



# Yukon Legislative Assembly

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## HANSARD

Tuesday, October 17, 2023 — 1:00 p.m.

Speaker: The Honourable Jeremy Harper

# YUKON LEGISLATIVE ASSEMBLY

## 2023 Fall Sitting

**SPEAKER** — Hon. Jeremy Harper, MLA, Mayo-Tatchun  
**DEPUTY SPEAKER and CHAIR OF COMMITTEE OF THE WHOLE** — Annie Blake, MLA, Vuntut Gwitchin  
**DEPUTY CHAIR OF COMMITTEE OF THE WHOLE** — Lane Tredger, MLA, Whitehorse Centre

### CABINET MINISTERS

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

### OFFICIAL OPPOSITION

#### Yukon Party

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

### THIRD PARTY

#### New Democratic Party

Kate White	Leader of the Third Party Takhini-Kopper King
Lane Tredger	Third Party House Leader Whitehorse Centre
Annie Blake	Vuntut Gwitchin

### LEGISLATIVE STAFF

Clerk of the Assembly	Dan Cable
Deputy Clerk	Linda Kolody
Clerk of Committees	Allison Lloyd
Sergeant-at-Arms	Karina Watson
Deputy Sergeant-at-Arms	Joseph Mewett
Hansard Administrator	Deana Lemke

**Yukon Legislative Assembly**  
**Whitehorse, Yukon**  
**Tuesday, October 17, 2023 — 1:00 p.m.**

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

*Prayers*

**Speaker's statement**

**Speaker:** Yesterday, the Government House Leader stood on a point of order after the Leader of the Third Party moved the amendment to the motion for the second reading of Bill No. 29, *Act to amend the Elections Act (2023)*.

I stated that the amendment was in order but committed to providing further clarification today.

The Government House Leader cited Standing Order 57(3), which states that a bill may be committed to a select committee after first reading. That Standing Order was not applicable in the circumstance. The relevant Standing Order for the amendment proposed by the Leader of the Third Party is Standing Order 57(4): "Unless otherwise ordered by the Assembly, when a Government Bill or a Private Member's Bill is read the second time, it stands ordered for consideration by Committee of the Whole."

By adopting the amendment to the motion for second reading, the Assembly ordered that, after second reading, Bill No. 29 be referred to the Members' Services Board instead of standing referred to Committee of the Whole.

I hope that this clarifies the matter for members and I thank members for their attention to this statement.

**DAILY ROUTINE**

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

Introduction of visitors.

**INTRODUCTION OF VISITORS**

**Hon. Mr. Pillai:** Mr. Speaker, I would like to welcome a number of distinguished guests we have here with us today. They are here to support us in our tribute that we will be giving in a few minutes. I would like to welcome: Bonnie Venton Ross, president of the Rotary Club of Whitehorse; Bruce Ross, Rotarian; Lois Craig, Rotarian; Ramesh Ferris, Rotarian and polio survivor; Adele Collingwood, Friend of Rotary; Lee Pigage, Rotarian; as well as Brent Collingwood, Rotarian.

Thank you all for being here with us today.

*Applause*

**Hon. Mr. Mostyn:** Mr. Speaker, we have several people here today for our tribute to Canadian Library Month. We have Alison Lindsay, who is the circulation supervisor; we have Rachel Travis, a librarian; we have Summer Xuan, an administrative assistant; we have Naomi Collins, a library technician; and we have Winnie Hoe, a library assistant.

Please join me in welcoming them to the House today.

*Applause*

**Speaker:** Are there any tributes?

**TRIBUTES**

**In recognition of World Polio Day**

**Hon. Mr. Pillai:** Mr. Speaker, today I rise to pay tribute to World Polio Day, which is on October 24. World Polio Day is a global day to raise awareness and resources for the worldwide effort to eradicate polio.

Poliomyelitis is a highly infectious disease that commonly affects children of five years and younger. It is spread through contaminated water. It attacks the nervous system and, in some cases, leads to paralysis.

People born in the 1940s and 1950s will remember the terrifying images of healthy children going to bed and waking up paralyzed. By the mid-20<sup>th</sup> century, polio killed or paralyzed over half a million people every year worldwide.

There is no cure, but there is a safe, effective vaccine developed by Dr. Jonas Salk in 1955. In 1979, Rotary International began the fight against polio with a multi-year project to immunize six million children in the Philippines. Then, in 1985, they launched PolioPlus to make eliminating polio a top priority.

Mr. Speaker, global polio eradication is a team effort. Rotary is proud to work alongside members of the Global Polio Eradication Initiative. That includes Gavi, the Vaccine Alliance; UNICEF; the US Centers for Disease Control and Prevention; the World Health Organization; the World Bank; and the Bill and Melinda Gates Foundation, as well as governments around the world that have provided more than 2.5 billion children in 122 countries with oral polio vaccine.

Although Rotary and their partners have reduced cases by 99.9 percent worldwide since 1988, their efforts must continue. If not, a global resurgence could happen with as many as 200,000 cases annually over the next 10 years.

Since 1979, Rotary members have contributed over \$2.1 billion and countless volunteer hours to vaccinate nearly three billion children in 122 countries. Rotary International, through the Global Polio Eradication Initiative, has also advocated worldwide for more than \$10 billion in government funding to eradicate polio.

The Global Polio Eradication Initiative has launched a Make Polio History campaign to begin on October 24 to rally existing and new supporters of polio eradication from all over the world to champion the cause.

I encourage everyone who wants to see a world free from polio to join the fight.

*Applause*

**Mr. Cathers:** I rise on behalf of the Yukon Party Official Opposition to recognize World Polio Day, which will take place on October 24. I would also like to thank the visitors here today for attending.

Polio is a highly infectious disease caused by a virus that affects mainly children of a young age. The polio vaccine protects children by preparing their bodies to fight the virus. Almost all children — more than 99 percent — who get all the

recommended doses of the inactivated polio vaccine will be protected from polio.

Polio cases have decreased by over 99 percent since 1988, from an estimated 350,000 in over 125 endemic countries to nine reported cases today worldwide. Of the three strains of polio virus — types 1, 2, and 3 — type 2 was eradicated in 1999 and type 3 was declared eradicated in 2020. However, there is more to be done.

Vaccination is the best way to protect ourselves, prevent the spread of polio, and move toward the goal of eradicating this virus worldwide. In 2019, 92 percent of two-year-old children in Canada had received all recommended doses of polio vaccine. However, higher polio vaccination rates will help to protect people from imported cases of polio from countries where the virus may still be circulating.

I would like to take a moment to recognize Ramesh Ferris, who is no stranger to any of us here, and also the Rotary members in the gallery and Rotary Clubs locally, nationally, and internationally for their continued support of polio eradication and their efforts on it.

The work of Ramesh Ferris has taken him around the world, and he raised awareness through the Cycle to Walk campaign across the country and approximately \$300,000 to fight polio when he pedalled his handcycle from Victoria, BC, to Cape Spear, NL, and 2013 marks 15 years since this journey. We were also pleased to support Ramesh on that journey during our time in government with a donation from Health and Social Services and matching donations by Yukoners up to a specified amount. Ramesh spent time in Afghanistan working with doctors and officials administering vaccinations to children, and he has been honoured with a number of prestigious awards for his work and continues to be one of the most influential polio eradication advocates and activists in the world.

I would like to thank Ramesh, the Rotary members here today and those listening, and everyone involved in the efforts to eradicate polio for their dedicated efforts and contributions to this worthy cause.

*Applause*

**Ms. Blake:** I rise on behalf of the Yukon NDP to pay tribute to World Polio Day. World Polio Day reminds us of the importance of the polio vaccine to protect not only ourselves from the virus but to also protect those around us, including the elderly, children, and babies. World Polio Day also raises awareness about polio vaccination and eradication not only in Canada but also across the globe, while also highlighting and honouring the important work that has been done, and continues to be done, by organizations and numerous advocates who are doing the important work to have a world free from polio.

In 1994, Canada was certified as being free of the polio virus by the World Health Organization. In 2022, the presence of the virus was detected in two waste-water samples, but luckily, there are no reported cases.

When I was younger, I never truly understood what it meant to have polio or the detrimental impacts that can occur to one's physical health due to contracting polio. All I knew at

the time was that we are given the polio vaccine after birth. It wasn't until I discovered that my maternal grandfather lived with polio that I was able to realize how very close this virus is to those around us. I learned that the polio virus has a direct impact on one's nervous system that often causes paralysis. My grandfather lived with partial paralysis on one half of his body due to this virus. Having the privilege of growing up close to my grandfather throughout my childhood without knowing that he was impacted by the polio virus allowed me to witness his physical limitations and health challenges that he fearlessly embraced in his daily life.

Today, I am grateful for the public health system which ensures that all Yukoners have access to the polio vaccine.

Mahsi'.

*Applause*

### **In recognition of Canadian Library Month and Yukon public libraries**

**Hon. Mr. Mostyn:** Mr. Speaker, I rise today to pay tribute to Canadian Library Month and our Yukon Public Libraries. According to American writer Stuart Dybek, the public library is where place and possibility meet. This October, I encourage everyone to explore the possibilities unlocked by their local public libraries. The Yukon is fortunate to be rich with libraries that are at the heart of our communities. They expand our world view and transport us from our remote, northern territory to every corner of the known universe and beyond. Libraries enrich our lives by promoting cultural awareness, providing educational programs, and supporting freedom of expression.

Throughout October, the Whitehorse Public Library will be offering story time on Tuesdays and introducing French story time on Wednesdays. Are you interested in discovering the library's services? Then book a tour and learn how to use and access the library's resources. In Dawson, you can attend Berton House author readings or attend the write club. In Haines Junction, you can join the bimonthly story time or attend Lego club. If you are in Burwash Landing, you can join the Kluane First Nation language programs.

There are so many wonderful in-person events for people of all ages to be involved in. If you can't make it in person, don't worry. Yukon Public Libraries will be hosting an online campaign to highlight their new catalogue, which was introduced in July. This new catalogue allows for automatic renewals, saves reading history, gives reading recommendations, and much more. I encourage you all to go out and explore that.

