



Yukon Legislative Assembly

Number 36

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34th Legislature

HANSARD

Monday, March 16, 2020 — 1:00 p.m.

Speaker: The Honourable Nils Clarke

YUKON LEGISLATIVE ASSEMBLY

2020 Spring 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

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Yukon Liberal Party

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

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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

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**Yukon Legislative Assembly
Whitehorse, Yukon
Monday, March 16, 2020 — 1:00 p.m.**

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

Prayers

DAILY ROUTINE

Speaker: We will proceed with the Order Paper.
Introduction of visitors.
Are there any tributes?
Are there any returns or documents for tabling?
Are there any reports of committees?
Are there any petitions?
Are there any bills to be introduced?
Are there any notices of motions?
Is there a statement by a minister?
This then brings us to Question Period.

QUESTION PERIOD

Question re: COVID-19 coronavirus preparedness

Mr. Hassard: Thank you, Mr. Speaker. I have a number of questions regarding the COVID-19 pandemic. Yesterday, we saw Ottawa announce that its citizens should limit non-essential travel outside their homes. We have also seen Calgary declare a state of emergency, and it is becoming increasingly clear that more needs to be done. This includes our airport.

We are being told by the government that returning international travellers are expected to self-isolate for 14 days. However, as of this weekend, there was no one at the airport to give these instructions to travellers. Last Thursday, I asked the Premier to immediately ensure that there are officials at our airport to tell travellers to self-isolate. I was happy to hear this morning that he has agreed to this Yukon Party request.

So, Mr. Speaker, can the Premier confirm when those officials will be at the airport?

Hon. Mr. Silver: So, under the guise of “more needs to be done”, I want to start by answering the member opposite’s question by talking about the announcements that we just made this morning. We did announce an economic support package for Yukon workers and businesses, as they manage the evolving impacts of COVID-19.

Our government has made this commitment after speaking with those impacted and hearing the growing concern about how the territory will manage through this situation. We know that COVID-19 will come to the Yukon and I have full confidence in our medical systems to support Yukoners. Our government supports our medical community and health care workers to keep doing the incredible work that they do.

Part of our announcement today — and we will get into the details as Question Period continues — was specific to the airport. Another thing specific to the airport was relief of fees for those who use it — the carriers, Air North, and others who use our airport. Their fees will be reduced to zero — I believe that is the intention — more details to come on that.

Again, we are doing what we can to support business at this time of need. Also, with the support of \$2 million for the small business tax reductions and the \$2.4 million in income tax reductions proposed to be decided upon today — deliberated on today — the government is working with Yukoners’ most pressing needs in mind, including Highways and Public Works doing the due diligence — that they need to inform travellers as they come back from travel, as the minister can elaborate on in the second answer.

Mr. Hassard: I think it’s important to note that we didn’t get an answer from the Premier on when those officials will actually be at the airport.

Last week, the tourism industry announced that their industry will see around a \$60-million decrease to the industry as a result of COVID-19. This morning, the Premier announced a \$4 million stimulus package.

Can the Premier explain how \$4 million will be enough to overcome that massive decline that is expected to the tourism sector here in the Yukon this summer?

Hon. Mr. Mostyn: We appreciate the concerns being raised. We’ve also heard from many concerned Yukoners and we are working around the clock to take the necessary measures to protect our territory in the face of this pandemic that we face. The health and safety of Yukoners is our top priority. We are approaching this situation with all due care and as quickly as we possibly can. Our government is working closely with the Canada Border Services Agency and Transport Canada to ensure the safety and wellness of Yukoners and visitors to the territory. I can inform the opposition that there will be staff on hand to guide and answer the questions of travellers coming into the territory at Erik Nielsen Whitehorse International Airport at 1:15 this afternoon.

Mr. Hassard: I’m happy to see question one answered at the end of question two, so let’s try another one, Mr. Speaker.

So, this morning, the Premier stated that the cuts to small business taxes will help Yukon businesses overcome the massive decline to our economy that is expected as a result of COVID-19. However, this year’s budget actually increases taxes on Yukoners by \$1 million once you include all the increases to insurance premiums and fees. As we have discussed, there have been seismic shifts to the world economy since the budget was tabled.

Given these massive economic changes, will the Premier agree to abandon his plan to increase insurance taxes and fees to Yukoners by \$1 million?

Hon. Mr. Silver: Mr. Speaker, the member opposite has it wrong. The effects of changes to Bill No. 8 do not affect the local insurance industry, as he would have you believe. That is absolutely not true.

What I will say is that the income tax reductions from our plan and the federal government as well reduces taxes by \$10 million to income tax. If you add into that the \$2 million in small business tax reductions — for the member opposite to say that taxes are increasing is simply not true; it’s not factual at all. I don’t know where he’s getting his information, but he is getting it wrong.

Today, we said that we would be supporting Yukon workers do a COVID-19-related 14-day isolation with sick pay leave for Yukon businesses — not only employees of the government but all workers. That is something that we are doing and announcing today. We also are saying, to reduce the negative impact of COVID-19, that we are establishing a grant program to address certain expenses related to the cancellation of events to further help and support the business community.

We are stimulating the business and tourism industry by waiving, reimbursing, or delaying the collection of government fees — such as airport landing fees — relieving the financial pressures by deferring Workers' Compensation Health and Safety health and safety premiums paid and reimbursing those that were paid up front, waiving penalties and interest — these are the things that we are doing to support Yukoners. These are the things that we are doing to reduce taxes, regardless of what the Yukon Party is saying.

Question re: COVID-19 coronavirus — 811 health line

Ms. McLeod: When Yukoners have symptoms or feel sick, they are being asked to call 811. We have heard reports that 811 is completely overwhelmed. All circuits are busy and people cannot get through. In fact, our office received a phone call from a concerned constituent this morning who was on hold for four hours before they could get through. This was just one of many complaints that we have received over the last three days with respect to the ability of Yukoners to get through to 811.

Yukoners are nervous. If they feel symptoms, they want to talk to someone, so they have to know what to do. If they can't get through, it is a major problem and it's leading to more stress. What effort is the Minister of Health and Social Services undertaking to expand and enhance support for 811?

Hon. Ms. Frost: I certainly appreciate the concerns being raised by the member opposite. We also have heard from many concerned Yukoners and we are working around the clock to take the necessary actions to protect our territory. That means looking at the 811 number. As members note, the 811 line, as noted by our chief medical officer, is a line that you must call if you have flu-like symptoms.

You are asked to stay home and seek health care by telephone and call the 811 number or call the local health centre if you are in your community — the 811 number, recognizing that there are long delays, so we are working very diligently with Highways and Public Works on a direct line for Yukoners. So, that is evolving, and I beg the patience of Yukoners as we work through that — but, meanwhile, you are asked to seek the supports from your public health centre, call the 811 number — you have contacts — and listen to the advice of the chief medical officer. We ask Yukoners to just be patient with us as we focus on protecting the health and safety of Yukoners.

Ms. McLeod: Mr. Speaker, a constituent who reached out to us indicated that, when they called 811 to get the in-home testing of COVID-19, there were some problems. They called a bit after 5:00 p.m., and the response on the phone was that they couldn't get the in-house COVID-19 testing. Now, we are

told that this individual on the phone said — and I am going to quote here: “Yes, we are in the middle of a pandemic, but we work regular business hours.” So, Mr. Speaker, in a pandemic situation, the government needs to provide more resources to our health systems to ensure that they can cover more than just regular business hours.

Will the Health and Social Services minister agree to immediately take action to expand the hours that are covered through the in-house testing?

Hon. Mr. Silver: Mr. Speaker, what I heard from the Minister of Health and Social Services was that they are working on new lines so that 811 can have more resources — so that is one thing that we are doing. What we would also urge Yukoners to do — and we would ask the opposition members to help us out with their social media, as well — is to direct people also to yukon.ca. On yukon.ca, the main thing that you will see is exactly what we need to do to prepare — whether it is for travelling Yukoners or Yukoners who have symptoms or Yukoners who just want more information in general. There are links to the international, national, and local community, whether it be medical or otherwise. Again, a lot of questions that could go to 811 also could be answered through yukon.ca with the information that is available there.

The minister has answered the question to say that we are also looking at alleviating some of the pressures on 811 by getting other options and numbers up and running, and that work is happening as we speak.

Ms. McLeod: That is a very interesting response. For the last couple of weeks, Yukoners have also been told to go to the chief medical officer of health's website to get the most up-to-date health advice. The most up-to-date piece of information on the chief medical officer's website is from March 11. This is an update for those who went to PDAC. Since that time, the world has changed significantly. There have been travel advisories and travel bans, and there are limits on event sizes. There is more advice on social distancing.

So, why have we been telling Yukoners to go to this website, if it has not been updated in five days? Does the chief medical officer of health's office have all the necessary resources to continue?

Hon. Ms. Frost: We have full confidence in our health care team. We are working very closely with them on an hourly basis, taking all the necessary precautions, and we are ensuring that we are working very closely — as I indicated — with our partners to provide a designated line for Yukoners. We recognize that there is a crisis across the country and the 811 line was posing some challenges, as noted, so we are working with our colleagues at Community Services, Health and Social Services, and Highways and Public Works.

The recommendation for direct access — Dr. Hanley had noted that the website is being updated on a regular basis and currently we have no cases in the Yukon of COVID-19. All of the information from the chief medical officer's website is now being diverted over to yukon.ca and we ask and encourage all Yukoners to please go to that site. It will direct you to the necessary information that you require.

Again, if you are displaying symptoms, you are asked to please call the 811 number, or if you are in a community, please call your health centre, and you will be advised as to the necessary steps you need to take.

Question re: COVID-19 coronavirus — employee sick leave

Ms. Hanson: This morning, the Premier announced new money to provide 10 paid sick days for all workers who don't have access to paid sick leave. So, let me start by saying thank you on behalf of Yukon workers who may need this kind of relief.

However, Mr. Speaker, while I know that the details of the program may not be immediately available, can the Premier assure those Yukoners who are self-employed or people who depend on tips for a large part of their wages, as well as workers in the gig economy, that they will be eligible for this paid sick leave?

Hon. Mr. Silver: Again, from our announcement, the answer is yes. Again, the specific details will come shortly and will be shared with Yukoners. Today's announcement will give Yukon workers the assurance that the government will support them if they need to take time off due to COVID-19.

Ms. Hanson: That's great news. We look forward to the details.

In a similar vein, the Government of Ontario has announced job protections for workers during this period of uncertainty around the COVID-19 pandemic. Their proposed legislation is retroactive to January 25, 2020 — the date the first presumptive COVID-19 case was confirmed in Ontario.

Can the Premier confirm what the trigger will be for the announced paid sick leave? Is it the self-isolation period for returning international travellers? Or is it a confirmed diagnosis? Can he confirm that Yukoners should not be expected to provide a doctor's note?

Hon. Mr. Silver: I do really appreciate the question from the member opposite, especially when it comes to the concept of sick leaves and getting doctors' notes therein. As we've been hearing from the opposition and the answers here today, there is a lot of pressure and strain on our medical community. If you are a government employee, we are not asking for a doctor's note before you go and self-isolate. We would encourage the private sector to do the same in these unique circumstances.

Again, the support that we announced today is comprehensive for today's situation, including supports that we advertised today for supporting the tourism industry and to support the cultural industry by honouring transfer payment agreements considered by the COVID-19-related impacts.

Again, to answer the member's question, a lot of the details as to the announcements will be worked out as we go. We are urging the government employees — again to go for a sick leave, to get a note from a doctor — that might be a little bit too much for the system to bear as we try to make sure that people are doing what the chief medical officer is asking us to do when it comes to situations like self-isolation or the 14-day isolation based upon this current situation.

Ms. Hanson: I thank the minister for his response. The impact of COVID-19 is going to put some Yukoners out of work for much more than two weeks. The 10 paid sick days just announced are a good first step. But as this pandemic unfolds, many Yukon workers may be quickly back to square one, with bills to pay and no money coming in. Sixty percent of Canadian workers don't qualify for employment insurance.

