equipment and other items related to the temporary foray into the retail market.

Again, I have a simple question — and I assume the Premier has that information here now: How much did the government lose on their ill-considered foray of the government entering into the retail of cannabis instead of leaving it to the private sector, like we encouraged from the start?

Last but not least, could the Premier clarify if he made a misstatement about keeping track of the government's cash position? If not — since he certainly realizes that the same type of changes that occurred in the budget between the spring and fall could certainly occur behind the scenes in matters such as long-term debt and cash position — will he live up to his commitments in the last election about transparency and tell us what the government's current cash position is and what their current long-term debt position is?

Hon. Mr. Silver: There are a couple of statements there that just simply do not reflect the facts.

The member opposite says they only have two opportunities a year to be able to ask the government questions in the Legislative Assembly. I'm astonished that's — no, I shouldn't say that. The member opposite doesn't necessarily believe that — he knows these questions can be asked in Question Period; they can form a motion during private members' day, and we could debate a particular subject, if we wanted to do that. There is case work as well. There are many opportunities for the members opposite to ask questions — valid questions — and I'm not saying that these are not valid questions, Mr. Chair. Not at all; on the contrary. What I am saying is that we are here to debate a bill, and that bill is the *Supplementary Estimates No. 1*.

I will clarify for the member opposite that the department definitely has those numbers about the cash situations. We don't have them here, and the reason why we don't have them here is because we are debating the supplementary budget, and in the supplementary budget, that cash flow situation — the members opposite — I don't ever remember them, in a supplementary budget when they were in government, giving that information. It's not like we are changing a process where that data is no longer available — not true.

I don't remember the members opposite ever giving us that — and I could be wrong, but I don't remember that information ever being relayed, other than in Public Accounts, with the previous government. I'll put that aside for a second.

With the cannabis section — the questions the member opposite is asking about the counter at the store — I have heard that question asked already in the Legislative Assembly of the Minister of Community Services and the minister responsible for the liquor board. So I don't understand the tack right now with the member opposite, because he has in front of him — well, maybe not all the information, because his team didn't give him the information from Friday with all the capital projects. Maybe that's it — maybe he's unprepared to speak to the capital projects — but right now we're having a debate about cannabis — there was a great opportunity at Committee of the Whole for the mains. The member opposite asked the same questions, or very similar questions, about how much money we spent on the store and whether or not that was a good idea. I believe the minister answered those questions directly. Yet we're still hearing it again here. The member opposite stands on his feet again and tells everybody that he's not happy with the way that we rolled out the legalization of cannabis — and fair enough. I think we're just going to have to agree to disagree on that one, though, Mr. Chair. I don't agree that the hybrid model that we put out was a bad idea. I thought we harboured a lot of the unknowns from the private sector in a way that allowed them to prepare for the inevitabilities.

We are hearing now that the market of edibles is now going to be a reality for the legal market as well, allowing a business to get its feet up while the legislation still changes. It would be a topsy-turvy world anyway to open up a small business of any sort. My father was a small business man. He spent every waking hour — 30 years of his life — at the business just trying to make ends meet — let alone if you had to do that for an illicit market that is now coming into a legal sense. I think that for the

Minister of Community Services to take on some of that pressure and to take on some of that uncertainty — that was bold. I thought it was very well consulted upon with the private sector as we did it. I think that the methods that we used — well, I don't think — I know it. We hear it all the time from other jurisdictions — this was a great model compared to other jurisdictions. Having the legislation to allow for that hybrid between private and public was something that other jurisdictions looked to Yukon and said, "Well done." The Member for Lake Laberge — not so much. The rest of Canada: "Well done."

Again, Mr. Chair, I'm happy to answer questions about the supplementary estimates, but seeing the time, I move that you report progress.

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

Motion agreed to

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

Chair: It has been moved by Mr. Streicker 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. 7, entitled *Technical Amendments Act, 2019*, and directed me to report the bill without amendment.

In addition, Committee of the Whole has considered Bill No. 200, entitled *Second Appropriation Act 2019-20*, 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.