Our territory not only has 15 public libraries, but we also have the Yukon Public Law Library, the Yukon Archives, the Yukon University Library, and the Energy, Mines and Resources Library, which is celebrating its 20<sup>th</sup> anniversary this year, not to mention all the school libraries in our communities. Each of these facilities is one of a kind with their own resources and programming. Even though each library is unique, what these facilities have in common is the passion of the people who work there. That truly makes a difference to all of our communities throughout the territory. They are the ones

organizing the programming that we enjoy so much and ensuring our access to the books. They are also the ones providing Wi-Fi passwords and creating safe spaces for all walks of life to foster a community connection.

Please join me in thanking the many library staff and volunteers for the amazing work they do.

*Applause*

**Ms. McLeod:** I rise on behalf of the Yukon Party Official Opposition to recognize October as Canadian Library Month. This month, libraries across the country are celebrating the valuable role that libraries play in our communities. Libraries provide access to information and resources, promote lifelong learning for all, and support education and literacy. They are critical to schools and an important resource for families raising young readers.

I understand that the Yukon libraries have made the leap to doing away with fines for overdue books. This is a great step in ensuring that libraries are accessible to all. Without the barrier of fines, individuals can still check out multiple items without the fear of accumulating significant fines if they are unable to make it to the library. Other jurisdictions have implemented this practice and have since seen positive changes in borrowing habits.

Results reported include an increase in patron memberships, including more children and families and entire classes of students, and an uptick in materials returned on time or close to the due date.

I would like to thank the librarians and staff of all of our public and school libraries across the Yukon for their passion and dedication and for the work they do to instill the love of reading in people.

*Applause*

**MLA Tredger:** I rise on behalf of the Yukon NDP to celebrate Canadian Library Month. Libraries are often the hub of our communities. They give people the opportunity to access and share information. They provide parents with the opportunity to share the magic of stories with their children. People can come and read a local or national newspaper, and everyone has access to a computer with Internet.

Public libraries are funded by our community for our community. They are a place for everyone and anyone to access support, knowledge, and tools with no barriers and no cost. They are one of the very few places in our society where you don't have to pay to access a space that is comfy, cozy, fun, and helpful.

Thank you to all of the staff and volunteers who keep our libraries available to everyone.

*Applause*

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

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

## NOTICES OF MOTIONS

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

THAT this House recognizes and thanks Northwestel for 20 years of ongoing support for the Yukon Hospital Foundation:

(1) through their partnership in the Festival of Trees; and

(2) for their recent \$450,000 donation over the next five years in support of the Building Better Together campaign.

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

THAT this House urges the Government of Canada to consult the territorial governments about a northern exemption from the carbon tax.

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

THAT this House urges the Government of Yukon to suspend the fuel tax to support Yukoners coping with record-high inflation.

**Mr. Cathers:** I rise today to give notice of the following motion:

THAT this House urges the Minister of Highways and Public Works to improve safety on the Old Alaska Highway by taking actions including the following:

(1) installing "Children Playing" signage in residential areas;

(2) ensuring that overgrown ditches are brushed to provide better visibility;

(3) improving drainage along the road to prevent more damage caused by standing water;

(4) repairing and maintaining culverts; and

(5) fixing the road surface where damage has occurred.

**MLA Tredger:** I rise to give notice of the following motion for the production of papers:

THAT this House do issue an order for the return of any rental market analyses or related research justifying the creation of the temporary landlord assistance program and its current allocated budget.

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

THAT this House urges the chief medical officer of health to mandate mask requirements in all Yukon hospitals and community nursing stations for staff and visitors while COVID-19 numbers remain high in the Yukon.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to submit comments in support of the Porcupine caribou herd to the US Bureau of Land Management on the draft supplemental environmental impact statement for the Arctic refuge oil and gas leasing program before the submission deadline of October 23, 2023.

**Speaker:** Is there a statement by a minister?

## MINISTERIAL STATEMENT

### ***Cannabis Control and Regulation Act* five-year review**

**Hon. Mr. Silver:** Mr. Speaker, I rise today to recognize the launch of the five-year review of the *Cannabis Control and Regulation Act*.

As you know, cannabis was legalized for recreational use in Canada in 2018, and since then, this government has taken steps to establish regulations around its sale, possession, and consumption.

The *Cannabis Control and Regulation Act* ensures that Yukoners have the option to purchase and consume cannabis products if they so wish. It also provides the Yukon's licensed retailers with a clear legislative framework to serve those individuals who choose to consume.

The act mandates a review every five years, and I'm happy to announce that the Yukon Liquor Corporation has kicked off that review today, October 17. The five-year review will determine whether the legislation remains responsive to the health and safety of Yukoners while also continuing to ensure support for Yukon's legal cannabis industry. We are seeking input from all Yukoners — including cannabis retailers, First Nations, municipalities, and other stakeholders — on this important subject. This review will assess the effectiveness of the act in achieving its objectives, including restricting youth access, eliminating the illicit cannabis market, and protecting public health and safety overall.

We know that the legal market continues to displace the illicit market, and we want to better understand this action, particularly when it comes to keeping cannabis out of the hands of our youth. For this reason, Yukon youth can also provide responses anonymously through the engagement process. This review will incorporate findings into a report that details recommendations on how to make Yukon's cannabis framework even better. Additionally, the federal government is in the process of carrying out a three-year review of the federal *Cannabis Act*. As our legislation is aligned with the federal act, changes at the federal level may therefore impact our legislation in the future.

Mr. Speaker, we look forward to hearing from Yukoners, listening to their perspectives, and using their valuable feedback to make informed decisions that will serve as a road map for the future of continued cannabis regulation in the Yukon. This government commitment to safeguarding public health and safety, keeping cannabis out of the hands of youth, and displacing the illicit market remains unwavering, and we are dedicated to the task of continuously improving our approach to cannabis control and regulations.

**Mr. Dixon:** I'm pleased to rise in response to this ministerial statement about the review of the Yukon *Cannabis Control and Regulation Act*. I'm happy to see this review being launched today and note that it is being conducted at the same time as the review of the federal *Cannabis Act*.

When legalization was first announced, there was considerable optimism about what it would mean for Canada and, more specifically, what it would mean for the Yukon. However, when we look back at the last five years, we see a very mixed bag in terms of outcomes.

First of all, on the health front, according to the *Canadian Medical Association Journal* commentary, we have seen outcomes such as prevalence of cannabis use, cannabis-related emergency department visits and admissions to hospitals, and cannabis-impaired driving either remaining steady or increasing. The commentary also notes a significant increase in rates of emergency department visits related to cannabis poisoning among children aged zero to 9.

On the other hand, the paper also notes some social justice benefits in the reduction of criminal arrests and charges, as well as an increase in active cannabis users who get their cannabis from a legal and therefore safe source.

On the economic side, the results have been far less positive than many anticipated. In most cases, the difficulties faced by the cannabis industry almost all stem from the government model chosen by both the federal and provincial or territorial governments. Here is what the Cannabis Council of Canada, which represents licensed producers and processors of cannabis, said in their submission to Canada last year: "The reality for most LHs is earning unsustainably low margins, which are the result of continuous price compression compounded by high taxes, regulatory fees, and provincial distributor mark-ups." Here in Yukon, we have certainly heard the industry make very similar complaints about Yukon's regulatory framework and the substantial burden of red tape, high taxes, and lower than anticipated profitability.

Mr. Speaker, this matter is not just because there was a missing economic opportunity but because this burdensome system is hindering legal sellers of cannabis from competing with the illicit sellers. One of the core goals of legalization at both the federal and territorial levels was to displace the illicit market and, quite simply, that's not happening nearly as much as it should be. In the words of the Cannabis Council of Canada: "A financially viable legal cannabis industry is critical to the accomplishment of the public policy objectives of the Cannabis Act." I would echo that sentiment entirely in regard to the Yukon *Cannabis Control and Regulation Act*.

The regulatory burden on this sector has also led to a consolidation in the industry and many smaller local businesses being forced to either reduce operations, sell out to larger chains, or simply fail to sustain themselves against those larger chains.

As the Yukon government reviews this legislation, I do hope that they look at making changes to the regulatory framework that will make it possible for the legal cannabis industry to remain viable and find ways to reduce their costs and lighten their burden so that they can fulfill one of the key goals of this legislation, which is to displace the illegal market.

I will conclude with a few questions: Has the Yukon government made a submission to the federal *Cannabis Act* review yet? If not, will they consider making that submission to that review as well?

Also, the act requires a report on the comprehensive review be made to the Yukon Legislative Assembly within one year. Can the minister tell us if the goal will be to have legislative changes ready by then, or will Yukoners need to wait longer than that for the changes that will inevitably come from this review?

I do look forward to this review progressing and changes being made to this act.

**MLA Tredger:** We are happy to hear that the government is meeting their obligations by doing the scheduled five-year review of the cannabis act. We have seen the success of the act in allowing for consideration of socio-economic impacts in decisions made about the locations of new stores.

During some of the public conversations that happened over the last couple of years about potential new cannabis stores, I was asked many times: What about alcohol? Why aren't schools, daycares, and other community spaces considered when deciding where, how, and when people can sell alcohol, not just cannabis?

It's a great question, and I hope the Liberals will turn their minds to how they can put in similar safeguards around alcohol sales.

**Hon. Mr. Silver:** Thank you to my colleagues for their comments today in the ministerial statement responses. We are following up through our commitment that we made when we legalized cannabis in 2018 with the federal government to conduct this review. This review is absolutely going to help the government understand the evolving landscape of legalization. It's aimed at ensuring that the Yukon's cannabis legislation remains effective and responsive to the needs of all Yukoners while also continuing to support Yukon's legal cannabis industry. We want to hear from Yukoners. We want to gather this information and complete the public surveys.

In order to do that, please, anyone listening or reading this in Hansard, go to [yukon.ca/engagements](https://www.yukon.ca/engagements). The online survey will be open until December 1 of this year. It's very important to remember that, prior to legislation, illegal sellers had 100 percent of the market. We were starting from scratch here. It's not like there was another nation that we could emulate in the legislation, so I would concur with the member opposite — the Leader of the Official Opposition — that there is work to be done. There is a necessity to continue to review the processes. I will add, though, that according to national data from Statistics Canada, there is data to suggest that we are capturing approximately 70 percent to 80 percent of the illicit market currently.