What will this government do to support Yukoners who don't qualify for employment insurance and who will be out of work for more than two weeks due to COVID-19?

Hon. Mr. Silver: As the member opposite knows, the situation is currently changing on a daily basis — if we look at the federal government's announcement of \$1 billion, followed by \$10 billion, and followed by extra numbers today from the medical community and from Finance as well. I am not going to speculate on tomorrow. What I am going to do is make sure that Yukoners understand that the current issues in Yukon are being considered. We know where this goes, based on the international community. We know how to prepare for those things. This week, it has been all about preparations.

I spoke with the Prime Minister and fellow premiers about supporting the workers and vulnerable people in our nation, as well as about federal efforts around those employment insurance questions that the members opposite have.

The Minister of Health and Social Services is meeting weekly with Canadian health ministers to discuss jurisdictional impacts. The Minister of Tourism and Culture has met with the Canadian Minister of Tourism and other provincial-territorial representatives to discuss tourism impacts, both locally and nationally. The Minister of Tourism and Culture and the Minister of Community Services are meeting in person with the Minister of Canadian Heritage regarding COVID-19 impacts; also, the Minister of Community Services is meeting with the public safety ministers.

We have not taken our foot off the pedal. No one is sleeping here on this side of the Legislative Assembly. We announced a comprehensive program today of funding to help the current situation. As things change in the Yukon, you can be certain that this government will adapt to those always-moving targets.

Question re: COVID-19 coronavirus — employee sick leave

Ms. White: While the two weeks of paid sick leave is a good short-term measure, the government needs to act quickly to address the impacts of COVID-19 on Yukon families beyond the next two weeks. Many Yukoners may soon find themselves with bills to pay and without an income.

Will this government take immediate measures to provide emergency funding or to allow for Yukoners to defer payments for essential utilities, like electricity and heating bills?

Hon. Mr. Silver: Again, Mr. Speaker, this is a very similar question to the previous question from the Member for Whitehorse Centre: What are we going to do later? Again, we don't have announcements right now about what we are going to do later. They can be assured that the analyses of the situation — immediate, short term, and long term — are happening as

we speak, with the whole of government working with other governments. First Nations and municipalities have been talked to as well — getting information from them as well as the private sector. What we saw today was our stimulus package to support businesses and to support workers. The lion's share of the information about this came from the conversations that we are having with the business community and with our cultural communities as well.

This stimulus package is providing support for businesses and workers in the immediate term as Yukon manages the impacts of COVID-19. Our government will continue to work very closely with the Government of Canada to access all available federal funding — and to maximize existing funding as well — to keep Yukoners working and to keep Yukon projects moving forward. That's why it is extremely important that we debate the bills and get those done — the budget bills — as soon as possible and also the tax implementation bills as well to make sure that the benefits of those bills flow to Yukon businesses and Yukon workers.

Ms. White: We are looking for proactive measures — so that means decisions ahead of the first case of COVID-19 in the territory. The impacts of COVID-19 will be felt by Yukon workers for much more than two weeks. While the 10 days of paid sick leave just announced by this government are a good first step, many Yukon workers will be back to square one by the beginning of April, with rent or mortgage payments due but without an income.

Mr. Speaker, has the Premier considered relief measures for rent and mortgage payments like other jurisdictions around the world have started to implement?

Hon. Mr. Silver: Talk about proactive — our announcement today was extremely proactive. Supporting Yukon workers through a COVID-19-related 14-day isolation with paid sick leave is proactive. Reducing the negative impact of COVID-19 by establishing a grant program to address certain expenses related to cancellation of events is also very proactive. Stimulating the business and tourism industry by waiving and reimbursing or delaying government fee collection, such as airport landing fees — again, proactive — working with the business community with their concerns and the workers with their concerns. Relieving financial pressures by deferring the workers' compensation health and safety premium payment and reimbursing those paid up front, waiving penalties and interest with approval of the board — again, immediate proactive measures to help Yukon businesses and workers to survive. Supporting the tourism industry with advance local advertising efforts, supporting the cultural industry by honouring transfer payment agreements, considering COVID-19-related impacts, and, last but certainly not least, continuing to monitor the economic impacts of COVID-19 by establishing a business advisory council to gather information and to share with government — that last one is going to be extremely important as the details from the days, weeks, and months ahead determine the long-term effects to our GDP.

Ms. White: I thank the minister for those statements. Proactive indeed — we were raising these issues last week.

In situations like this one, it becomes painfully obvious why health care and housing are human rights. With over 50 percent of Canadians living paycheque to paycheque and the upcoming economic downturn caused by COVID-19, many Yukoners will not be able to pay their rent or their mortgages.

Has the government considered suspending evictions due to unpaid rent for the duration of the crisis and providing support to renters and homeowners with rent and mortgage payments to make?

Hon. Mr. Silver: So, again, Mr. Speaker, we have announced a suite of situations today — addressing the needs of today. The members opposite are concerned about tomorrow and the next day. Again, we have plans for not only the short-term and the long-term effects of this, whether it is concerns from the medical community or whether it is concerns from the economics of the Yukon.

Again, one of the things that we have going for us — which other jurisdictions do not — is a very strong labour market. We have \$369 million in capital assets in the current budget waiting to be released to help stimulate the economy. We have massive changes to income taxes — reducing taxes there. We have the small business tax reducing from two percent to zero percent. We are working proactively not only here with the immediate suggestions that we said today, but also the long-term vision of supporting Yukoners and workers.

Question re: COVID-19 coronavirus preparedness

Mr. Istchenko: Last week, we asked the Minister of Health and Social Services about \$1 billion in assistance that the federal government announced to support provinces and territories in their response to the coronavirus. The Minister of Health and Social Services told media that she will not be requesting money from the federal aid package.

So, can the minister confirm that this is accurate — and if so, why is the Yukon not requesting any of that emergency funding?

Hon. Mr. Silver: I disagree with the premise of the member opposite's question. So, federal funding is announced for all regions in Canada, and we, of course, will be taking the federal funding.

Again, one concern that I could ask the members across the way to help with is — we keep on having these conversations with Ottawa about per capita versus base-plus spending when it comes to these types of packages. Again, working with the federal government, we want to make sure that we get our fair share, and per capita spending doesn't necessarily help on that. What we need to do is to make sure that Ottawa understands that the unique circumstances of the north mean that we need base-plus funding, and that is what we are working on right now.

But, again, whether it is the \$1 billion announcement specific to the health and safety of the communities, or it is the \$10 billion announced after that, right now, departmental officials from all of our departments — but specifically to Health and Social Services, Finance, and the Executive Council Office — are working on the impacts of those statements to the Yukon community, knowing full well that these are phase 1 and

phase 2. We are certain that there will be more federal dollars coming in the upcoming days and weeks.

Mr. Istchenko: It makes me wonder why the Minister of Health and Social Services wouldn't have said that then last week.

Yukon relies on British Columbia for all testing of the coronavirus. Initial estimates were that it would take three to five days to get a test completed. We have heard concerns from local health professionals about delays in getting the test results back from British Columbia.

So, can the minister confirm if all results are still being turned around in three to five days? Or are they taking longer? What are we doing to ensure a quick and speedy turnaround on all test results?

Hon. Ms. Frost: With respect to submissions to the federal government, each one of us on this side of the Legislature are meeting with our federal counterparts. Of course, we're going to look at putting forward a succinct Yukon package, not one specific to health. So, of course, I would not say that I'm going to put this request forward. We have to consider what we're asking for as a priority for Yukoners.

Now, with regard to the testing — as we understand — we're working with the chief medical officers. They've indicated to us that the turnaround time is three to five days and that's what we're going with. If there is any other information that is inconsistent, we would be happy to hear that, but we are certainly working with the chief medical officer and we are working under his advisement.

Mr. Istchenko: I think it is time for this Liberal government to take this worldwide crisis seriously here. As we mentioned, we rely on British Columbia for coronavirus testing. It takes at least three to five days to get a test completed — and sometimes longer, apparently. The problem for us is that, if BC's health system gets overwhelmed, then we would have to go find another jurisdiction. We should use federal government money — they offered \$1 billion in an aid package — to expand our capacity to do testing here in the territory so that we don't have to rely on people from the south.

So, will the minister agree to request money from this emergency fund so that the Yukon can set up its own testing here in the territory? If she won't, why?

Hon. Mr. Silver: I'm going to forget all of the political wrangling that's happening over next door here with the question — talking about us taking this seriously or not. This government is taking this extremely seriously. These people on this side of the Legislative Assembly haven't slept in weeks and we continue to do the work that we need to do for Yukoners. My goodness gracious.

But what I will say is that we are very lucky to be where we are right now as the world tries to reduce the curve when it comes to this pandemic. Let me be specific as well: There is not a pandemic in Canada yet. There is a pandemic announced in the world, but not in Canada necessarily.

Our ability to actually use the medical system in Vancouver is helping to expedite our process compared to other jurisdictions immensely — immensely. We are so lucky to be where we are and to have the support of British Columbia as

well as the amazing staff who we have here at Health and Social Services and the dedicated teams at the medical offices and the chief medical office.

We are getting the tests done at an excellent rate. Is there a delay? Yes. Are we asking for patience? Yes. But again, we believe that, compared with other jurisdictions, we are in an excellent place to get timely results, knowing full well that the system is being overloaded with testing — which is a good thing, Mr. Speaker, not a bad thing as the members opposite would have you believe.

Speaker: The time for Question Period has now elapsed. We will proceed to Orders of the Day.

ORDERS OF THE DAY

Hon. Ms. McPhee: I move that the Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

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

Motion agreed to

COMMITTEE OF THE WHOLE

Deputy Chair (Mr. Adel): Order. Committee of the Whole will now come to order.

Bill No. 201: *Third Appropriation Act 2019-20* — continued

Deputy Chair: The matter before the Committee is Vote 52, Department of Environment, in Bill No. 201, entitled *Third Appropriation Act 2019-20*. Is there any general debate?

Department of Environment

Hon. Mr. Silver: Mr. Deputy Chair, I don't think that there is going to be any general debate. What we want is to get the departments going, so if we could have some time to get the officials, it would be greatly appreciated. Thank you.

Some Hon. Member: (Inaudible)

Hon. Mr. Silver: Thank you again, Mr. Deputy Chair. My apologies again — based on conversations that we had with the members opposite earlier, we would be fine with no general debate at this time, but to move to get this important piece of legislation and budget bill passed.

Again, I want to thank the members opposite for their desire to do so, and we can go through it procedurally, but I do not expect a lot of people standing up for these departments.

Mr. Cathers: As the Premier indicated, we had suggested to the government — and are pleased that they are amenable to it — the importance of getting through the *Third Appropriation Act 2019-20* as well as the *Interim Supply Appropriation Act 2020-21* in light of the events that are transpiring in Canada related to COVID-19 and the importance of ensuring that we have spending authority both for the Hospital Corporation and other parts of our health system as well as government as a whole. So, we will be suspending the normal practice of debating budget bills in the way that we do,

and we will be seeking the passage of this legislation at the earliest possible date so that the spending authority can get in place.

Ms. White: After the House Leaders' meeting that we had this morning — and, again, our conversations with the Premier — the Yukon NDP is interested in moving through this, getting toward the interim supply bill, which we believe is of critical importance, and moving on. With that, we will not be asking any more questions about the *Third Appropriation Act 2019-20*, and we are hopeful that the Premier will follow through and that we will have the ability to ask questions of departments and ministers in the Fall Sitting.

Hon. Ms. McPhee: Pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all lines in Vote 52, Department of Environment, carried.

Unanimous consent re deeming all lines in Vote 52, Department of Environment, cleared

Deputy Chair: Ms. McPhee has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all lines in Vote 52, Department of Environment, carried.

Is there unanimous consent?

All Hon. Members: Agreed.

Deputy Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures

Total Operation and Maintenance Expenditures in the amount of \$1,237,000 agreed to

On Capital Expenditures

Total Capital Expenditures in the amount of \$586,000 agreed to

Total Expenditures in the amount of \$1,823,000 agreed to

Department of Environment agreed to

Hon. Ms. McPhee: Mr. Deputy Chair, pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all remaining Votes in Bill No. 201, entitled *Third Appropriation Act 2019-20*, carried.

Unanimous consent re deeming all remaining Votes in Bill No. 201 carried

Deputy Chair: Ms. McPhee has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all remaining Votes in Bill No. 201, entitled *Third Appropriation Act 2019-20*, carried.

Is there unanimous consent?

All Hon. Members: Agreed.

Deputy Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures

Total Operation and Maintenance Expenditures in the amount of \$27,794,000 agreed to

On Capital Expenditures

Total Capital Expenditures in the amount of \$1,605,000 agreed to

Total Expenditures in the amount of \$29,399,000 agreed to

Clauses 1 and 2 agreed to
Schedules A and B agreed to
Title agreed to

Hon. Ms. McPhee: Mr. Deputy Chair, I move that you report Bill No. 201, entitled *Third Appropriation Act 2019-20*, without amendment.

Deputy Chair: It has been moved by Ms. McPhee that the Chair report Bill No. 201, entitled *Third Appropriation Act 2019-20*, without amendment.

Motion agreed to

Hon. Mr. Silver: Mr. Deputy Chair, I request a brief recess while we get the scripts in line for Committee for the Whole.

Deputy Chair: It has been requested that Committee of the Whole have a brief recess. Are you agreed?

All Hon. Members: Agreed.

Deputy Chair: We will recess for 10 minutes.

Recess

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

Bill No. 202: Interim Supply Appropriation Act 2020-21

Deputy Chair: The matter before the Committee is general debate on Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*.

Is there any general debate?

Hon. Mr. Silver: I won't take a lot of the Legislative Assembly's time today — just to say that I am happy to rise in Committee of the Whole with Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*. If passed, the bill will provide spending authority for the first two months of the fiscal year in order to deliver the public services that Yukoners rely upon. Again, the totals: This is \$338.3 million in spending, which includes \$271.3 million for operation and maintenance and \$67 million in capital spending. These amounts ensure that the government can meet immediate priorities and funding expectations while the Legislature debates for the full spending authority.

Again, I want to thank the two leaders of the opposition parties for their expeditious considerations of where we are here in Yukon today with COVID-19 and those impacts around our community. Getting this interim supply passed really does give an awful lot of breath and a little bit of stress relief to the departments that rely on this spending from here until two months past April 1. With that being said, I will cede the floor to the opposition if they have any questions.

Mr. Cathers: In rising to this as Official Opposition Finance critic, I would note that — recognizing the times that we are in with regard to the challenges of COVID-19 and what we are seeing in other jurisdictions, as well as potential cases here in the Yukon — we believe that it is important that we work together to ensure that the hospitals as well as government

departments have the funding they need to respond to the potential impacts of COVID-19.

To the end, just as with the *Third Appropriation Act 2019-20*, we are interested in seeing the hospital receive \$4.6 million in funding in that appropriation. We have extended our support to the government for interim supply to be brought forward to ensure that especially the critical areas such as the hospital and Emergency Medical Services have the funding that they need to deal with the response to COVID-19, as well as ensuring that all departments have the resources they require to respond to this, recognizing that, at the direction of public health officials, we may see changes that affect things here in the Yukon as well.

It is important that, at a time like this, we set aside partisanship and work together on ensuring that those government departments and hospitals have the funding they need to respond to whatever may come. With that, I will wrap up my remarks. As noted previously, we are suspending our normal pattern of asking questions regarding budget bills in the interest of expediting approval of this funding.

Ms. Hanson: As we said before, the Yukon NDP supports and has indicated in the past that passage of the *Interim Supply Appropriation Act 2020-21* is, and has been standard practice within government to ensure that the necessary statutory obligations of government and the operation responsibilities of government are able to proceed while we debate and discuss the main estimates to give authority for this fiscal year. The difference is, as the Premier has indicated and the Official Opposition has indicated, that we are dealing with rather uncertain times right now. We absolutely agree that we should move to get this bill passed more quickly than we normally would to move on to the other business that needs to be addressed by the Legislative Assembly and to give consideration to how we will deal with those other matters in the light of the situation that we find ourselves in and as we take direction from the chief medical officer of health.

Deputy Chair: Is there any further general debate on Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*?

Seeing none, we will proceed with clause-by-clause debate.

Hon. Ms. McPhee: Mr. Deputy Chair, pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all clauses, schedules, and the title of Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*, read and agreed to.

Unanimous consent re deeming all clauses, schedules, and the title of Bill No. 202 read and agreed to

Deputy Chair: Ms. McPhee has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all clauses, schedules, and the title of Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*, read and agreed to.

Is there unanimous consent?

All Hon. Members: Agreed.

Deputy Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures
Operation and Maintenance Expenditures in the amount of \$271,271,000 agreed to

On Capital Expenditures

Capital Expenditures in the amount of \$66,995,000 agreed to

Total Expenditures in the amount of \$338,266,000 agreed to

Clauses 1 and 2 agreed to

Schedules A and B agreed to

Title agreed to

Hon. Ms. McPhee: Mr. Deputy Chair, I move that you report Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*, without amendment.

Deputy Chair: It has been moved by Ms. McPhee that the Deputy Chair report Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*, without amendment.

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Mr. Adel: Mr. Speaker, Committee of the Whole has considered Bill No. 201, entitled *Third Appropriation Act 2019-20*, and has directed me to report it without amendment. Also, Committee of the Whole has considered Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*, and directed me to report it without amendment.

Speaker: You have heard the report from the Deputy Chair of Committee of the Whole.

Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

GOVERNMENT BILLS

Bill No. 201: *Third Appropriation Act 2019-20* — Third Reading

Clerk: Third reading, Bill No. 201, standing in the name of the Hon. Mr. Silver.

Hon. Mr. Silver: I move that Bill No. 201, entitled *Third Appropriation Act 2019-20*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Premier that Bill No. 201, entitled *Third Appropriation Act 2019-20*, be now read a third time and do pass.

Hon. Mr. Silver: I will be brief. I do want to thank all Members of the Legislative Assembly for the expeditious debate that we have had on budget changes to close out the 2019-20 fiscal year. To recap, we are dealing with a response to an increase in spending, as compared to main estimates for 2019-20. The *Third Appropriation Act 2019-20, Supplementary Estimates No. 2* forecast an increase of \$26.2 million in operation and maintenance gross spending, offset with an increase of \$12.7 million in recoveries. Capital spending is forecast to decrease by \$7.2 million, with a decrease of \$8.4 million in recoveries. Revenues are forecast to decrease by \$496,000 due to a slight decrease in Yukon tax and general revenues.

Mr. Cathers: On behalf of the Official Opposition, I would note that we do want to see this brought to a vote. Clearly, there is money in here, including \$4.6 million for the hospital, that we want to see provided as early as possible. We do want to see debate expedited so that this funding can be provided.

We do have concerns with some of the other funding contained within this — much of it, of course, being after-the-fact approval of the funding — but I would note that we recognize that we need to focus on the big picture and ensure that the hospital has the resources it needs, as well as other government departments. So, we will be suspending our normal pattern of asking questions regarding it and debating the individual items that we have concerns with in the interest of bringing this to a vote and providing that funding to the hospital and other government departments as quickly as possible, recognizing the events that are transpiring within Canada and around the world with regard to COVID-19.

Ms. Hanson: Mr. Speaker, I just want to confirm that the Yukon NDP has agreed to move quickly to expedite the passage of the *Third Appropriation Act 2019-20* and the *Interim Supply Appropriation Act 2020-21* without debate, because that is what we agreed to do. That does not mean that there are no questions that we have about departments and agencies. We will use the opportunity when it is available to fulfill our obligation to hold the government to account. But we agreed to suspend debate on these matters in order to expedite the passage of these two bills.

Speaker: If the member now speaks, he will close debate on third reading of Bill No. 201.

Does any other member wish to be heard?

Hon. Mr. Silver: Mr. Speaker, I do want to thank all members for their contributions today on an overall pathway forward. I also will speak to the Member for Whitehorse Centre in her agreement with the Official Opposition as well as government that we are suspending debate on the programs and

services that these dollar values adhere to — again, making good on the commitment — again, not sure when that's going to happen based on the current situation in the Yukon — of hopefully sooner or later getting to the good business of having the officials in and the ministers speaking to the second supplementary estimates for any questions that were not asked.

Again, it is important — and it was made very clear to me from the opposition that it is important to them as well — that this debate happens. We will make good on that commitment.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hassard: Disagree.

Ms. Van Bibber: Disagree.

Mr. Cathers: Disagree.

Ms. McLeod: Disagree.

Mr. Istchenko: Disagree.

Ms. Hanson: Disagree.

Clerk: Mr. Speaker, the results are eight yea, six nay.

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

Motion for third reading of Bill No. 201 agreed to

Speaker: I declare that Bill No. 201 has passed this House.

Bill No. 202: *Interim Supply Appropriation Act 2020-21* — Third Reading

Clerk: Third Reading, Bill No. 202, standing in the name of the Hon. Mr. Silver.

Hon. Mr. Silver: I move that Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Premier that Bill No. 202, entitled *Interim Supply Appropriation Act 2020-21*, be now read a third time and do pass.

Hon. Mr. Silver: I do want to thank all Members of the Legislative Assembly for passing this spending authority quickly. Given the uncertainty around COVID-19, it is even more important than usual to have this authority in place.

Mr. Cathers: Rising on behalf of the Official Opposition, I would again just briefly note that we recognize

the importance of having interim supply in place, especially for critical areas, including the hospital, Emergency Medical Services, and Health and Social Services, as well as ensuring business continuity across all departments, recognizing that announcements from medical officers of health have been evolving quickly and sometimes changing more than one time in a day across the country. We have just seen, of course, an announcement this morning as well from the Yukon's chief medical officer of health. We believe that it's important to have this funding in place so that, if there were to be a disruption preventing approval of the funding, we would not be in a situation where the hospital, Emergency Medical Services, Health and Social Services, or other government departments would be without the funding they need to both respond to the impacts of COVID-19 — and also ensure, of course, that government services remain in place and that government is able to approve contracts that Yukon companies are depending on this year. So, we are focused on the big picture here, and we will be supporting the expeditious debate of this interim supply bill and seeing it passed to provide that funding as required.

Speaker: Is there any further debate on Bill No. 202?

Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hassard: Agree.

Ms. Van Bibber: Agree.

Mr. Cathers: Agree.

Ms. McLeod: Agree.

Mr. Istchenko: Agree.

Ms. Hanson: Agree.

Clerk: Mr. Speaker, the results are 14 yea, nil nay.

Speaker: The yeas have it. I declare the motion carried.
Motion for third reading of Bill No. 202 agreed to

Speaker: I declare that Bill No. 202 has passed this House.

We are now prepared to receive the Commissioner of Yukon, in her capacity as Lieutenant Governor, to grant assent to bills which have passed this House.

Commissioner Bernard enters the Chamber announced by the Deputy Sergeant-at-Arms

ASSENT TO BILLS

Commissioner: Please be seated.

Speaker: Madam Commissioner, the Assembly has, at its present session, passed certain bills to which, in the name and on behalf of the Assembly, I respectfully request your assent.

Clerk: *Third Appropriation Act 2019-20; and Interim Supply Appropriation Act 2020-21.*

Commissioner: I hereby assent to the bills as enumerated by the Clerk.

I would like to thank you for your work in these uncertain times. Keep up the good work.

Commissioner leaves the Chamber

Speaker: I will now call the House to order.

Please be seated.

GOVERNMENT BILLS

Bill No. 8: Budget Measures Implementation Act, 2020 — Second Reading

Clerk: Second reading, Bill No. 8, standing in the name of the Hon. Mr. Silver.

Hon. Mr. Silver: I move that Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be now read a second time.

Hon. Mr. Silver: I'm pleased to introduce Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, for the consideration of the Legislative Assembly. We are and have always been committed to ensuring that Yukoners have good jobs and a sustainable environment. In addition to that priority, we are committed to serving as an ethical, responsible, and accountable government for Yukoners.