As the minister responsible for the Yukon Liquor Corporation, my goal is to find appropriate balances between the needs of the licensees, the need to return dollars to government to fund critical services for all Yukoners, and also a social responsibility piece as well. The Yukon Liquor Corporation spent more than \$230,000 in the last three years on social responsibility measures and educating Yukoners on the health impacts of cannabis as well as alcohol consumption. I will note that the corporation works with strategic partners,

other departments, other governments, licensees, and other stakeholders to encourage responsible consumption and to help reduce cannabis- and alcohol-related harms.

The corporation continues to provide excellent service to all Yukoners while educating them on the harms associated with alcohol and cannabis consumption. Compliance officers continue to share information about the *Cannabis Control and Regulation Act* and its regulations to encourage voluntary compliance by all licensees.

Also, for example, compliance officers promoted the Check 30 program in cannabis retail stores, which encourages the retail staff to request identification for customers who look 30 years old or younger. We also continue to offer the Be a Responsible Server-Cannabis training, known as "BARS-C", for free through [yukon.ca](https://www.yukon.ca) to all licensees and the public. This certification course is mandatory for everybody who wants to sell cannabis in the territory.

Annually, the corporation funds "safe grad", which promotes substance-free high school graduation events throughout the territory. The Department of Health and Social Services has coordinators for school health who do presentations in the schools on the effects of cannabis, vaping, and smoking overall.

During this report, we look forward to hearing from Yukoners, First Nations, cannabis retailers, municipalities, and other stakeholders to better understand the current context for cannabis in the territory.

**Speaker:** This then brings us to the Question Period.

## QUESTION PERIOD

### Question re: Carbon tax

**Mr. Dixon:** Yukoners continue to grapple with the rising cost of living in the Yukon. Throughout the past year, we have seen the Yukon sit at the top of the charts in the country, with often the highest rate of inflation of any jurisdiction in Canada.

Despite this, Liberal governments in Ottawa and the Yukon continue to push the cost of living even higher with inflationary measures like the increase to the carbon tax. This year, the Liberals increased the carbon tax by 30 percent, bringing the total to 14 cents a litre on gasoline. This drives up the price of everything in the Yukon from construction to food and basic necessities.

When will the Yukon Liberal government finally stand up and tell the federal Liberals that Yukoners cannot afford any more Liberal tax increases?

**Hon. Mr. Silver:** I will begin by thanking the members opposite for supporting the carbon tax changes that we made to the legislation just here in the Legislative Assembly within the last year. I will also remind the member opposite that, in Yukon, 100 percent of all of the money that is collected through the carbon rebate is returned to Yukoners.

We could have this conversation with the members opposite ad nauseum. I see that they have a motion on the floor requesting again to have some kind of exemption from the federal carbon tax, yet they know that this wouldn't be accepted

by the federal government, as the legislation is there to effect the price signal.

We work extremely hard within those parameters to make sure that, in Yukon, we have the exemptions in place and also return the money in an appropriate manner. We do stand by the carbon-pricing mechanism as the most cost-effective way of dealing with putting a price on carbon and making sure that taxpayers aren't paying for floods and fires but the polluters are paying for floods and fires, because that is the world that we live in right now. I want to commend the Yukon Party for signing Yukon on to carbon pricing through the Vancouver Declaration. So, I appreciate the work that the Yukon Party did to make sure that we did have a carbon-pricing mechanism here in the Yukon.

**Mr. Dixon:** Mr. Speaker, the only way we will see change to federal policy is if other levels of government start speaking up about the impacts on their citizens. That's what we have seen from leaders across the country. In the NWT, Premier Cochrane was clear. She said that a carbon tax might make sense in some places but not in the north where we don't have alternatives. The Liberal Premier of Newfoundland has said something similar. He has written to the Prime Minister and asked that the recent increases be reversed and any future increases be cancelled. The leader who has been noticeably silent on this matter has been the Liberal Premier of Yukon.

Why hasn't the Premier stood up and told the Liberal government in Ottawa that Yukoners can't afford the cost of living to increase any further due to the rising Liberal carbon tax?

**Hon. Mr. Silver:** Again, Mr. Speaker, I believe that the work that we did here in the Yukon Liberal Party from the pan-Canadian framework on clean energy and climate change was to make sure that we understood the complexities of the federal price-signalling mechanism. When we worked extremely hard to make sure that we had our exemptions in place, it was based upon following the rules that were set out by the federal government. We made sure that all of the money that is being spent in the Yukon is returned to Yukoners. That means that Yukoners as a whole put in less than they get back out.

The Yukon territorial government — that money is going into that pot as well — as well as tourists and others who are coming through — so that money does all come back to Yukoners. Again, we could have this conversation back and forth about the necessity. We honestly believe that we need to have a price on carbon. If it's not going to be this mechanism, if we're not going to actually show up and have some kind of policy to fight climate change, I'm begging to hear from the Yukon Party what their plan is. They did sign on to the Vancouver Declaration. That Vancouver Declaration said that, yes, Yukon will have a carbon price. What's their plan?

**Mr. Dixon:** Mr. Speaker, our plan is to make life more affordable for Yukoners. Yukoners continue to face some of the highest cost-of-living increases in the country. Individuals, businesses, and even NGOs are struggling to make ends meet. Yet, despite this, the Liberal carbon tax keeps increasing and driving up the price of everything even further. It has gotten so bad that even Liberal MPs are starting to speak out. Liberal

MPs from Atlantic Canada have been pushing the government to halt these increases and start helping people in those regions.

Yet again, the voice that has been noticeably absent from this has been the Premier of the Yukon. Why hasn't the Premier raised the concerns of Yukoners about the rising Liberal carbon tax with the federal government?

**Hon. Mr. Silver:** Mr. Speaker, as the price at the pump goes up, so do the dollars going back into Yukoners' pockets.

The members opposite are doing a disservice to Yukoners by only talking about one side of the carbon-pricing mechanism. In every single jurisdiction, the pricing mechanism is different. In the Yukon, we remain committed to ensuring that the full rebate groups continue to receive more — more — on average than they pay in carbon pricing levels. We are distributing 45 percent to individuals, 36 percent to general businesses, 12 percent to mining businesses, 3.5 percent to First Nation governments, and 3.5 percent to municipal governments. All of that money that the members opposite are saying is causing — a few election campaigns ago, they were saying that diapers were going to be so expensive that Yukoners were going to leave en masse, but our population is growing bigger than any other jurisdiction in Canada. The narrative from the Yukon Party does not hold water.

We believe that climate change is something that is extremely important and taxpayers shouldn't be paying for climate change, Mr. Speaker — polluter pay.

#### **Question re: Cost of living**

**Mr. Hassard:** Mr. Speaker, the carbon tax isn't the only Liberal policy that is driving up the price of everything and making life less affordable for Yukoners. This summer, the Liberal government introduced the so-called "clean fuel regulations", which many observers have called a second carbon tax. According to an analysis by the parliamentary budget officer, when fully implemented, these regulations will increase the cost of gasoline by 17 cents per litre and 16 cents per litre for diesel fuel. These new rules introduced by the Liberals will drive up the cost of everything and will disproportionately hurt northerners.

Why hasn't the Premier stood up against these new regulations that will make life even more expensive here in the Yukon?

**Hon. Mr. Silver:** I guess today is the federal government's day in the Legislative Assembly here. This is another example of a federal tax, but I will say that the Government of Yukon is committed to striking a balance between appropriate levels of taxation, affordability for Yukoners, and meeting our commitments to climate change under *Our Clean Future*.

Currently, when we want to talk about our tax on fuel, taxation on fuel in the Yukon is the lowest in any jurisdiction in Canada at just 6.2 cents per litre of gasoline and 7.2 cents per litre for diesel, and these rates have not increased since 1993. Yes, there are some other jurisdictions that have temporarily suspended their tax on fuel. Two provinces have done that. But if you consider the two other provinces and the temporary reduction in their fuel tax, Yukon's tax rates are still lower,



even after taking these temporary measures into account — except for Alberta, which went to zero.

Again, we are always looking at affordability measures. We have a suite of those in both of our budgets, making sure that we deal with inflation, but the dog whistle from the Yukon Party to say that we need to allow fuel subsidization to continue and we should just keep on going in the fossil-fuel future is something that we are opposed to and we believe there are better ways for us to strike that balance.

**Mr. Hassard:** Mr. Speaker, I will remind the minister to maybe pay attention to the question, because we are talking about clean fuel standards here.

Other leaders around the country have been speaking up against the federal Liberal measures that will increase the cost of everything. Here is a quote from the Council of Atlantic Premiers this summer: "... we are increasingly concerned that federal measures with a known disproportionate impact on Atlantic Canada are proceeding and will take effect on July 1, 2023, resulting in significant price increases for gasoline and diesel."

If they think that Atlantic Canada will be hurt by these regulations, they should see the impact here in the north. Again, why has the Premier of the Yukon not stood up for Yukoners and written a similar letter to the Prime Minister about the impacts that this new Liberal regulation will have on the cost of living here in the Yukon?

**Hon. Mr. Silver:** Mr. Speaker, again, we are talking about a federal tax. Now I hear we are talking about looking for our government to talk to the federal government to somehow talk about subsidizing fossil fuel or making fossil fuel more accessible. That's not necessarily what we want to do here in the Legislative Assembly.

We have talked about the millions of dollars we have put into affordability measures here in the Yukon, but, again, the Yukon Party would have us commit to a fossil-fuel future decades into the future. We don't believe that is sound government policy, knowing full well that events that were considered once in a century are now happening right across the country and the world on a very, very regular basis. This is an extremely serious topic.

We don't think a future where we continue to subsidize fossil fuel is the right way to go — not only just for Yukon but for the rest of Canada. On our side, when we talk about our taxation, we have the lowest taxation of any jurisdiction in Canada when it comes to fuel. We are doing our part to make sure that we both are looking at *Our Clean Future* and the pages there to make sure we are actually looking toward a cleaner future for Yukoners and also being extremely careful and diligent with the taxpayers' money that we do have. I believe this is the best way of moving forward. I won't speak on behalf of the Premier, but I do know that we believe that we need to put climate change at the forefront in our policies.

**Mr. Hassard:** Mr. Speaker, it's very unfortunate to hear the minister stand up here in the Legislature and say that standing up for Yukoners isn't something that this government is interested in doing.