Rising from those priorities, we've made the following promises: first, that our government will eliminate the small business tax; and second, that we will increase the ceiling for the Yukon small business investment tax credit to increase the asset limit to allow larger companies to qualify. Today, Mr. Speaker, we are fulfilling those promises.

One of our first acts as a new government was tabled with Bill No. 3 during the Spring Sitting of 2017, which lowered the small business rate by a third, from three percent to two percent. This tax reduction was the first step to encourage investments in marketing, training, and innovation.

In an effort to continue our evidence-based decision-making, we've created the Financial Advisory Panel. Bill No. 8 has been designed with consideration from the Financial Advisory Panel findings prominently in mind. We are also fulfilling our promise to lower the small business tax rate to zero, which is a promise we kept.

The *Insurance Premium Tax Act* hasn't changed or been reviewed since 1976. A simple jurisdictional scan shows that, with the passage of time, the Yukon has become an extreme

outlier with this tax. Our rates are roughly 50 percent below the national average.

The Yukon Financial Advisory Panel indicated that the insurance premium tax was an example where Yukon's tax efforts were significantly below comparable numbers in other jurisdictions. Today we are simply asking the insurance industry, based primarily in Ontario and Québec, to pay in the Yukon what they pay in every other jurisdiction in Canada.

Effective January 1, 2021, we will also be reducing red tape. We will be simplifying the *Insurance Premium Tax Act* by eliminating the supplementary tax on fire insurance and introducing a single rate of four percent on all premiums. These changes to the *Insurance Premium Tax Act* will provide approximately \$2.6 million in annual revenues for Yukon.

Mr. Speaker, Bill No. 8, as mentioned earlier, fulfills our promise to reduce the small business tax rate to zero. By 2021-22, the first complete fiscal year following implementation of the new tax rates, small businesses will see a reduction of their tax bill by approximately \$2 million annually.

About 60 percent of small business income is paid out in any year as dividends to owners of those businesses. Consequently, personal income tax revenue will increase by an estimated \$1.2 million annually. The net impact of the 2021-22 changes to the *Income Tax Act* will be approximately \$800,000 in savings for Yukoners and their businesses.

Later in debate, we will also be introducing an amendment to address concerns raised by the opposition parties.

Mr. Cathers: We have mixed feelings regarding this legislation, based on our read of it and the information we were provided in the briefing. We will be asking questions about it during general debate. We certainly do support the tax cuts for small businesses, but one of the concerns that we have is the tax increase that is provided to insurance companies. It would appear to us that is likely to not be just absorbed by those companies, but passed on to Yukoners who are paying for those services. So, we are concerned about whether this will lead to a potentially substantial increase in insurance premiums for Yukoners.

So, we will be asking some questions regarding that in particular, as well as other elements of this. But we certainly do support the tax cuts for Yukon businesses, especially in light of the current economic situation — the hit that the Yukon economy will take this year as a result of the economic downturn related to COVID-19.

I would be remiss if I didn't point out that the Liberal government has been rather slow to implement this election promise that they made. They have waited until the tail end of the mandate to actually deliver on a promise that many Yukoners were hoping that they would see early in the term of this Liberal government.

Ms. Hanson: In rising to speak to the *Budget Measures Implementation Act, 2020*, the Yukon NDP had indicated when this bill was tabled last week and then we had a briefing on Friday morning — actually, I think the Minister of Finance advisors probably gave him a heads-up that we had indicated to

the officials that, although on the surface the changes look like they are straightforward and simple, when you ask a question beneath the surface, it's not so simple and straightforward. So, we asked them to make sure that the Premier/Finance minister came to the debate prepared to speak in plain language to what the intent and the effect of each of the proposed changes are and why they are being made.

There are some for which we understand the logic, and we will be looking forward to the Minister of Finance providing greater detail with respect to the change proposed in the legislation to the small business investment tax credit — making it a business investment tax credit and increasing the threshold with respect to companies that can access that. We had certainly been raising questions about this over the last number of years, because we too are concerned and we were concerned that the opportunities for Yukoners to invest in Yukon businesses — and also being able to enjoy tax credits as a result of supporting Yukon businesses — were hampered by the lack of room.

We are interested in having the Premier address the concerns that have been raised to us — which we hadn't sort of thought about — about whether or not this is a change that is being made, as he has repeatedly said, for one company. We would like to know and have on the record what other entities that he is aware of that would be able to utilize this expanded scope of the business investment tax credit, because surely it's not just for one company — if he could indicate the range of entities that will now be able to take advantage of this larger threshold.

As well, we had indicated at the briefing — and raised significant questions with respect to the wisdom of reducing, particularly in a territory that talks about diversifying our economy, the knowledge sector, and the importance of the tech sector in this territory — our concern about the reduction in the research and development tax credit.

I am pleased to hear the minister opposite indicate that there is going to be a proposed change to the bill, as it stands before us, that would address those concerns. We look forward to hearing more about those, and we will certainly be raising some of the concerns that have been raised with us by folks who are in that sector. We quickly scanned the community last week after the bill was tabled to try to get a sense of what people's awareness was: nil; what consultation had occurred: nil; and where we could see some assessment of what the implications might be to the research and development community in the territory. We could find nothing online about that, either. We are looking forward to hearing what the original thinking was about that and, in order to address those concerns, what the government is planning to put on the table.

With that, Mr. Speaker, I will stand down and let the proceedings go ahead.

Speaker: If the member now speaks, he will close debate on second reading of Bill No. 8.

Does any other member wish to be heard?

Hon. Mr. Silver: Thanks to my colleagues along the way here. Again, to get into the actual teeth of the bill, we will get right into Committee of the Whole and answer those questions for the members as we get to those sections.

Motion for second reading of Bill No. 8 agreed to

Hon. Ms. McPhee: I move that the Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Deputy Chair: The matter now before the Committee is Bill No. 8, entitled *Budget Measures Implementation Act, 2020*.

Do members wish to take a 15-minute recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 8: *Budget Measures Implementation Act, 2020*

Deputy Chair: The matter before the Committee is Bill No. 8, entitled *Budget Measures Implementation Act, 2020*.

Is there any general debate?

Hon. Mr. Silver: It's my pleasure to speak to Bill No. 8, entitled *Budget Measures Implementation Act, 2020*. I'm joined by Clarke LaPrairie and Chris Mahar from the excellent Department of Finance. I want to thank them both not only for their presence here today but also for all their work this year in lots of things, but specifically to this particular *Budget Measures Implementation Act, 2020*.

Mr. Deputy Chair, we are fulfilling our commitment to bring the small business rate down to zero. We are also expanding the Yukon business investment tax credit. Both of these measures are intended to create incentives for Yukoners to invest in local businesses.

This bill is also, in part, one of our responses to challenges laid out for us by the Yukon Financial Advisory Panel. The panel did an excellent job of explaining how, at a high level, Canada determines our entitlement under the territorial formula financing grant, or the TFF. Canada assumes that, for each tax source, Yukon will tax at a rate of tax in line with the national average.

As discussed in second reading, Yukon has become an outlier in Canada in how low we tax insurance premiums. By addressing this issue, Bill No. 8 enables us to both provide a

competitive tax regime for businesses and fund services expected of us. Bill No. 8 ensures that we move closer to national average tax rates envisioned by both the Yukon Financial Advisory Panel and territorial formula financing. I am proud of the fact that we have met our commitments to Yukon businesses in a fiscally responsible manner.

Mr. Cathers: With regard to this legislation, as I noted at second reading, we do support the reduction in the income tax rate, but we do have some concerns about some of the additional changes that were included in here. I would like to begin with the insurance premium rate tax changes.

Based on our understanding of the documents provided by the Department of Finance at the briefing, it appears that the impact of the insurance premium rate tax changes will have an impact of an increase of \$667,000 this year and, in 2021-22, will lead to an increase of \$2.6 million in revenue for the government. That also means that it is, of course, being paid by insurance companies. While at first blush, as the Premier noted, these companies are primarily based outside of the Yukon, most people who have experience with insurance companies know that, if insurance companies' costs are going up, the insurance companies don't tend to absorb those costs; they tend to pass them on through increased insurance premiums to citizens and companies. So, it appears that the \$2.6-million hike in annual revenue will mean that Yukoners will pay an additional \$2.6 million in insurance premiums.

Can the Premier please explain what the government's thinking was on this? Does he have an estimate of how those costs will be spread out among Yukon insurance payers? How much of that \$2.6 million in anticipated increased costs will be paid by small businesses and how much will be paid by citizens? What is that picture estimated to look like once this tax increase is in effect?

Hon. Mr. Silver: Mr. Deputy Chair, as we laid out in second reading and also in the briefings to the members opposite, there is a very likely chance that we are already paying rates based upon the average as opposed to the individual rate in the Yukon.

Again, this hasn't been touched since the 1970s. We are at the lowest rate right now, and by 40,000 Yukoners — compared to the 35,000,000-plus Canadians who are served by these large companies in both Québec and Ontario — we believe that there will not be an increase in the local rates of insurance premiums because we are so far off as an outlier and such a small population for the national averages that these insurance companies already take in right across the nation.

The member opposite talked about some of the numbers that were coming out as well as far as the effects on this year and next year. We also believe that roughly one-third of these costs will be borne out by lower corporate taxes in Canada and in Ontario as well, as opposed to any effect on anybody here locally in the insurance business.

Mr. Cathers: The Premier indicating that there is a likelihood that we are already paying insurance premiums based on the average tax rate across the country is not overly comforting. It doesn't sound like the Premier actually

confirmed that this is the case; it does sound like an assumption that was made in that case.

As many people know, if you have made a claim on your insurance, the insurance companies usually seem pretty good at figuring out who has made a claim on their insurance policy. A lot of people who have been in that unfortunate situation have seen their insurance rates go up after making a claim. So, it does seem somewhat questionable whether there isn't at least the very real possibility that Yukoners will see an increase in insurance rates.

The Premier indicating that there is a likelihood that our rates already include those costs, again, doesn't seem to indicate that it has been checked. It is concerning. I would encourage the Premier to look into it and get back with more information. To that, we would welcome hearing what estimates the government has made of the actual impact on Yukon companies and would appreciate having more than what appears to be an assumption as the basis for that — but, in fact, actual communication with insurance companies to which these tax increases will apply — to understand whether indeed we are already paying insurance rates based on averages, as the Premier indicated, or, in fact, whether we'll see a \$2.6-million collective premium hike to Yukon citizens and companies based on these tax changes. A \$2.6-million tax hike — or any significant portion of that — would, of course, have a significant impact on Yukon citizens and Yukon companies.

Can the Premier explain as well — we see that the personal income tax, the dividend tax credit effect related to the small business rate change, appears to show an increase in revenue for the government of \$261,000 this year and \$1.2 million in 2021-22, and the reduction of the research and development tax credit appears to see a \$25,000 increase in government revenue this year and \$100,000 next year. Of course, while it's revenue for government, that also means that someone else is paying the bill for that.

Could he please elaborate on those areas?

Hon. Mr. Silver: As the member opposite knows from his experience in government, that's just the way that the system works as far as how that gets taken out. We know that 60 percent of it will be taken out of business, and, again, that's just an automatic reaction based on the mechanisms that we have in place for those who are spending either income tax versus corporate tax.

Again, when it comes to past experiences, taking a look at statistical analysis of other jurisdictions that have changed their rate when it comes to the insurance premiums, it's not an equal and opposite reaction that those particular jurisdictions then have an automatic change. Again, a small jurisdiction like Yukon coming up to a national average, on the grand scheme of things, will be a very small amount on the national consideration. From looking at previous jurisdictions that have come into that average, it's not equated with increases to those regions in insurance premiums. That's the due diligence that we have done.

Again, we believe that right now we are already in that situation where we are paying based upon those averages, and it's our due diligence to make sure that changes that haven't

happened in decades get us in line with other jurisdictions, so those are the actions that we're seeing here today.