I would like to offer another quote from the Council of Atlantic Premiers: "These increases will create additional inflationary pressures on Atlantic Canadians and come at a time when the cost of living continues to increase."

Mr. Speaker, here in the Yukon, our cost of living has been more than a full point ahead of most of those provinces. In fact, for the vast majority of this year, we have had the worst cost-of-living increases in the country. Despite this, our Liberal Premier has been unwilling to criticize his federal cousins.

Why hasn't the Premier stood up for Yukoners and pushed back against policies that will increase our cost of living like so many other premiers in this country have done?

**Hon. Mr. Silver:** Mr. Speaker, I don't think the member opposite has seen the national news, where our Premier has been very critical of the federal government, but I digress.

Again, standing up for Yukoners is absolutely what we do in every page of this budget. The members opposite can stick their head in the sand and not listen to the answers, but we have said that when it comes to carbon pricing, all that money goes back to Yukoners. They don't want to hear that part. They just want to hear that it's going up at the pumps and that's what they tell their constituents, but all that money goes back into the pockets of Yukoners. We have the lowest tax on fuel in the country when it comes to our territorial tax, yet the members opposite will still ask why we won't stand up and be more accountable to Yukoners. Well, we are. We have a whole suite of items that we've talked about in the Legislative Assembly in the fall and in the spring. We are diametrically opposed to the Official Opposition when it comes to subsidizing fossil fuels.

#### **Question re: Electricity rates**

**MLA Tredger:** Mr. Speaker, one year ago, the Yukon NDP exposed the fact that ATCO Electric Yukon had been earning millions of dollars for years on top of what they are supposed to make. We asked the Liberals to force ATCO back to the negotiating table. All they had to say was that it's complicated.

While the Liberals were silent, months of public pressure forced ATCO back to the table, but now ATCO wants to hike electricity rates. ATCO has been allowed to earn millions of dollars in excess profits since their last rate increase and now they want to profit even more. We asked the Liberals to prevent the hike. Again, they said that it's complicated — not good enough.

What exactly has this government done to stop ATCO from increasing rates by over 13 percent next year?

**Hon. Mr. Streicker:** Mr. Speaker, the first thing I would like to say to Yukoners is that when I was informed by — I think it was the chamber of commerce which came to talk to me about the ATCO rates — I reached out to ATCO right away. I have said in the Assembly that I talked to ATCO. I talked to them about rate relief right away. I have tabled those letters here in the Assembly.

This is not actually prompted by the NDP; it is prompted by seeing that ATCO had over-earnings. I asked for an investigation of those over-earnings. I found out that it was due to how active our mines were — okay. Still, in talking with

ATCO, I said that, you know, that is too much over-earning — please consider rate relief. And I encouraged them by way of letter, which I have also tabled here, to go in front of the Utilities Board. I think that I also mentioned to the member opposite that if they go in front of the Utilities Board for a general rate application, it is possible that they will ask for more money. I will look that up; I will find that reference in Hansard and I will remind the member opposite.

We have the rates in front of the Yukon Utilities Board and that is what the Utilities Board will do now; they will consider that application and they will, on behalf of all Yukoners, decide on what an appropriate rate is for ATCO.

**MLA Tredger:** Yukoners are looking at a potential 13-percent increase from ATCO in 2024 even though ATCO has made millions in excess profits for years. This is unacceptable. What is worse is that this Liberal government is letting them get away with it. From housing and gas to food and home heating, everything is getting more expensive for Yukoners. Yukoners shouldn't have to pay more for electricity so that an Alberta corporation can post ever higher profits.

When will the Liberals take action to stop ATCO's unfair rate hike?

**Hon. Mr. Streicker:** Look, I have spoken with ATCO. I have talked to them about their rates. I have expressed concern and I have tabled that correspondence here in the Assembly. Because the member doesn't seem to have it, I will look it up again and I will share it across again, but I think that there is a part in the question that is just missing completely — that is that we have a Yukon Utilities Board that is a quasi-judicial board that is separate from us as government that has the job to consider Yukon ratepayers. That is their job; that is who is considering these rate applications. It is not appropriate for me to direct the Utilities Board on what they should or shouldn't do with that application. If the member doesn't understand that, then I will find the parts of the act that reference how this works. It is in front of the Yukon Utilities Board. That is where this will be considered.

**MLA Tredger:** For months now, Yukoners have known that ATCO is earning millions of dollars in excess profits. In that time, we have heard a resounding silence from both the Yukon Liberals and the Yukon Party. It's clear that neither of these two parties will stand up for Yukoners against corporate greed.

If the Liberals are unwilling to do anything to stop the rate hikes and want to leave this fight to the Yukon NDP, they could at least ask ATCO to give Yukoners back the millions they have earned in excess profits since the last rate review.

Will the minister officially ask ATCO to give Yukoners their money back?

**Hon. Mr. Streicker:** Mr. Speaker, I don't understand. I just stood up and I just said that I had actually written to ATCO about our concern that there were over-earnings on the expected rate of return and requesting that they give that money back to Yukoners through some form of relief. I have tabled that letter here in the Assembly. It's not months; it has been over a year since this has been an issue. I will find that letter and share it with the member opposite.

We have acted within the scope. This is a private sector company, and I, as the government, am not going to tell them what to do to set rates. I have actually been working with them. I want say, in working with them, they have been working constructively with us as a government. If the NDP were in government, from what I understand the member opposite to say, they would tell ATCO what to do for rates. Forget the Utilities Board; forget the private sector; they would just tell them what to do. No, that's not how it works.

I will share the letter, but I take concern that if I am tabling letters here — the member opposite is referencing that nothing is happening — how are they not seeing those letters that I have tabled?

#### **Question re: *Our Clean Future* implementation**

**Ms. McLeod:** Last week, we learned that the Yukon government has already missed their deadline from the *Our Clean Future* strategy to complete emergency management plans for all Yukon communities by the end of 2022.

Another commitment made in that strategy was to develop a territorial disaster financial assistance policy by 2022.

Can the minister tell us why the Liberal government was unable to meet their own deadlines to develop this policy?

**Hon. Mr. Mostyn:** Mr. Speaker, I welcome the opportunity to once again talk about how our territory is preparing for emergencies and has been for quite a while.

The members opposite, I will say off the top, are conveniently forgetting the fact that we had a global pandemic between the years of 2020 and 2022, but I will say that the Yukon Emergency Measures Organization works with their emergency management partners in municipalities and First Nations to develop emergency management capacity and build emergency-resilient Yukon communities. We appreciate the efforts of municipal and First Nation governments to plan for emergencies and the leadership of these governments in managing the challenges that recent emergency situations have presented. Preparing for emergencies includes personal preparedness, and we encourage all Yukoners to prepare themselves. I have spoken about that extensively here on the floor of the Legislative Assembly. We are working with our municipal partners to ensure that they are prepared for emergencies. I have said that, as I have said before, it is a municipal responsibility, because they know their municipalities better than anybody. We are there to support municipalities as they develop these plans and that work is ongoing.

**Ms. McLeod:** Mr. Speaker, this past summer, the Association of Yukon Communities passed a resolution that was championed by the Village of Teslin calling on the Yukon government to create a disaster financial assistance program that included support for long-term mitigation projects that would help ensure that communities are better prepared to face the impacts of natural disasters.

Will the minister commit that any disaster financial assistance policy will include support for long-term mitigation projects?

**Hon. Mr. Mostyn:** I have expressed my praise for the municipality of Teslin and to the mayor for their work on dealing with emergencies as they have over the last several years that I have been in this role and I will say it again. Many municipal leaders here are doing amazing work when it comes to not only preparing for emergencies but actually dealing with them when they affect their municipalities.

Mr. Speaker, I am working with my federal, provincial, and territorial partners across the country, and this is a live conversation in the nation about how we actually prepare our communities for the changing climate that the members opposite refuse to try to curb through a carbon-pricing mechanism, which was talked about earlier today. Their plan still is not in focus; our plan is clear: We are going to put a price on pollution and we are going to work with our municipalities to ensure that we are preparing for the changing climate that is upon us now as we have seen across the country this past summer.

**Ms. McLeod:** Mr. Speaker, communities have been clear that they are looking to the Yukon government for leadership and support to help ensure that they are ready to respond to natural disasters. Several communities have expressed interest in long-term projects that will help them prevent damage from floods, fires, or other natural disasters. They are looking for assurances from the minister that the Government of Yukon will support them to develop a disaster financial assistance program that will help them with these long-term mitigation projects.

Can the minister assure communities that whenever the new program comes into effect, long-term mitigation projects that were contemplated in the Association of Yukon Communities resolution this summer will be eligible?

**Hon. Mr. Mostyn:** Mr. Speaker, I am really a bit surprised by the position taken by the Official Opposition this afternoon. We heard them not more than 10 minutes ago criticizing our government for putting a price on pollution which is being rebated in full to Yukoners to help them deal with inflation.

Not only that, but we are putting a price on carbon so that we actually have a way to cut our carbon emissions. The members opposite do not support this. They want to build an LNG plant; they want to pander to the oil industry — the carbon producers, and we're saying no.

We are working with our municipalities because we are in the midst of global climate change right now. We're seeing it every summer: floods, fires, avalanches, climactic rivers. We're seeing it all in real time, and the members opposite have no plan. We have a plan: *Our Clean Future*, a nation-leading climate change action plan. We are working on that; we are working with our municipalities to plan for emergencies. I'm working with the mayors across the territory and I am happy to do that work. We are there to help our municipalities deal with the emerging climate events that we're seeing every single year.

#### **Question re: Housing support programs**

**Ms. Clarke:** Just yesterday, in recognition of Poverty and Homelessness Action Week, the Premier and the Minister

of Health and Social Services congratulated themselves for their work on housing, but just last week, the Premier was unable to adequately justify his decision to cut \$6 million from the housing budget in the midst of a housing crisis. That is \$6 million that the Premier has decided not to put toward housing this year, and we need all kinds of housing in the Yukon.

Can the Premier tell us why he did not direct this money to other projects that could get going this year?

**Hon. Mr. Pillai:** Mr. Speaker, first of all, working with Yukon Housing Corporation, we are consistently checking in with our partners who are looking at a number of projects, understanding where they are within their project planning and, of course, looking for ways to maximize financial resources into housing stock.

Of course, there are a number of things that we are looking at, some of it being lot development and ensuring that there is partnership, some of those projects, of course, that we have been highlighting this summer, like the new lot development with the Kwanlin Dün First Nation, the Chu Níikwän — something very innovative. But when it comes to actual building, we are always looking to ensure that we can get our funds into projects that are ready to be built now.

In response to that discussion, previously I stated that we would be moving the money forward so that the partners who are looking to build will have the money when they need it. In some cases, they have wanted to do more planning. They have wanted to de-risk their projects. We know that most capital projects are coming in at higher costs, so we see many of our partners going back and wanting to do another analysis of their build costs to ensure that they are getting the best value for money.

We will do that; we will do the due diligence. If we didn't, I would be criticized that it wasn't happening, but we are going to get dollars out the door as quickly as our partners can use those dollars with projects that are ready to build.

**Ms. Clarke:** We learned last week that part of the Premier's cut to housing funding is in the developer-building loan program. Just last spring, the Premier said that the \$5 million they had budgeted for this program would support community development partnerships that increase housing supply in the territory, but just last week, he said that the program is undersubscribed, so the prudent thing to do is to move funds to where they should be prioritized.

Can the Premier tell us: How many applications did the Housing Corporation receive for the program and how many were approved?

**Hon. Mr. Pillai:** There are a few things there. Yes, we did put funds into the developer-build program. Yes, it was undersubscribed and so we have again reallocated funds. The member opposite has been keen on this file, has been a strong critic in debate, and has gone through the supplementary budget, so if I have missed something where the member opposite feels that money should go, I am open. Let's see where the funds should go and which program in the current budget that would be oversubscribed where the money could be used.

Right now, we are looking at trying to move that money forward so that the partners who are using it have access to that capital at the appropriate time. We are making sure as well that even some of our loan programs are undersubscribed at this time. We want to make sure that we're going back out and having conversations about that. There is a reverse trade show later this fall when we are going to go out and make sure that some of the builders out there do know how to access some of this money so that it gets used by these individuals.

I look forward to maybe some ideas from across the floor.

**Ms. Clarke:** Mr. Speaker, the reason the Premier refuses to answer is because he knows that the number of obligations versus the number of approvals is embarrassing. There were 40 applications made on the program and there was only one project approved. Given the urgency to get more housing built in the Yukon, perhaps the Premier should be better supporting Yukoners building homes.

Would it not be better to change the program criteria to better suit applicants and get housing built? Why did the Premier choose to cut millions in capital from the housing budget instead of looking at changes to help Yukoners build more houses this year?

**Hon. Mr. Pillai:** It makes for great political fodder, but the reality is that I think the member opposite is saying that she wants me in the political role to step in and change these particular criteria for risk. She wants to increase the risk that has been put out. I guess that is what it is: Increase the risk of the program. So, we'll go back and have that discussion with the folks at Yukon Housing Corporation; we will let them know. They will, of course, over the next year, be coming in here. We will let them know that there is a lack of confidence in their ability and that their tolerance of risk is not appropriate.

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

## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### Bill No. 34: *Technical Amendments (Finance) Act (2023)* — Second Reading

**Clerk:** Second reading, Bill No. 34, standing in the name of the Hon. Mr. Silver.

**Hon. Mr. Silver:** Mr. Speaker, I move that Bill No. 34, entitled *Technical Amendments (Finance) Act (2023)*, be now read a second time.

**Speaker:** It has been moved by the Minister of Finance that Bill No. 34, entitled *Technical Amendments (Finance) Act (2023)*, be now read a second time.

**Hon. Mr. Silver:** Mr. Speaker, I am pleased to rise this afternoon to begin debate on the *Technical Amendments (Finance) Act (2023)*.

Bill No. 34 introduces a range of changes to three separate Yukon statutes. These are the *Income Tax Act*, the *Yukon Government Carbon Price Rebate Act*, and the *Financial*

*Administration Act*. These amendments are technical in nature and they are meant to update outdated wording or address gaps that have been discovered since the legislation was last updated.

I will speak to the specifics in Committee of the Whole, but I will give an overview of the proposed changes in the order of amendments that affect the public most.

First, we are making a number of amendments to the *Income Tax Act*. Out of all of the Yukon government legislation, this is the one that gets the most frequent updates, since we need to align our tax rolls with the federal *Income Tax Act*. Clarity here is especially important. We don't want to create contradictory rules for people filing their taxes. Not addressing changes could potentially lead to inconsistencies with federal legislation. As a result, the Canada Revenue Agency administers and enforces the Yukon *Income Tax Act*, meaning that harmony is extremely important here. That being said, these proposed changes are largely administrative in nature. The most significant change is to line up legislation with the Canada Revenue Agency's current practice of providing full tax credits for a caregiver of an infirm child, employment amounts, and children's arts amounts to Yukon residents who file taxes in more than one jurisdiction. Correcting this oversight will ensure that people who reside in the Yukon at the end of the year will have access to these tax credits and is in line with how the Yukon has treated other credits for people in this situation. The change will apply retroactively to when the credits become available as well.

We are also bringing the act in line with federal rules for people who are not Yukon residents at the end of the year. This includes individuals who file taxes in multiple jurisdictions and pay more than 90 percent of their taxes to Yukon. This would allow them to claim pension and adoption credits without worrying about reductions.

There were some changes to federal Bill C-32 in 2022 that we still have to address in the Yukon *Income Tax Act* specifically ensuring certain sections applied to trusts and estates, as well as individuals. We will be adding references to this in this act. We are adding a reference to the federal legislation about notices of determination made under the general anti-avoidance rule. We are also making minor improvements in the French translation of the act.

Finally, we are making two changes to the act that speak to the consequences of Bill No. 21 which this Legislature passed last fall. Bill No. 21 covered carbon rebate amendments and included provisions to prevent businesses from claiming both general and mining business rebates. It was determined that these provisions could reduce the carbon rebate for some mining businesses, so it was important to clean that up. We propose adjusting the *Income Tax Act* to change the definitions and formulas for Yukon mining assets to make sure that this doesn't happen.

We are not aware of any company that could claim both a general business rate and the mining business rate; however, we want to make sure that the act precisely addresses any situation in the future where one company is entitled to both credits. Bill No. 21 also affects the *Yukon Government Carbon Price*

*Rebate Act*, so we are proposing a similar change to account for the same issue with the same effective date.

This brings us to the *Financial Administration Act*. We are proposing a number of amendments to bring the act up to date with current practices in the Government of Yukon and removing references to legislation that no longer exists. Central Stores kept inventories of office supplies and other items for distribution to government offices and program areas. Central Stores stopped keeping these inventories in 2019. At the same time, the wide range of printing services offered by the King's Printer narrowed to printing just sensitive material in-house. All confidential printing is sourced through the private sector.

The Government of Yukon made changes to these services to increase opportunities for local businesses and to save taxpayers money. The amendments will repeal the revolving funds for Central Stores and the King's Printer to reflect this reality.

In the same vein, a fund for wildland fire suppression was last used in the 2019-20 fiscal year because these costs are now part of the operation and maintenance estimate for the Department of Community Services, so we will dissolve this fund as well.

There is also a mention of the federal-territorial financial agreement in the *Financial Administration Act*. The agreement under that name ended decades ago and we will update the language to cover the current arrangements and agreements that stand in its place.

Mr. Speaker, that pretty much wraps up the changes that we are proposing for the *Technical Amendments (Finance) Act (2023)*. While Bill No. 34 has many amendments to legislation, none have a financial impact for the government or for taxpayers. I can provide more details on these amendments during Committee of the Whole. I look forward to discussing them during general debate.

**Mr. Cathers:** We will have questions regarding this when it gets to Committee. We will support it going forward to Committee but will determine at that stage, after asking our questions, the next steps. I would note that we do, of course, support adjustments to conform with changes to the federal *Income Tax Act* that are intended to avoid Yukoners unnecessarily paying additional amounts or simply not being in compliance with the federal structure. That is something that has happened under governments of all stripes here in the territory. We do, as always, have concerns with any reference to the government's carbon-pricing scheme.

I do have to point out, because of the Minister of Finance's comments as well as those of one of his colleagues during Question Period — I do have to remind the Liberal government that they seem to be living in a world that they have built for themselves where the carbon prices are not having a negative impact on Yukoners through driving up inflation and the cost of everything. As two of my colleagues noted during Question Period earlier today, those costs are —

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

### Point of order

**Speaker:** Government House Leader, on a point of order.

**Hon. Mr. Streicker:** We seem to be straying from second reading on this act. Mr. Speaker, I would just ask if you could check in as to whether this is still talking to the *Technical Amendments (Finance) Act (2023)*.

**Speaker:** Member for Lake Laberge, on the point of order.

**Mr. Cathers:** Mr. Speaker, I am talking to the legislation in front of us. It is, in fact, very relevant to that legislation.

Also, the Government House Leader should know by now that when he calls a point of order, he is supposed to cite a Standing Order, not imagine that there might be a Standing Order.

### Speaker's ruling

**Speaker:** This is a dispute between members. There is no point of order.

**Mr. Cathers:** Thank you, Mr. Speaker.

This legislation in front of us deals with a number of areas. According to the explanatory note, one of the issues that it deals with directly is the Yukon government's *Carbon Price Rebate Amendments Act (2022)*, which is, Mr. Speaker, as you know, very directly tied to the carbon tax and the manner in which it operates.

As two of my colleagues noted earlier today, we have seen a situation now where even Liberal premiers and Members of Parliament are standing up to the federal government and calling on the Prime Minister to reverse increases to the carbon tax because of the impact that it is having. The Atlantic premiers, as well, wrote to the Prime Minister regarding changes to the clean fuel standard, which is effectively a second carbon tax, and noted — and I quote, as my colleague did earlier: "... we are increasingly concerned that federal measures with a known disproportionate impact on Atlantic Canada are proceeding and will take effect on July 1, 2023, resulting in significant price increases for gasoline and diesel." But in fact, as my colleague noted, the impact on the north is higher.