Again, these costs will be borne by companies that are mostly based in Québec and Ontario. We won't see a corollary here in the Yukon.

Mr. Cathers: In the interest of moving on to other matters, I will wrap up my questions at this point. I guess we will see what the actual impacts on Yukon companies will be.

Ms. Hanson: Mr. Deputy Chair, I just want to start with the first thing that this enactment of the *Budget Measures Implementation Act, 2020* does, which is to repeal the *Fireweed Fund Act*. I have to say that I was not that familiar with that act, so I did a bit of research on the *Fireweed Fund Act*. I went back to Hansard of November 1999 — so 20 or so years ago — and I see that this was a bill that was introduced by the then-government of the day under Mr. Piers McDonald. There had been a fair amount of consultation and extensive research done on a long paper that had been prepared, entitled *Labour-sponsored Venture Capital in the Yukon*, by Luigi Zanasi and Malcolm Taggart with the assistance of Rod Snow of Davis LLP.

I raise this because it is interesting to see, when I go through the history — I just want to quote on page 5447 of Hansard from November 9, 1999. Mr. Jack Cable stood and said — and I quote: "I am pleased to rise on behalf of the Liberal caucus to support this bill. The lack of a pool of venture capital, or risk capital, in the Yukon has long been identified as a stumbling block in business development and job creation, particularly for small and medium businesses."

He talks about how this has been a long period — two years at least — from when there had been a number of fora in the Yukon to discuss that. It goes on to talk about how these labour-sponsored venture capital funds are potentially useful tools and that we approach them on that basis.

Then, Mr. Deputy Chair, I see how the then-Yukon Party Leader of the day, John Ostashek, stood in the same House that day and said, "... I rise today in support of the principles of this bill. I have a few things..." — which he put on the record. Then, when I go forward to the actual line-by-line debate, I see that it passed with unanimous consent.

My question really is: Is repealing the act the only measure that the government considered? What analysis did they do to determine options, other than repealing this legislation, that would complement or replace it? Mr. Piers McDonald, the Premier of the day, indicated that, when he spoke to introduce this bill, that it complemented other legislation that the NDP government of the day had introduced, which was the mineral exploration tax credit and the small business investment tax credit — we are also going to be debating that latter one again today.

So, I would say that one of the things that I notice — so, this was in the late fall of 1999 — and we know that, in 2000, there was a change of government. So, we had a 22-month Liberal government that didn't do anything with this thing in terms of breathing life into this — working with labour and other sources of venture capital to give life to this act. Then we

had 14 years of the Yukon Party that did nothing either. Then we have had almost four years of Liberal government.

My question is: Is repealing it the only thing? As a tool, we talk about — and we are going to be talking about expanding the scope of the small business investment tax credit to a bigger investment tax credit. So, I guess, why would you abandon a piece of legislation that might be considered to be enabling more diverse sources of venture capital for this territory?

Before I sit down — you know, we have just seen the government be willing to accede the Panache Ventures venture capital fund to the extent of at least \$1.5 million — a venture capital fund that doesn't have a track record at all. So, we would be looking at it in terms of sources here. My question is: Why not?

Hon. Mr. Silver: Thanks for the question from the member opposite. So, really, it is not necessarily a political party — whether it be the Liberals back in 2000 or the Yukon Party for that matter or the 14 years after that — that really was the hesitant here. It's up to the unions to provide that \$4 million to enable this to move forward past the unanimous consent. It really was in the wheelhouse of the unions to seed this fund; they just never did.

As we look at what we're doing to stimulate the economy with joint ventures, we believe that the money well spent with Panache to enable First Nation development corporations and the technologies of today to be a sounder investment with taxpayers' money. This type of legislation, back in the day — decades ago, it was the flavour of the day for sure, but again, the onus was then put on the union to put up the \$4 million and they didn't in 20 years.

In those 20 years, what happens when an act doesn't get enacted? Well, we are under the gun always when it comes to working with lawyer companies, working with financiers, accounting firms, and verification with the CRA. The amount of cost for us to talk about — “Well, no, it's not enacted and here's where” — that is an efficiency that was an obvious efficiency from the Financial Advisory Panel.

The amount of human resources over 20 years explaining that this isn't necessarily invoked, but it's on our bills — that costs money. Twenty years of that without it actually being seeded by the unions — we feel that it would be very easy if a government decides that this is something that they want to put back on the bills or back in the Legislature — it would be easy to put back on, but by taking it off, we will reduce the cost and the human hours required by our public servants in addressing something that is 20 years old and has never been acted upon in that time frame.

For us, this is a no-brainer on efficiencies based upon the analysis of the Yukon Financial Advisory Panel. We are putting money into joint ventures with Panache. That's where we're putting taxpayer money when it comes to those types of ventures — helping the business community thrive.

Ms. Hanson: It's interesting because, if we look at the last — over 20 years, we've seen successive governments do everything they can to ensure that they do not support unionized labour in government projects. We just saw a recent announcement in one of the small communities last week. It's

discouraging, at the very least, to see that as the rationale — and where is the role for government in terms of fostering a more equitable approach?

Well, there are a number of other questions. We could go on at great length because I think it would be quite fascinating to read why former Liberal thinkers of the day — and I believe also current ones — thought this was a good idea, but let's move on, Mr. Deputy Chair, to the changes to the small business investment tax credit, which is no longer going to be a small business investment tax credit. In some jurisdictions, it will just be an ordinary size one. Here, it is going to be rather large.

I have a number of questions. We, as the NDP, had advocated for growing the scope in terms of the amount that was available to businesses for, I guess, the room for tax credit in the territory over the years. It would be interesting if the minister could explain to the House the basis for, first of all, the change that has been made from the current level, which I believe is \$400,000 — he can correct me if I'm wrong — to what it is now. First of all, that is the scope. What is the rationale?

Secondly, how many businesses — and if he could describe the sectors — have availed themselves of this small business investment tax credit? How many are currently doing so? I will come back to a couple of others in a moment.

Hon. Mr. Silver: With the small business investment tax credit now becoming the business investment tax credit — we can call it “BITC” from here on in if you want to have an easier way of saying it. There are some changes. For example, other than the title now being “business investment tax credit”, the per-company limit changed from \$800,000 — not \$400,000 — in any year to \$4 million in any rolling four-year period. That rolling four-year period test begins in 2023.

Again, the reason for these changes is to stimulate business, for sure — with a whole bunch of different businesses — but we definitely have a keen lens toward Air North and what they are trying to accomplish, based on the success of previous investment opportunities that the company has put forth and also based on the fact that this company is growing quite well. We need to make sure that our numbers accommodate Air North as well as other businesses as we redesign this business investment tax credit.

Again, another change is changing the maximum company size limit — changed from \$25 million in assets, and then it is changed up to a temporary limit of \$100 million until 2023. Again, if Air North is successful in their bid to expand their assets, we again need to make sure that this investment credit allows Air North to be able to apply.

There is a test of 50 percent of the payroll in Yukon that is reduced to 25 percent, and also a test of 50 percent of assets in Yukon being replaced with the headquarters test as well — all extremely important measures, working with the business sector to make sure that some of the larger businesses, like Air North, have the ability to adhere to this.

We have also had conversations with the tech community. We have had conversations with the hoteliers and companies as well as we design this new change. We are getting a lot of

positive feedback as to the changes, and I think that it is an important thing for us to do.

So far, Mr. Deputy Chair, there have been nine companies that, over the last 17 years, have received just under \$10 million through this programming, and we are really excited to be able to expand the investment abilities of Yukoners for Yukon businesses, including Yukon's airline, Air North.

Ms. Hanson: So, I have heard an awful lot of emphasis in the Premier's — maybe unfortunately — reference — it sounds awfully much like an Air North bill. Full disclosure — I am a shareholder in Air North. I want that airline to succeed. That is not the issue. The issue is that, if we are making a change to a bill — as the minister just outlined — that is going to reach its apex in three or four years, to facilitate some major purchase — maybe, possibly — is that the only tool available?

I mean, I just heard from the minister that we got rid of the basis of a fund because it didn't seem to be working, and we didn't think it was necessary to have it in the *Income Tax Act* because it caused this onerous drain on human resources having to do research — yada, yada — and now we're saying that we're prepared to make a change to the *Income Tax Act* for one company. Is that what we're saying?

Hon. Mr. Silver: Again, by increasing these, it's not like we are decreasing the parameters; we're increasing them.

So, not only are they available for Yukon businesses, they're also available for one of our larger Yukon businesses that has an eye to modernizing its fleet but also to reducing its carbon footprint. When we take a look at it, most of the greenhouse gas emissions are through transportation, and it's pretty exciting to see where Air North wants to go with a modern fleet of vehicles that will be a lot more energy efficient. A lot of Yukoners do an awful lot of traveling on Air North.

Again, by increasing thresholds, we're not narrowing the field. We're actually increasing the field to allow a larger company to qualify. I am not a shareholder of Air North, but I sure do like this program. You talk to Yukoners about the previous use of such funding opportunities and such investment opportunities — what a wonderful funding opportunity that was back in the day. We're looking at modern approaches to helping our businesses.

The member opposite says that we're getting rid of a fund. We're not getting rid of a fund when it comes to fireweed. That fund never was created. It has been on the books for way too long. What we're doing is a modern approach that focuses in on things like Panache and the technologies field. We're also enhancing our small business investment tax credit to include larger businesses like Air North — again, not limiting the possibilities, but increasing the possibilities.

Ms. Hanson: Yes, I understand that. So, when Air North was able to expand, not only because of the provision of the small business investment tax credit that allowed Yukoners to invest in Air North as a sign of support for a Yukon business — it's also 49-percent owned by Yukon First Nations.

I'm interested if the minister could explain, as I understand it — and again, I said to his officials on Friday at the briefing that this needs to be able to be explained in plain language so that people like me can understand it — and people like those

who are concerned about what goes on in the Yukon, and that includes many people.

So, are we talking about changing the intent here? Is the intent to support the growth of Yukon-based businesses? Because I see, when I read this, a diminishment from 50-percent to 25-percent ownership in the Yukon. Maybe I'm wrong.

The minister can say that on the record because we didn't get any crossover things. We tried asking those questions. The officials will nod and say that we did ask questions. They may have thought that they were inane, but they are the kinds of questions that people are asking.

What is the purpose, and who is going to benefit? What other company in the Yukon — what other Yukon company — is of a scale to be able to take advantage of the kind of provisions that the minister has explained with respect to the acquisition of new airplanes for Air North?

Hon. Mr. Silver: Again, the changes as far as the headquarters and the 25 percent are to reflect the modern realities of Yukon's airline, Air North. That is the threshold.

We do hope that, in the future, this investment tax credit will attract other investments in other sectors of our economy of larger scale Yukon companies, but by reducing the percentage of payroll to 25 percent, again, it was specifically for Air North. I will say that on the floor of the Legislative Assembly, because that is an important credit that we need to consider if we are going to allow them to continue to do the great work that they've done in the past as far as investment opportunities for Yukoners.

Those two test changes are based on our larger air provider, but again, these do not decrease the availability of these funds for other Yukon businesses; it just allows Air North to apply.

Ms. Hanson: Is there a limit for any one entity or company to apply for it in a year? I am assuming — again, the minister can correct me if I'm wrong — that there is an annual cap to the tax credit that's available. We are not going to have an unlimited tax credit; we have a limit to it. The minister can clarify what that annual tax credit room is and whether or not there is a limit that any one entity or company can use of that cap.

Hon. Mr. Silver: Again, there is a four-year rolling limit of \$4 million. In that time frame, any company can apply to up to \$4 million.

Ms. Hanson: So, if a company applies for \$4 million, does that mean it is gone for the four-year rolling period?

Hon. Mr. Silver: Yes.

Ms. Hanson: I guess my question is very straightforward, then: How does that deal with the diversity that we are trying to build in this territory? He has mentioned that this is available to hoteliers. Does that mean that the big chains are going to be able to come in here and use our tax credit to allow them — who are already making a whack of money elsewhere? Would Apple be able to come here and avail themselves of the tech sector that he mentioned as part of this investment tax credit?