Again, the Parliamentary Budget Officer of Canada as well has noted that the impact of the carbon tax is disproportionately higher in rural areas. I would note as well that earlier this year, the Parliamentary Budget Officer's report regarding the carbon tax undermined —

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

### Point of order

**Speaker:** Minister of Finance, on a point of order.

**Hon. Mr. Silver:** Mr. Speaker, the same point of order. The reference to the carbon pricing in this bill has to do very specifically with an overlap between a business rate and a mining rate. It has nothing to do with other premiers and other jurisdictions.

**Speaker:** Member for Lake Laberge, on the point of order.

**Mr. Cathers:** On the point of order, like the Government House Leader, the former Premier should know to actually cite a Standing Order when he is calling a point of order.

And the legislation that he tabled deals directly with legislation pertaining to carbon pricing, so I believe that my comments are very relevant to this legislation and to debate at second reading.

### Speaker's ruling

**Speaker:** On the point of order, it's a dispute among members.

**Mr. Cathers:** Thank you, Mr. Speaker.

With regard to the carbon tax, as I noted, the Parliamentary Budget Officer himself federally has noted that, in fact, contrary to the rhetoric that comes from this Liberal government and the federal Liberal government, most Canadians actually pay more, according to the Parliamentary Budget Officer, in carbon tax than they receive back in a rebate.

This Liberal government also likes to claim — the Finance minister himself said earlier today in Question Period — and if I have missed a word, I will certainly be corrected by the Blues, but I believe his words were — quote: "... all of the money that is being spent in the Yukon is returned to Yukoners..." — in reference to carbon tax. But, Mr. Speaker, in fact, while the Liberal government has consistently and relentlessly claimed that Yukoners get more money back from the carbon tax than they pay, the Public Accounts say otherwise; the government's own budgets say otherwise.

When they have millions of dollars — upwards of \$10 million, with the numbers having been \$12 million to \$16 million — in money sitting in the restricted account that was collected from Yukoners in carbon tax that has not been paid back to them, it's pretty rich for the government to claim that most Yukoners are getting back more money than they pay in carbon tax when the budgets that they table and the Public Accounts that they table prove the exact opposite of that Liberal spin. Most Yukoners are paying substantially more in carbon tax than they are receiving back in revenue, not to mention that this policy increases inflation and is making the cost of everything, including food and other essentials, increase for Yukoners.

With that, I did feel that it was important to correct some of the government's misstatements on this. I would remind the Minister of Finance that, earlier today, he claimed that we had — I'll say that his memory was selective with regard to the carbon-pricing legislation adjustments that were dealt with recently — I believe it was last fall — and remind the government that the reason we supported that is because the government and officials had indicated that if a change were not to be made promptly, businesses that had paid a carbon tax would not get anything back.

Mr. Speaker, I have reminded the Minister of Finance of this in a previous Sitting, but his memory seems to be failing him.

We don't support the carbon tax, but when the tax is being collected, we certainly support money being given back to businesses and to individuals who have paid into it. The better approach would be to not collect the tax in the first place.

Having made those corrections, as I noted, we will be asking more questions during the Committee stage. We will support this moving forward to Committee, but I do have some questions about the legislation itself as well as about the comments that the Finance minister made when he indicated that this legislation is to eliminate funds related to Central Stores and to what used to be the Queen's Printer and is now the King's Printer. Those questions include how much costs have increased to taxpayers as a result of those two decisions by the Liberal government. We know that the elimination of Central Stores has resulted in more people in more departments having to spend time directly involved in purchasing goods, both large and small, and that there has been a loss of efficiency as a result. We also know that the decision to get rid of the Queen's Printer has also had negative consequences, and we would appreciate the government providing us with an accounting of how those two decisions, which they made several years ago, have — if there has been any reduction in costs and if they can also demonstrate where costs have actually increased as a result of those decisions that the Liberal government made.

With that, Mr. Speaker, I will wrap up my comments on this for the time being and look forward to receiving that information before the government calls this legislation back for Committee of the Whole.

**Ms. White:** It pains me to think that in speaking to amendments to the *Financial Administration Act* or the *Income Tax Act* — and I believe there is one more. I will start with those two.

I am actually going to reference the Public Accounts, mostly just to say that the comptroller explained very clearly that businesses hadn't applied for the money but the Yukon government was holding it until they could, in perpetuity.

It is a weird thing to have to talk about here, but I disagree, although I am curious — when we were assured by the Minister of Highways and Public Works at the time that getting rid of both the then-Queen's Printer and government stores would save money — it would be so interesting to know. I think I will save that question for the Minister of Highways and Public Works.

As per always, the discussion and the briefings from Finance when we talk about income tax amendment acts has one of the most passionate-about-taxation-law humans ever to come in and give the briefings. He walks us through complicated ideas in less complicated ways and I do appreciate that. Again, for the amendments that we are talking about today, it's really just to make sure that people are actually able to access the income tax returns that they are entitled to and that people are not able to double-dip if they live, for example, out

of Yukon and earn money in Yukon. It's that they can't actually apply for income tax that they are not qualified for — but making sure that they are able to apply for the pots of money that they are qualified for.

I am not sure how exciting the debate will be when we get into Committee of the Whole, but it sounds like it could be spicy, so I guess I will hold off until then.

I didn't realize that we would be talking about Public Accounts or veering into those things here, but I will just say that the Department of Finance — the comptroller, the deputy minister, and that entire team — work very hard to make sure that Yukoners are looked after, so I do take that a little bit to heart. I just want to make sure that they know that we respect the work they do and understand the amount of effort that goes into trying to get that money back to folks.

We will be voting for this in second reading and we will be voting for this when we get through Committee of the Whole. I guess I look forward to that debate, which is weird, because we are talking about income tax law. I will wait until Committee of the Whole.

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

Does any other member wish to be heard?

**Hon. Mr. Silver:** Thanks to the Leader of the Third Party for her comments about an extremely dedicated public servant. I would mention his name, but I don't want to embarrass the person as he works very diligently behind the scenes. Really, this is the benefit of being a minister and working with the public servants who do the lion's share of the work before we get to talk about the accolades of the department — the sweat equity that goes into us trying to figure out how to maintain our exemptions and our rebates for the carbon-pricing mechanism — the federal bill. I hold my hands up to the department and to the tax professionals who are in these departments — the person who the Leader of the Third Party is talking about specifically — because we can do our level best to hold our own in conversations about the necessity for specifics in the Yukon that make sense while maintaining a price signal for carbon pricing, because it is extremely important that we do have a price on carbon and that we do pivot, as the world economy is pivoting, to polluter pay and the responsibility therein while trying to make sure that taxpayers aren't responsible for things like emergency preparedness like we talked about today. That's extremely important.

The Yukon Party seems to want to have it both ways. They want us to spend money on emergency preparedness but they also don't want to see the polluter pay. They want to see the taxpayer pay, which is an interesting narrative from the Yukon Party.

There has been a lot of interesting narrative from the Yukon Party today, including the statement: "We don't support a carbon tax", yet, as anyone who has been paying attention to the Legislative Assembly over the years knows, the Vancouver Declaration was signed by the Yukon Party, which commits the Yukon Territory to a carbon-pricing mechanism, yet the

members will sit here and say, "We don't support carbon tax", yet they were the ones who signed us on to begin with.

Again, if it's that they don't support the current one, okay, then tell us what your carbon pricing or your carbon tax would be; otherwise, it's just not worth the debate anymore.

Also, the narrative of correcting the record by saying that we are holding back all of this money for the carbon-pricing rebate is simply not accurate. As the member opposite knows, when you book in Public Accounts, you have to book the money that is spent in that fiscal year, and if it's not spent in that fiscal year, you have to make an account of that. Do we want to hold onto the money that is supposed to be rebated that we worked so tirelessly for to make sure that this money would go back to Yukoners? No, we do not. We absolutely do not. People like the Leader of the Third Party spoke about and that person's team work extremely hard with the Office of Auditor General and with the mining community to make sure we are informing companies that there is money to be had. We are making sure that we get the due diligence out there so we can make sure that this revolving fund decreases every year, but the member opposite is not going to mention that. He's not going to mention that the financial officials have reaffirmed that the applications for 2022-23 carbon rebates are on target and that the surplus in the fund is expected to decline every year — continue to decline. It is going to decline by \$12 million due to a higher business uptake.

Do you know why there is a higher business uptake, Mr. Speaker? It's because of the dedication of the people in the Department of Finance who make sure that this money gets out the door, yet the member opposite would have you believe that we are hoarding that money like they hoarded affordable housing money for years. That is not what we are doing. We are trying our best to get that money out the door, despite what the member opposite says.

Now, back to the bill, which is why we are here today. It is extremely important that we continue to reflect and to work with the federal government to make sure that our legislation is up to date. I will continue to do that, and this is exactly what this *Technical Amendments (Finance) Act (2023)* is attempting to do.

**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. Pillai:** Agree.

**Hon. Ms. McPhee:** Agree.

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

**Hon. Ms. McLean:** Agree.

**Hon. Mr. Clarke:** Agree.

**Hon. Mr. Silver:** Agree.

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

**Mr. Dixon:** Agree.

**Mr. Kent:** Agree.

**Ms. Clarke:** Agree.

**Mr. Cathers:** Agree.

**Ms. McLeod:** Agree.

**Ms. Van Bibber:** Agree.

**Mr. Hassard:** Agree.

**Mr. Istchenko:** Agree.

**Ms. White:** Agree.

**Ms. Blake:** Agree.

**MLA Tredger:** Agree.

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

**Speaker:** The yeas have it.

I declare the motion carried.

*Motion for second reading of Bill No. 34 agreed to*

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

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

*Motion agreed to*

*Speaker leaves the Chair*

## COMMITTEE OF THE WHOLE

**Chair (Ms. Blake):** Committee of the Whole will now come to order.

The matter before the Committee is general debate on Bill No. 28, entitled *Act to amend the Environment Act (2023)*.

Do members wish to take a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

### Bill No. 28: *Act to amend the Environment Act (2023)*

**Chair:** The matter before the Committee is general debate on Bill No. 28, entitled *Act to amend the Environment Act (2023)*.

Is there any general debate?

**Hon. Mr. Clarke:** Madam Chair, we would like to introduce to the Assembly — to my left, Bryna Cable from the Department of Environment and, to my right, Bhreagh Dabbs, who was one of the drafters from the Department of Justice, here to assist me today.

I am pleased to speak today in Committee on Bill No. 28, entitled *Act to amend the Environment Act (2023)*. On October 12, I presented a second-reading speech about the *Act to amend the Environment Act (2023)*, which will enable the implementation of a fully modern extended producer responsibility system in the Yukon. I thank the members opposite for their comments and questions raised in the House

during the second reading relating to extended producer responsibility in Bill No. 28. I would like to take a few moments to address them. The questions and concerns raised are details that will fall within an extended producer responsibility regulation. This government appreciates that the minor amendments to the *Environment Act* raise questions about extended producer responsibility more generally.

Last week, the Leader of the Official Opposition remarked that the Retail Council of Canada "... expressed significant surprise to us that a jurisdiction of our size, with our population size, and the size of our economy would consider establishing an EPR model all on our own as a stand-alone model."

I, too, have had a conversation with the Retail Council of Canada at the Canadian Council of Ministers of the Environment annual meeting in July 2023. I raised an important question to the Retail Council of Canada as well as the two prominent producer responsibility organizations in Canada. I asked about the support of national brand owners for our local franchisees given our small size and remote location. While all industry groups noted the need for more harmonization across jurisdictions, they assured me that national brands would support their regional franchisees.

Yukon government staff who are developing the extended producer responsibility regulations have worked closely with regulators, industry, and producer organizations in both British Columbia and Alberta to find ways to align our system with the well-established systems in southern jurisdictions. In doing so, we hope to make the Yukon system more efficient and draw upon the established administrative and operational systems already developed for extended producer responsibility. From this, we know the national producers are ready to serve the Yukon.

Extended producer responsibility has become the number one way to manage and fund recycling and waste management responsibly in all provinces. We are proud to say that Yukon will become the first territory in Canada to join this well-established system. We understand, as well, that the Northwest Territories is currently amending their *Waste Reduction and Recovery Act* to enable extended producer responsibility.

The Leader of the Official Opposition also expressed some concerns about the costs of extended producer responsibility, indicating — quote: "The idea that local, small businesses just won't be impacted by the cost and that the big companies will simply fork over all this money and pay for the whole system, I think, is naïve and I think it is something that the government needs to be very careful about..."

Extended producer responsibility programs for printed paper and packaging these materials are not expected to increase the costs of groceries and other consumer goods in the Yukon that generate such waste material. This is because extended producer responsibility fees charged in other jurisdictions are already represented in the cost of many of these goods available in the Yukon. These fees are not removed from the cost of these items as it is simply not worth the administrative effort to remove them. The fees placed on these items vary by product or packaging type and can be as low as a fraction of a cent, but, as we heard in second reading debate,



altogether these fees do amount to Yukoners paying an estimated \$1.3 million to \$2.9 million a year in these extended producer responsibility programs that we do not receive services for. As soon as we have extended producer responsibility regulations, that \$1.3 million to \$2.9 million a year that is already being charged on everyday products can be directed to proper collection and diversion services.

Also, the amendments to the *Environment Act* in this Bill No. 28 make provisions for exemptions for classes of steward, including small businesses. While the exact cost of each business cannot be provided at this stage, we want to assure the members opposite that there is a robust consultation phase between the producer responsibility organizations and local business before any costs are determined. This is where business works with business to negotiate and determine the most cost-effective manner to manage recycling. I have met with local businesses and assured them that the Yukon government will be part of this consultation and implementation phase to ensure that local businesses' interests will be heard.

The members opposite have also raised concerns about small business exemptions and how that will work. When it comes to small businesses, the department is proposing to align the Yukon's exemption provisions with other jurisdictions where small producers of printed paper and packaging are exempt from the extended producer responsibility obligations.

Small businesses that import or supply the Yukon with less than one tonne of packaging and paper products or had a gross revenue of less than \$1 million annually are defined as "small stewards" and will be exempt from the extended producer responsibility program. Additionally, registered charities will also be exempt from the program. In addition to the exemption from the obligations of the program, small businesses that generate household-like waste will benefit from reasonable and free access to collection facilities or services provided by the producer responsibility organization. This is a new and unique benefit to our small business community.

Lastly, the Leader of the Official Opposition requested that we make regulations public before they come into effect so that businesses can know exactly what they are dealing with, and that is exactly what is coming. The Department of Environment has been drafting the regulation with care and thought to ensure that the concerns heard through the public engagement period are taken seriously and obviously taken into account. The results of the engagement show that a sustainable recycling system is important to Yukoners. The feedback generated from the public and stakeholder engagement is being incorporated into the draft regulation to include small business exemptions, placing ownership on Canadian brand owners and ensuring that waste is responsibly managed in accordance with the waste management hierarchy system.

The regulation will be available publicly once it has been approved by Cabinet, but again, I want to assure members opposite that a workable extended producer responsibility program will continue to be developed in collaboration with our valued business community, the producer responsibility organizations, and the Yukon government.

The Member for Whitehorse Centre expressed interest in how the extended producer responsibility program will — and I quote: "... make sure that the recycled materials make it all the way back to re-manufacturing and don't just leave the Yukon, where they are out of mind and out of sight..." — or in the reverse order — "... but nothing consequential happens."

Extended producer responsibility regulations are outcome-based regulations. Government establishes and enforces the targets and outcomes needed, and business works with business to find the best way to make that happen.

Producer responsibility organizations are required to consult, develop, and deliver on a stewardship plan that sets out how they will manage the supply and collection of designated materials based on the waste management hierarchy. Far from out of sight or mind, stewardship plans act as a permit to producers before they can even sell their products into the territory. The *Environment Act* contains provisions for compliance and enforcement of the plan. This could include audits, extra reporting, new service requirements, and notices of non-compliance to the public in order to attain compliance with government-established outcomes.

Again, I would like to thank the members opposite for their concerns raised in the House and their support at second reading of this important legislation.

Madam Chair, as we are here today to discuss Bill No. 28, amendments to the *Environment Act* — just a quick summary. The amendments would allow for the establishment of a comprehensive producer hierarchy and ensure that producers conducting transactions outside of the Yukon are captured under the regulation and enable the Yukon government to exempt a broader range of small producers from the extended producer responsibility regime and to resolve an administrative issue to ensure that the regulation is as simple and streamlined as possible.

Yukoners have come to appreciate and expect a modern and comprehensive waste management system, but our current model does not provide the long-term stability and financial certainty that businesses, municipalities, waste management processors, and the Yukon public require. Extended producer responsibility aims to fix that. By legally assigning responsibility for the collection and recovery of materials to the businesses and groups that are most responsible for introducing that material into the Yukon, we will ensure a stable framework for the Yukon's waste management system as it continues to expand to meet the growing needs of our territory.

Extended producer responsibility will also reduce the need for diversion credits, a costly approach to funding our current system where recycling processors are paid credits based on the volume of material that they ship out of the Yukon. This will result in savings for the Yukon government and, by extension, the Yukon taxpayer.

Amending the *Environment Act* this fall will enable the adoption of an extended producer regulation later this winter. Once the regulation is in place, staff at the Department of Environment will begin working with stewards who have been assigned responsibility to start implementing extended producer responsibility programs throughout the Yukon.

Madam Chair, as I mentioned during the second reading speech, stakeholders have had an opportunity to help shape extended producer responsibility and the Yukon government is committed to continuing to work with them to ensure a smooth transition to this new waste management approach.

I will briefly highlight the five areas of the amendment that are proposed. Clause 2 — section 105(a) is proposed to be amended and expands on the definition of “producer” to ensure that persons supplying designated materials into the Yukon are captured under the regulation, regardless of where the supply of material occurred. This section is necessary to ensure that producers are captured under the regulation even if the financial transaction occurs outside of the Yukon. This amendment would ensure that online retailers, such as Amazon, are captured under the regulation — and others, of course.

Clause 2 — section 105(b) is proposed to be amended, which expands the definition of “steward” to ensure that the Yukon is able to assign producer responsibility to groups involved in the design, marketing, manufacture, importation, or supply of a designated material inside and outside of the Yukon.

The existing definition of “steward” is too narrow and would not allow the Yukon government to assign responsibility to brand owners or product designers or franchisors who do not directly supply a designated material to a person in the Yukon. The definition provides a high-level definition of persons who may be captured as stewards under the act and allows Yukon government to further define a steward in the regulation.

Clause 3 — section 109.01 is proposed to be repealed. This section was made redundant with the expansion of the definition of “steward” in section 105.

Clause 4 — proposed to be amended is section 109.02, which will be replaced, and it broadens the Commissioner in Executive Council’s ability to exempt specific classes of stewards from some or all of the requirements of the regulations. While the current list of exemptions in the act may appear exhaustive, there is the potential for future small producers to not be captured by the groups currently listed in the act. This amendment also intends to clarify that the Commissioner in Executive Council can assign responsibility to a class of stewards rather than individual stewards, avoiding the scenario where the Yukon government must list each steward individually in the regulation.

Finally, Madam Chair, clause 5 — section 144 is proposed to be amended and this is intended to ensure that producer responsibility can be assigned to a class of stewards rather than to individual stewards, avoiding a scenario where the Yukon government must list each steward in the regulation.

Those are my preliminary comments at Committee of the Whole. I look forward to debate and answering questions from the members opposite.

**MLA Tredger:** I will start by thanking the officials for the really great briefing I had, and thank you to the minister for his comments. I have a number of questions. Some of these I did ask during the briefing, but I’m going to ask again, partly

to get them on the record and partly so that I can just confirm that I have understood correctly.

My understanding of the definition of “steward” is that the intent is that the responsibility belongs to the body closest to the manufacturer. For example, for packaging, the person or organization with the most influence over what those packaging choices are so that those decisions can be made by the people who actually have the power to change them — that they can actually change the packaging so that we use less packaging rather than just having to deal with the end result.

I’m wondering if the minister could walk me through sort of an example of how this is going to work. I’m imagining that if I’m a grocery store owner and I sell, among other things, Kraft Dinner, how does this work? How does it end up back with — sorry, I’m going to try to rally my thoughts here. I’m wondering if the minister can walk me through the steps of the process so that I understand how that responsibility gets assigned, how that organization gets informed that they have this responsibility or how they know that they have this responsibility, and how they then end up paying into this — I assume, to the PRO.