Hon. Mr. Silver: Again, if Apple decided to come up here and put a headquarters in Yukon, then, again, if they had

25 percent of their payroll in Yukon, that would be pretty interesting, but again, there are parameters set out here. We recognize that a lot of this is going toward Air North. Again, that rolling average will be reconsidered after a time frame, but, yes, if companies did adhere to the new qualifications of this small business investment tax credit, they too would be able to apply.

Ms. Hanson: I think that this will provide a significant requirement for oversight in terms of ensuring that there is fairness and equity and in terms of it not just being gobbled up by one company — \$4 million. If I'm hearing the minister correctly — if somebody indicates that they are going to need the \$4 million, that is the cap and it's gone, so we have created that one purpose, as the minister said.

I will move on.

The *Budget Measures Implementation Act, 2020* also provides, in section 12, for the reduction in the research and development tax credit from 15 percent to 12 percent. I understand, and the minister can explain — we raised some concerns about that in the briefing last week. Mainly, we raised those concerns because we were concerned that, in 2020 — for a budget for these two years — it gave the wrong signal — to be suggesting that a territory that is talking about, as the minister just did, the importance of the tech sector and that we would be reducing the research and development tax credit. So, we did some checking around and checked to see who in the broad community was aware of this and we found nobody who was. We're curious as to what consultation was done in advance by anybody in the government with respect to the reduction of the research and development tax credit.

Hon. Mr. Silver: We do have an amendment and so what we will do is, as we get to that line in the bill, we will be putting an amendment in. Again, with the quick conversations that we're having here and the lion's share of these budget measures having not a lot of necessarily — well, by the opposition wanting us to get this out the door and we appreciate that.

I will say that, when it comes to the research and development and tax credits specifically — since 2017, Yukon and Canada have lowered the tax burden on all businesses to begin with. We'll start with that. Experience has shown that few Yukon companies have ever actually qualified for this credit that we're speaking of on the floor of the Legislative Assembly — a couple of southern companies, basically. So, lowering the tax rate and broadening the tax base is a better strategy, in our minds, for local business product development. Yukon is supporting that diversification in these measures and innovation in many ways outside of the tax system.

Examples include support for things like YuKonstruct, the Innovation and Entrepreneurship program at Yukon College — to name a few programs — where we've also provided \$2 million to the Yukon First Nation Investment Corporation to develop a local entrepreneurial investment capacity-building program. We're trying to use modern processes to hone in on programs, services, reliefs, and tax benefits to local businesses and that's part of this budget implementation act.

Again, when it comes to the specifics of the research development tax credit, not a lot of Yukon companies are applying for it. Yukon is the only territory to offer this credit to begin with. The Yukon's credit is one of the highest in Canada, even after these changes — going from 15 down to 12. That's worth remarking on again. Still, we are the only territory that offers it and still one of the highest in Canada to offer these incentives — these credits.

Individuals receive 15 percent and corporations receive 12 percent in eligible expenditures. An average of five percent is recoverable if research is done in conjunction with the college. This basically compares favourably with BC and Saskatchewan; they are both at 10 percent. We are at 12 percent, if we were going to do these changes. Alberta cancelled their credit completely on January 1, 2020. Manitoba is at 15 percent, but only half of that amount is generally refundable.

Again, we believe that these changes were still keeping us at the higher level right across Canada. We are the only territory to offer these types of credits. Ontario has multiple programs, but the most similar to Yukon offers a credit of only eight percent. With our reduction from 15 to 12, we still believe that we have one of the stronger credit programs in the nation. What we would like to see is focusing and targeting our tax credit on local companies. That is mostly what we are doing.

With all that said, I do take from the NDP question about consulting when it comes to this — subsequent to this, when we did the changes from 15 percent to 12 percent for our corporate tax rate, this should have been applied, but it was one of those oversights. It wasn't applied at that time.

So again, I am happy to have that conversation with Yukon businesses. I am also happy to amend Bill No. 8 so that we will take these changes directly out and have that opportunity to consult with Yukoners to let them know exactly where we stand on that particular measure.

Ms. Hanson: I don't think we can understate that we are happy and gratified that the government has recognized that there is a need to actually do that consultation, but I do point out that we've been having this conversation over the last week and a bit since the House came back — that we are in a really uncertain time. We have seen the stock markets collapse. We have seen mineral prices collapse. This is not the time to follow the lead of Alberta. For goodness sake, look at the gaming industry there when they got rid of this credit. Why would we do that? Research and development, Mr. Deputy Chair. The Atlantic is also keeping its research and development tax rate at 15 percent.

If we look at comparing us with Nunavut and the Northwest Territories, I think Yukon has considered itself a leader — and rightly so — over the last number of years with respect to the number of innovative and tech companies that are trying to make it here.

One of the big concerns that is there — and I am sure that the minister will find this when he and the Minister of Economic Development finally do consultations with folks in the tech sector — is that many of these young entities — first of all, it is one thing to say that you are going to reduce

corporate taxes, but you have got to have income to tax — same with personal income tax. So, a lot of these young — I say “young” because they are young and not necessarily the proponents — but if you look at the history and the length of time that some of these entities have been around in terms of developing and doing the research and development leading toward a viable business that would be based in the Yukon, if we scare people away by not supporting them at the critical stages, they have to work hard now to combine their Yukon tax credit with the federal scientific research and economic development tax credit. I may have the wrong title for that, but I think that is roughly what it is called.

What we’re seeing is that this is a — the question is — at that stage of your business, some companies, some entities, are going to be forced with a choice of: Is it here that we stay? Or do we go someplace else to try to make this work? Because if we can’t get the support that we need here, I question how strong the commitment is to actually going beyond being a grants program, as opposed to actually getting and facilitating the development of businesses that could become viable.

That is what we have seen across the board. Actually, it is kind of funny because I used the wrong — probably — example of Apple, but when you think about it, even Apple started with research and development support; it didn’t do it on its own. It wasn’t Bill Gates’ brain that got all the money — it was because government was there with the patient capital. So, we are not talking about patient capital here; we are talking about a tax credit.

I just really hope that, when we see the amendment today and when we see the follow-up on it from the government over the next short while, that the consultation will be full and that it will involve as many people as possible who are currently — and I get the point that there is a small number of people who are actively involved in this, but that is the way it is. The private sector is relatively small in this territory. The folks who are doing this advanced kind of research and development are smaller yet. That doesn’t mean that we don’t need to support them by whatever means we have. If a tax credit is how we do it, then I am encouraged that the government is willing to take a breather on this and remove it from the *Budget Measures Implementation Act, 2020*.

When we go through it line by line — the minister has just made a couple of comments with respect to the Financial Advisory Panel as one of the driving forces behind this. There are some comments from the Financial Advisory Panel report that contradicts some of the assumptions with respect to the rebates on the fuel oil tax and the carbon tax. We will come back to that when we get to line-by-line debate — just to give the minister a bit of a heads-up that there is somewhat of an inconsistency there in terms of the government’s intent vis-à-vis the overall objective with respect to climate change.

For now, I think those are the key areas that I had wanted to raise. We had asked a number of other questions in the briefing, but I think most of those were addressed in the briefing. I am speaking to the issue of how they are going to establish the regulations for determining proportional payments

to First Nations and municipal governments — but we are prepared to move on, Mr. Deputy Chair.

Hon. Mr. Silver: Again, just to get a bit more clarity on who is benefitting from this credit as it currently stands: In the last two years, 14 companies have applied, making 22 different claims, but 80 percent of those are firms that are outside of the Yukon. They are not Yukon companies. Again, the member opposite said not to follow the lead of Alberta. We are not. We are just simply saying that having this reduced from 15 percent to 12 percent still keeps us at the top of the pack when it comes to incentives in the nation. There are no other incentives in the other territories.

Yes, we are leading because we already have this credit. I take the member opposite’s criticism on that, but we are leading. The rates at which we are offering this — if it does go down to 12 eventually — are still leading Canada for these initiatives. Add on to that the partnerships that we have had with the First Nation development corporations to make Panache a reality, the YuKconstruct through the Deputy Premier, and his work through Economic Development to help support tech companies. We are absolutely honing in to make sure that the monies that we offer through taxpayers’ dollars are maximized for Yukon businesses and for those who want to join Yukon businesses as well.

The member opposite talked a bit about the First Nation tax credit. Again, the *Budget Measures Implementation Act, 2020* is proposing very minor technical amendments to that First Nation tax credit, and these changes are in response to a request from Canada to improve the clarity of the act with respect to the tax credits that do not impact the First Nation tax credits.

I hope that adds a little bit of clarity as to the current subscription to the research and development tax credit and also to the implementation of changes to the First Nation tax credit.

Deputy Chair: Is there any further debate on Bill No. 8, entitled *Budget Measures Implementation Act, 2020*?

Seeing none, we will move to clause-by-clause debate.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

On Clause 10

Ms. Hanson: I would just like to have confirmation with respect to clause 10(3)(d). Is the intention here — is it the wages and salaries — does the corporation have to be headquartered in Yukon? Or is it just that salaries and wages of 25 percent of its employees is attributable to duties performed by employees in the Yukon?

Hon. Mr. Silver: Looking at 13(1)(a) will bring some clarity to that question. Throughout the taxation year, that includes the time that the corporation — private corporation or cooperative corporation — with a head office in Yukon. So, specifically for a head office being in Yukon.

Clause 10 agreed to

On Clause 11

Clause 11 agreed to

On Clause 12

Hon. Mr. Silver: After conversation with the opposition, I move an amendment at this point.

Amendment proposed

Hon. Mr. Silver: I move:

THAT Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be amended by deleting clause 12 at pages 9 and 10 and by renumbering the later clauses, and any cross-references to them, accordingly.

Deputy Chair: The amendment is in order.

It has been moved by Mr. Silver:

THAT Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be amended by deleting clause 12 at pages 9 and 10 and by renumbering the later clauses, and any cross-references to them, accordingly.

Ms. Hanson: I thank the Minister of Finance for acknowledging the concerns that have been raised and for making the amendment, as outlined here. I would also like to thank the officials — everywhere from the Clerk's Office to, I'm sure, the Department of Finance, and others — who scrambled to facilitate getting this done in time for us to be able to achieve the objective of the government, which is to see the passage of this *Budget Measures Implementation Act, 2020* and also to address concerns raised within the general research and tech community, that this would benefit from further conversation.

Deputy Chair: Is there any further debate on the amendment?

Amendment to Clause 12 agreed to

Clause 12, as amended, agreed to

On Clause 13

Amendment proposed

Hon. Mr. Silver: I move:

THAT Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be amended in clause 13, at page 11, by deleting subclause (5).

Deputy Chair: The amendment to clause 13 of Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, is in order.

It has been moved by Mr. Silver:

THAT Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be amended in clause 13, at page 11, by deleting subclause (5).

Amendment to Clause 13 agreed to

Clause 13, as amended, agreed to

Ms. White: Pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all remaining clauses and the title of Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, read and agreed to.

Unanimous consent re deeming all remaining clauses and title of Bill No. 8 read and agreed to

Deputy Chair: Ms. White has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all remaining clauses and the title of Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, read and agreed to.

Is there unanimous consent?

All Hon. Members: Agreed.

Deputy Chair: Unanimous consent has been granted.

Clauses 14 to 28 deemed read and agreed to

On Title

Title read and agreed to

Hon. Ms. McPhee: Mr. Deputy Chair, I move that you report Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, with amendment.

Deputy Chair: It has been moved by Ms. McPhee that the Chair report Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, with amendment.

Motion agreed to

Hon. Ms. McPhee: Mr. Deputy Chair, I move that the Speaker do now resume the Chair.

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Mr. Adel: Mr. Speaker, Committee of the Whole has considered Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, and directed me to report the bill with amendment.

Speaker: You have heard the report from the Deputy Chair of Committee of the Whole.

Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

Unanimous consent re proceeding with third reading of Bill No. 8, *Budget Measures Implementation Act, 2020*

Hon. Ms. McPhee: Pursuant to Standing Order 14.3 and Standing Order 55(2), I request the unanimous consent of the House to move at this time the motion for third reading of Bill No. 8, entitled *Budget Measures Implementation Act, 2020*.

Speaker: The Government House Leader has, pursuant to Standing Order 14.3 and Standing Order 55(2), requested the unanimous consent of the House to move at this time the motion for third reading of Bill No. 8, entitled *Budget Measures Implementation Act, 2020*.

Is there unanimous consent?

All Hon. Members: Agreed.

Speaker: Unanimous consent has been granted.

GOVERNMENT BILLS

Bill No. 8: *Budget Measures Implementation Act, 2020* — Third Reading

Clerk: Third reading, Bill No. 8, standing in the name of the Hon. Mr. Silver.

Hon. Mr. Silver: I move that Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Mr. Silver that Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, be now read a third time and do pass.

Hon. Mr. Silver: I'm very pleased to introduce Bill No. 8, entitled *Budget Measures Implementation Act, 2020*, for third reading. I want to thank the members of the Legislative Assembly on both sides of the House for the expeditious process today. I think that this is an extremely important bill to get put forward in light of where we are with COVID-19.

Again, thank you to the opposition for unanimous consent to get into third reading here.

I believe that, with lower taxes, employers can invest in marketing, training, and innovation to create more good jobs in Yukon, and I'm very pleased to see this coming to pass with the passing of this bill.

Effective January 1, 2021, the government will lower the small business corporate tax rate from a rate of two percent to zero percent. In the 2021-22 year, the first complete fiscal year following the implementation of the new tax, Yukon businesses will see a reduction of the corporate tax bill of approximately \$2 million annually. Personal income tax revenue will increase by an estimated \$1.2 million annually. This is due to the automatic reduction of the dividend tax credit that will result from the changing of the corporate tax rates. That's pretty exciting news for Yukoners and Yukon businesses.

Therefore, Mr. Speaker, the net impact of the changes of the *Income Tax Act* in 2018-19 would be approximately \$800,000 in savings for Yukoners and their businesses.

Mr. Speaker, we are streamlining the business investment tax credit with the goal of having it fully subscribed, and the legislation effectively limits what the program could cost the treasury to \$1 million per year. Historic costs have been about

one-tenth of this limit. We want Yukoners to invest in local Yukon businesses, and that is what we are seeing through this bill.

The *Budget Measures Implementation Act, 2020* is revenue positive in the amount of approximately \$1 million per year for Yukoners because it also amends the *Insurance Premium Tax Act*. Effective January 21, 2021, the rate of tax on insurance premiums will change to four percent from the current rates of either two percent or three percent, depending on the type of insurance. Moving to a simplified approach of having a single premium rate, a rate that is more representative of the rates charged elsewhere, will provide approximately \$2.6 million in additional revenue.

Again, Mr. Speaker, I do really sincerely want to thank the opposition parties for moving forward on our budget bills, and our budget measures implementation bill as well in light of the current situation with COVID-19. Again, it's amazing what we can get accomplished when we are working together. I want to thank the Clerk's office and you, Mr. Speaker, for helping in this endeavour and also all of the public servants who really have rallied not only today with the movement of these bills but in the last couple of weeks and the last couple of months when it comes to dealing with something that is unprecedented in Yukon history as far as preparedness for this infectious disease that is on everybody's mind.

With that, Mr. Speaker, thank you very much.

Speaker: Is there any further debate on Bill No. 8 at third reading?

Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hassard: Disagree.

Ms. Van Bibber: Disagree.

Mr. Cathers: Disagree.

Ms. McLeod: Disagree.

Mr. Istchenko: Disagree.

Ms. Hanson: Agree.

Clerk: Mr. Speaker, the results are nine yea, five nay.

Speaker: The yeas have it. I declare the motion carried.
Motion for third reading of Bill No. 8 agreed to

Speaker: I declare that Bill No. 8 has passed this House.

**Bill No. 203: First Appropriation Act 2020-21 —
Second Reading — adjourned debate**

Clerk: Second reading, Bill No. 203, standing in the name of the Hon. Mr. Silver; adjourned debate, Hon. Mr. Mostyn.

Hon. Mr. Mostyn: Mr. Speaker, to expedite the work of the House this afternoon, I have decided to conclude my remarks.

Speaker: Is there any further debate on second reading of Bill No. 203?

Mr. Cathers: Thank you, Mr. Speaker, I will be much shorter than I had originally planned in speaking to the budget here in light of the rapid developments in the Yukon and neighbouring jurisdictions, as well as worldwide, related to COVID-19. In the interest of expediting debate that we discussed, I will take some of the items that I intended to include in my speech at second reading and follow up with ministers via letter. That includes both constituent issues and department issues related to my critic roles, so I will again be relatively short in my remarks here.

I would just reiterate the concern that we had flagged previously last week in raising the issues around the COVID-19 pandemic with the government, that it seems that the government had been oblivious to what was going on around the world around us and didn't really expect this pandemic to affect the Yukon — or so it seems.

The budget speech repeatedly bragged about economic growth for this fiscal year and, in the budget and the fiscal and economic outlook, the Premier predicted 6.2-percent growth in gross domestic product this year, spending part of last week trying to defend that prediction before apparently recognizing now that, indeed, the world has changed as a result of both the health and the economic impacts related to the COVID-19 pandemic.

In terms of that, I am just going to briefly speak to that because it is the most top-of-mind issue that we are dealing with right now. It is a very important one, and as we know from Dr. Hanley, our chief medical officer, as well as public health officers across Canada, the United States, and around the world, it is a very serious matter that should be dealt with calmly but needs to be responded to with thoughtful and appropriate actions — also that those actions can mitigate both the health and economic impacts.

In terms of the government's readiness, I would point out that pandemic planning was done a couple of times during my time in government. It seems that, until recently, the government has not dusted off the work that had been done, recognized the fact, nor been ready for the likelihood of COVID-19 causing impacts here in the Yukon. I would just note that, in speaking to that, there are a few things that I would encourage the government to step up their game on. These include both internal and external communications. One of the lessons learned from SARS in Ontario was the importance of those internal and external communications. In the absence of government communicating effectively and regularly with municipalities and First Nations, this can lead other

government leaders to contradict the messages coming from public health. In the absence of it communicating clearly with its own employees, there can be significant fears on the part of its staff about what the effects may be on their families.

It is important as well for government to improve its communications directly with other Yukoners, including Yukon businesses in areas such as retail, restaurants, tourism, et cetera, about the steps they can take to reduce the risk of the spread of COVID-19, as well as to improve sanitation in those areas — for example, what steps they may wish to take if they have a staff member or customer who is either suspected to have COVID-19 or has recently come from outside Canada within that time period and has now been recommended for a 14-day quarantine.

It is important as well that others who I have heard from who have not been hearing the messages directly from government — that they should have included non-governmental organizations, churches, and communications with municipalities — as I mentioned before, they have not been as strong as they should have been. Government also needs to recognize the importance of communicating with Emergency Medical Services, including especially its own staff and to supervisors and others in rural Yukon, to make sure that they are both provided with up-to-date information and protocols and that they know who to contact if they have questions. The same would apply to fire departments.

I would note that the government seems to be just now, from what we are hearing from employees, figuring out the very important question of who can work from home and avoid going into work. I have heard from staff who advised that they have been told that there is a limit to the number of people who are able to do that due to technical issues related to the government computer system. I would ask if the Premier or other members could confirm that and indicate what it is. It seems as well that government has been slow to build its surge capacity through reaching out to retired senior staff and others from Health and Social Services, Community Services, and other departments. Of course, I would hope that they are reaching out as well to retired doctors, nurses, and other health professionals. We would ask that government update us on this work within the coming days.

I would note that I will be following up with government — likely with the Minister of Community Services — with a few names that I would suggest of retired staff who have significant expertise and, I would expect, might be willing to help out — but I won't bring individual names up here in the assembly this afternoon.

I would note as well that, while the message is coming out from the chief medical officer of health — the importance of staff who don't need to be at work to be working at home — I have heard reported from staff that they are needing approval at a deputy minister level before staff in some departments are able to stay home. I would appreciate it if government could clarify what is happening there. This is an area where — as worldwide events were developing, recognizing that recently the events in Canada have taken place rather quickly, the events in China happened more than two months ago, and, at that point

in time, government should have been moving into a preparatory mode and been ready with some of the questions that I am asking for answers to today. I am hearing from the staff and from municipalities and others who are still looking for answers from government because government has so far not been following the best practices learned out of SARS and other pandemic preparedness and really needs to step up its job in terms of that communication.

With that, Mr. Speaker, just in the interest of expediting debate, I would wrap up my remarks, but I would note again, as we did earlier, that we recognize the importance of providing funding for the key areas that government needs to operate in, including the vital importance of investing in the hospital and other parts of our health system, particularly in light of the situation that we are in.

There are areas where we have concerns with regard to the budget, including the very thin budget surplus and the fact that it appears that government may be doing like it did in the 2019-20 fiscal year — bringing in a budget but bringing in significant revisions later on that, if they are as large as they were last year, could potentially take this budget surplus into deficit.

We are also concerned by the growth of net debt overall.

With that, while I would ideally have liked to have gone on longer, in the interest of expediting debate and ensuring that, if an unanticipated disruption occurs, we're able to move forward, I will conclude my remarks and bring up other matters at a later date in debate or via letter.

Speaker: If the member now speaks, he will close debate on second reading of Bill No. 203.

Does any other member wish to be heard?

Hon. Mr. Silver: It's an absolute honour to rise today to speak again to the 2020-21 budget bill. I appreciate the questions and concerns from the opposition as well as the wise words from my caucus colleagues in support of our budget.

I am proud to speak about this budget. We have made good on many of our commitments and continue to make Yukoners' lives better through evidence-based decision-making and responsible spending.

There is a \$4.1-million surplus a year earlier than promised. This budget cuts taxes. Cutting the small business tax rate will save Yukon businesses \$2 million per year.

Changes to the Yukon basic personal amount under the *Income Tax Act* will result in Yukoners saving around \$2.4 million per year as well.

This budget includes major funding for community projects: the completion of the new Carmacks arena; upgrades to the arena in Mayo; new pools in Pelly Crossing and Ross River; completion of a state-of-the-art track and field facility at F.H. Collins Secondary School; a new community centre in Old Crow; a new Tr'ondëk Hwëch'in youth centre in Dawson City; a new skate park in Whitehorse; construction of a new French first language high school; planning for new schools in Whistle Bend and Burwash Landing and many other projects improving health, education, and infrastructure in Yukon communities.

This budget also provides for innovative work in Yukon's housing spectrum and includes: funding for a mixed-use housing project in Whitehorse; multiple-unit housing projects in Old Crow and Carcross; approximately \$27 million to develop residential lots in Yukon communities; and an additional \$30 million is allocated for retrofits to help Yukoners and Yukon businesses make buildings more energy efficient.

The 2020-21 budget builds on the progress that our government has made while laying the foundation for a stronger future for all Yukoners.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hassard: Disagree.

Mr. Kent: Disagree.

Ms. Van Bibber: Disagree.

Mr. Cathers: Disagree.

Mr. Istchenko: Disagree.

Ms. Hanson: Disagree.

Clerk: Mr. Speaker, the results are eight yea, six nay.

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

Motion for second reading of Bill No. 203 agreed to

Hon. Ms. McPhee: I move that the Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

Bill No. 203: *First Appropriation Act 2020-21*

Deputy Chair: The matter now before the Committee is Bill No. 203, entitled *First Appropriation Act 2020-21*.

Hon. Mr. Silver: Of course, as you can imagine, I have notes prepared for Committee of the Whole general debate, but after talking with the House Leaders, we have all decided — all three parties — to go past the general debate and get ourselves directly into the departments specifically. I want to thank the opposition members for that decision, and I will cede the floor.

Mr. Kent: Yes. Just to echo what the Premier said, as part of our expediting some of the important bills that are before this House in this Spring Sitting, we've agreed to stand down on general debate and move into departmental debate. I thank members for that.

Deputy Chair: Seeing no more general debate, we will now move into the votes on Bill No. 203, entitled *First Appropriation Act 2020-21*.

The matter before the Committee is Vote 51, Community Services. We'll just take a minute for the people to move in and then we'll get right to it.

Department of Community Services

Deputy Chair: Is there any general debate on Vote 51?

Hon. Mr. Streicker: I am happy again to welcome back Deputy Minister Matt King and our director of Finance, Mr. Phil MacDonald.

I will just make a few very, very brief opening remarks and then hopefully get into conversation with the members here. First of all, this is a large budget for Community Services. Over the past couple of years, we have been building up — not so much on the operation and maintenance side but more on the capital side. The two big drivers there are infrastructure development and land development.

This year, we have \$100 million going into our capital budget. These are significant increases over time, and they represent a real investment both in infrastructure across all of our communities and in the development of land. On the operation and maintenance side, the budget is a total of \$117 million. The big difference there this year will be around wildfire and how we address wildfire. Overall, the budget for wildfire is, I believe, \$21.6 million this year. We are putting a lot of money into prevention, and we are dealing with reducing the risk of wildfire up front and working not only with our own department but with our partners, the First Nation wildfire crews.

That is just a super high-level overview, Mr. Deputy Chair, and I look forward to getting into questions and responses from the members opposite.

Mr. Cathers: In keeping with the discussions earlier, I will be shortening the questions from what we had originally envisioned asking in this area.

I would like to begin by thanking the minister. I am pleased to see that the budget includes funding for something that we have been championing as the Official Opposition — targeted harvesting, in and near communities, of trees to reduce the wildfire risk. We have seen reference in the budget speech — and the minister made mention of it — to funding for fuel management fire mitigation projects and extending the season for First Nation crew members.

Can the minister please tell us how much funding is for fuel management and how much is for fire mitigation? What is there in terms of funding for extending the season for First Nation crew members? If he doesn't have that information at his fingertips, will he commit to getting back to us at a later date?

Hon. Mr. Streicker: So, there are a few numbers that I will share across. The first one is nearly \$1.3 million, which is different from previous years, on fuel management for mitigation of the fire risk. We also have added about \$400,000 to extend the season. That is \$400,000 for First Nation crews so that they come on sooner and leave later. There is another \$100,000 for planning work around fuel reduction over time.

So, it's about working to look at all of our communities and how to plan to reduce the fuel load around each of the communities.

Mr. Cathers: Mr. Deputy Chair, I thank the minister for that answer and look forward to hearing more details later. I would hope that he could get back to us with a legislative return identifying the projects in areas that this targeted harvesting work is being done.

I am going to move to another area, which is the one of course that is very top of mind for everyone right now, which relates to COVID-19 and the advice and recommendations that have come from the chief medical officer of health regarding new actions that were just issued. It is advice and direction, I should say, that the chief medical officer issued this morning and which does require action on the part of government. I also understand that the Emergency Measures Organization, which of course is under Community Services, has a role in responding to this and in coordinating parts of the government response. Based on my understanding from the briefing we had from officials, the EMO is the emergency coordination centre and the medical health coordination centre was activated on January 28. I understand that there is a human resource and a command team working on the issue of preparedness.

Can the minister please tell us what steps are being taken currently by his department, particularly within the areas of EMO, to deal with the response to this pandemic? What work are they doing both publicly and with other government departments, as well as with municipalities and First Nations?

Hon. Mr. Streicker: The answer is that the Emergency Measures Organization is involved in several ways. First of all, based on our overall pandemic coordination plan, we've been working since the end of January — I think, the 28th of January, when the health emergency operation committee first got up and running.

We, today, operationalized — or put in place — the emergency coordination centre in support of the health emergency operation centre overall to support the business continuity of essential services across government. There are all sorts of activities that the group is undertaking. For example, the executive committee on pandemic preparedness has been underway for a week or weeks right now. We also have a critical infrastructure management team working. We have the human resources management team working. We have the pandemic communications subcommittee working.

I met with the team last week to discuss other critical infrastructure around the territory. For example, the Minister of Health and Social Services spoke earlier today about phone lines and how to make sure that they were supported. That was one of the conversations. We have had calls to both municipalities and First Nations — both at the communications level and at the government level — and, of course, the Minister of Health and Social Services did calls as well with all of the First Nation health centres in coordination with health centres across the territory.

We had another call today with municipalities and First Nations to discuss communications. So, the answer, I guess, is that it's in quite a suite of ways that we are working to coordinate through the emergency operations department across all of government and the territory.

Mr. Cathers: Earlier when I was speaking to the budget at second reading, I expressed concern of areas where it seems that some of the lessons learned from the SARS pandemic and the mistakes that were made in that seemed to have been forgotten in the government's response to date. Those pertain especially to internal communication and external communication, including with other levels of government.

I have heard concerns, as have my colleagues, about lack of communication with municipalities and First Nations. Could the minister indicate whether he has personally contacted mayors to discuss the issues related to this pandemic, and, if not, when he plans to do so? Could he indicate whether he or another of his colleagues has reached out to First Nation chiefs to discuss this pandemic?

Hon. Mr. Streicker: The answer to both questions is yes. I personally was on a call this past Friday, I believe, where all municipalities were present. I can't say that all mayors were there but most were there.

Thanks to the chief medical officer of health, who has been doing a tremendous amount of work. He was part of that call as well. We hit the end of the scheduled time for the call and he had other obligations, but we stayed on the line with mayors and councils and took a list of extra questions, which we have passed back through the chief medical officer of health's office.

I think the other question that the Member for Lake Laberge had was: Have we been speaking with First Nation chiefs and councils? Again, the answer is yes. It has not been Community Services that has led that, but we have had one joint call, I believe, today with both First Nations and municipalities to discuss communications, but I do know that there was a call again last week where the First Nations were all involved.

I believe that there was also — as part of our ongoing four-times-a-year meetings with First Nations through the Yukon Forum, we have established a communications protocol. As soon as things were starting to ramp up with COVID-19, the Premier directed that this be the tool that is used to communicate with our First Nation partners.

Mr. Cathers: I am not going to spend too much time on this point in the interest of time, but it is an important one. I would point out that meeting four times a year — or whatever the number is — with mayors or with the Yukon Forum, while those are valuable venues, in a rapidly developing situation like

the COVID-19 pandemic, it is important that communication both at a department level and at a leadership level — by that, I mean a ministerial or Premier level — with other levels of government in the territory occur regularly so that they are apprised of those developments and so that they are aware of who they can talk to if they have questions.

I am simply pointing that out to the minister and his colleagues because that was one of the lessons learned from SARS when I was Minister of Health and Social Services and then the Yukon government's lead in participating in the federal-provincial-territorial work around pandemic planning. One of the important lessons learned from SARS was that communication failures internally and externally had resulted in unnecessary health and economic problems. To date, government has been making some of the same mistakes. I recognize that people are working hard at trying to correct problems, but I do feel obliged to identify where there have been problems and encourage government simply to correct them going forward. I am sure that the minister as well as department staff are all doing their level best, but I would be remiss if I did not point out an opportunity for improvement because it is a very important one.

Mr. Deputy Chair, there seems to have been a delay in determining which staff can work from home in government departments. I know that I have been receiving questions, including today — both this morning and this afternoon — from staff who have not heard yet who can work from home and who cannot. There have been concerns from people about situations involving individuals in the workplace who may have had a cold and causing concern for people about the potential risk to themselves. There seems to be a lack of information and, for some people, concern because of that lack of information.

So, can the minister confirm: Is it correct that departments are just now determining which staff can work from home? If that is the case, can he indicate why that work wasn't done earlier — for example, in January after the serious news coming out of China made it evident that this could potentially become a worldwide problem?

Hon. Mr. Streicker: First of all, I thank the member opposite for his suggestion that there should be regular communications. I completely agree, and that was the purpose of today's call with municipalities and First Nations. It was how to establish regular communications and how we would work both in hearing from our communities and in sharing information back to our communities, so I thank him for that suggestion.

Since the end of January, as I have already described, when the health emergency operations centre first got up and running, the Emergency Measures Organization has been working to support all departments in developing their business continuity plans and looking at essential services, including work-from-home provisions.

One of the things that I will say is that it is active work. For example, as the chief medical officer of health elevates certain rules around us, then the conditions change and we actually go then and revisit what that means for various departments. We are working closely, for example, with the Public Service

Commission around their work with the whole of government. As I mentioned earlier, there was a whole subtheme developed under the pandemic coordination plan around human resources. That group is active at all times.

We didn't start from zero. There was work, as the member opposite noted, previously with the pandemic coordination plan that came both under SARS and H1N1. That work was pulled out and then amended or adapted because COVID-19 represents a different set of conditions that we need to adjust to.

I will also say that the situation is ongoing and fluid. The work is across government and is well supported by the Emergency Measures Organization, and I'm happy to answer further questions.

Mr. Cathers: At this point in the process, I don't think that there's a lot of point to spending too much time reflecting on the past, but I would just express the concern to the minister that it seems that, both with regard to the staffing plan and some of the work that is being done now, it does seem to me that it should have been done a couple months ago, once the situation was developing.

That being said, we are where we are, and I recognize that staff of multiple departments, as well as the Yukon Hospital Corporation and other corporations within government, are working hard to do what they can to get ready.

I would just ask the minister with regard to that: When do they expect to have a clear sense of which staff can work from home, and when do they expect to be able to roll that out?

Secondly, I have heard from a government employee that, because of computer network issues, there is a limitation on how many government staff can work remotely. Their understanding is that it was thought to be only 700 staff who could work from home due to network capacity.

Could the minister please confirm whether or not that is correct, or if that number that was passed on to me was a misunderstanding on the part of the person who passed that information on?

Hon. Mr. Streicker: As I mentioned earlier when I was listing off what the Emergency Measures Organization is doing, they have these various teams that they are working with. I said that one of them is the human resources team. For example, they have been working very closely with the Public Service Commission. Another one of those teams is the critical infrastructure team. They work, again, to support being able to work remotely from homes.

First of all, the Member for Lake Laberge is correct in that the number of people we are able technically to support through a remote login is 700, but all of our staff can work to get their e-mail remotely and can work through SharePoint. Work can continue. As well, I understand from a brief conversation with the Minister of Highways and Public Works that there are extra servers that are on their way here. My understanding is that, within a short period of time, we expect to be able to accommodate 50 percent of government staff working and logged in remotely.

As I have been saying, the work has been ongoing — well, I will put the timeline as the end of January when we first identified a case in Canada of COVID-19. That was sort of the

trigger, and the Emergency Measures Organization has been working all along. Given the announcement today by Dr. Hanley, the chief medical officer of health, the decision was taken to put in place the emergency coordination centre.

Mr. Deputy Chair, noting the time, I move that you report progress so that we can welcome the Commissioner in for assent for Bill No. 8.

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

Motion agreed to

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

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

Motion agreed to

Speaker: I will now call the House to order.

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

Chair's report

Deputy Chair: Mr. Speaker, Committee of the Whole has considered Bill No. 203, entitled *First Appropriation Act 2020-21*, and directed me to report progress.

Speaker: You have heard the report from the Deputy Chair of Committee of the Whole.

Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

We are now prepared to receive the Commissioner of Yukon, in her capacity as Lieutenant Governor, to grant assent to a bill which has passed this House.

Commissioner Bernard enters the Chamber announced by the Deputy Sergeant-at-Arms

ASSENT TO BILLS

Commissioner: Please be seated.

Speaker: Madam Commissioner, the Assembly has, at its present session, passed a bill to which, in the name and on behalf of the Assembly, I respectfully request your assent.

Clerk: *Budget Measures Implementation Act, 2020.*

Commissioner: I hereby assent to the bill as enumerated by the Clerk.

Commissioner leaves the Chamber

Speaker: I will now call the House to order.

Please be seated.

Hon. Ms. McPhee: Seeing the time, I move that the House do now adjourn.

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

Motion agreed to

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

The House adjourned at 5:23 p.m.