**Hon. Mr. Clarke:** The *Environment Act* will allow for a wide range of compliance and enforcement tools. Examples of these tools include audits, investigations, fines, and a public registry of non-compliance. Similar tools are already in use to enforce designated material regulations that obligate non-Yukon companies as well.

The public registry of non-compliance has been a particularly effective tool in other jurisdictions, as the publicly listed infractions are reported to business shareholders. Additionally, producer responsibility organizations are motivated to identify free riders and bring them into compliance in order to ensure that their producer members pay their fair share of costs and not more.

As I said in my preliminary comments, extended producer responsibility programs for printed paper and packaging materials are not expected to increase the cost of groceries and other consumer goods in the Yukon that generate such waste materials. Most large producers in the Yukon are national companies that have already incorporated some of the collection and diversion costs into their product cost, because many southern jurisdictions already have extended producer responsibility in place, which I indicated in my comments as well. Sometimes, obviously, it’s a fraction of a cent for a hypothetical yogurt container.

As well, Madam Chair, the EPR regulations will obligate the highest person on the producer hierarchy first. Usually, these organizations will keep track of their regulatory obligations in each jurisdiction. Producer responsibility organizations also do a lot of the work to inform companies of their responsibilities. If the producer responsibility organizations are not able to work with stewards to bring them into compliance, they will pass on the files to Yukon government for further compliance and enforcement, and the general hierarchy is going to be the national brand owner, and after that, if there is an importer, like an international importer, that would be the next level down on enforcement. If neither

one of those applies, then it would be the retailer, but generally, producers or producer responsibility organizations, on their own behalf, will develop a stewardship plan. The development of the plan will require engagement with stakeholders. The plan will be submitted to the regulator for review and approval. The plan will outline waste-diversion metrics and associated targets — targets for accessibility and service levels of the collection network — and plans for public awareness efforts. The plan will provide financial and operational details, including how the proposed targets will be met and how collected products will be managed at end-of-life, in accordance with the pollution prevention hierarchy. The plans will be reviewed every five years and more ambitious targets may be proposed.

As I also indicated in my preliminary comments, there either are fully operational extended producer responsibility programs in all of the 10 provinces or they are on the cusp of being actualized or operationalized. We are going through the process of additional consultation and creating the stewardship program for the end of 2023 into 2024 and then hopefully wrapping up the process of operationalizing a made-in-Yukon extended producer responsibility program in 2025. There already are and will be great precedents to follow with respect to producer responsibility organizations and how they have — we will be looking pretty closely, as I have said all along, at British Columbia and Alberta.

**MLA Tredger:** There is lots of interesting information that I would like to follow up on, but first, I would like to go back to this example where I'm trying to understand the steps about what happens. So, if I own a grocery store and I put in an order — say, I want to buy X amount of Kraft Dinner, because that's the example we were talking about in the briefing, what are the next steps after that? Does the grocery store track how much they bought with the cardboard, or is that up to Kraft Canada, in this example, to track how much they have sent to the Yukon? How do they then decide on the fees that they are responsible for, and how does the producer responsibility organization also have that information so that they can follow up with whoever needs to be followed up with?

**Hon. Mr. Clarke:** The short answer to the Member for Whitehorse Centre's question is, yes, it would be Kraft Canada, but the slightly longer answer is that the producer — in this case, Kraft Canada — will be tracking the amounts of materials. The producer responsibility organization — which is well-established, as I have indicated, in the southern provinces — is already working with those companies in the provinces but will be working in the Yukon with stewards to come up with transparent and defensible methodologies for tracking material volumes. It is certainly not up to some of our grocers to — obviously not — it would be mischievous for me to suggest this, but they are not dealing with it on a box-by-box basis. They will be working with the national brand and with the established producer responsibility organizations.

**MLA Tredger:** I am just going to keep going with this example. The local grocery store which is buying all their products from Canadian chains, assuming they are not importing any, do they have any responsibilities? Are there any administrative or financial responsibilities for them?

**Hon. Mr. Clarke:** I will just provide an answer for that question. I anticipate that the Member for Whitehorse Centre will likely have a follow-up, but in the hypothetical that has been provided — and obviously, it is not the case at our local grocers, but generally speaking, a lot of what is sold is a national brand — but hypothetically, if all of their products are captured by national brands, they would not have stewardship responsibility for those items.

**MLA Tredger:** I thank the minister for that answer. That's helpful.

Is he aware if there are any businesses in the Yukon that will be captured — which are not under the limit for weight or, I believe it was, revenue — that aren't associated with a national brand? I can imagine our local Canadian Tire will have responsibilities, along with the national Canadian Tire brand, but are there any independent local businesses in the Yukon that are going to be captured under this and have either administrative or financial obligations?

**Hon. Mr. Clarke:** Yes, there would likely be some medium-sized Yukon companies that would be captured under the regulations, but once again, the foreign producer responsibility organization will be part of determining what a fair share of the — what the costs would be. We have certainly heard and are mindful of concerns of there being costs and the proposal is that it's either one tonne of materials or \$1 million of gross sales, which would have to be established, as well, to determine who was eligible for the exemption.

Of course, as I discussed in my preliminary comments, there will be the regulation development process, and at that point, it will be clear who will be in and who will be out. The overarching principle, as I indicated before, is that we would like to identify in that hierarchy as many national brand owners as possible.

Just to be clear, these act amendments will allow for a more stable and robust waste-diversion system to be established in the Yukon, in line with other Canadian jurisdictions. This means that Yukoners will be able to continue to have access to the recycling and hazardous waste collection services that they have come to expect.

For Yukon businesses, these changes will ensure that the regulation will assign responsibility for waste management, as I indicated, to the highest available producer in the supply chain, thus reducing the impact on smaller Yukon businesses.

As I have also indicated, there are baked-in expenses of somewhere between \$1.3 million to \$2.9 million to Yukon taxpayers right now, an inefficient but quite long-standing diversion credit process or scheme that will, at some point, be phased out.

**MLA Tredger:** Thank you to the minister for those answers.

What categories of materials will be covered under the regulations?

**Hon. Mr. Clarke:** The answer to the question is that printed paper and packaging — that would be everything that is currently permissible in the blue box collection system — and then hazardous and special waste, which would include but is not limited to antifreeze, diesel exhaust fluid, lubricating oil,

oil filters, flammable products, toxic products that are defined, corrosive products, domestic pesticide, paints, animal deterrents like bear spray, batteries, lamp products, and other products. So, yes, the answer is that printed paper and packaging, which, of course, includes all of the plastics and would include the soft plastics that have just recently been discontinued and then a fairly exhaustive list of hazardous and special waste. Yes, that would include the soft plastics, which Raven ReCentre has just indicated they are now unable to accept.

**MLA Tredger:** I was just taking a quick look at the blue bin list of the products they accept. Notably, it doesn't include non-refundable glass or Styrofoam. Would those be captured under these regulations?

**Hon. Mr. Clarke:** Generally, at a high level — and Yukoners will know this, but a potential interruption in recycling services for Whitehorse residents is a symptom of a fragile waste-diversion system in the Yukon that will be stabilized and strengthened through adoption of extended producer responsibility. The act amendments will enable the swift passing a robust extended producer responsibility regulation. This will allow the implementation period to begin, we hope, by the end of 2023 and, in turn, lead to producer-led waste-diversion programs in operation by the end of 2025.

The implementation period will involve the development and approval of detailed program plans and setting up service contracts with the local waste industry. Implementation of extended producer responsibility will ensure that soft plastics, glass, and other hard-to-handle materials — which, I am advised, could include Styrofoam — are recycled or managed properly. In the meantime, the Department of Environment is supporting the City of Whitehorse and the Department of Community Services in charting a path for recycling services over 2024 and into 2025 that will contribute to a smooth transition to extended producer responsibility.

So, the answer, Madam Chair, is that, yes, subject to additional discussions, consultation, and development of the proposed regulations, glass and Styrofoam are contemplated.

**MLA Tredger:** Does “contemplated” mean that they will be included or that there is the possibility of them being included?

**Hon. Mr. Clarke:** The way we manage and fund our recycling is in a period of transition. The government is working toward creating an extended producer responsibility program to stabilize recycling in the Yukon, but it is important to note that our recycling and waste management decisions are also impacted by external forces. These external pressures influence the day-to-day operations of what can be recycled and how it can be recycled. Our recyclable waste is connected to international markets, which directly influence local waste management operations and decisions.

As Yukoners and members opposite well know, with respect to the last five to 10 years in the recycling market, the global recycling market has certainly been challenging. The extended producer responsibility program places the onus on producers to ensure that the materials they supply to the Yukon are recycled or managed to the highest acceptable waste

management tool within the waste management hierarchy. We recognize that those two materials identified, glass and Styrofoam, are expensive to manage in the Yukon. We anticipate that separate recovery targets may be applied to these materials.

With respect to glass, I am certainly not an expert in this category, but I certainly receive advice from people who are indicating that, although it would certainly be preferable if glass could be recycled — on the hierarchy of concerns, I have been advised that we would like to be able to recycle glass, but it is of limited concern in the landfill, except that, of course, it occupies a fair bit of space.

**MLA Tredger:** I am on board with the principles of EPR and I am on board with what is trying to be achieved here, so I am hoping that we can have sort of a quick back-and-forth, because what I am really interested in are the details.

I am still not sure — will non-refundable glass and Styrofoam be included in these regulations? I am still not clear.

**Hon. Mr. Clarke:** Thank you to the Member for Whitehorse Centre for the question on this matter. I understand that they do wish to have a definitive answer. Our intention is to include glass and Styrofoam, and it would be in line with the list of materials that BC currently collects.

My only reason for, I suppose, equivocating is that it's certainly recognized that Styrofoam, and certainly glass — there are challenges. But as it stands right now in the proposed draft regulations, Styrofoam and glass are included.

**MLA Tredger:** I really appreciate the direct answer and I'm glad to hear it. I think that's a great decision.

I am wondering about the percentage of recovery targets for each category. I have a few questions. One is if they will be set in the regulation. Will they be for the entire category of printed paper and packaging, or will they be separated for different materials such as paper, plastics, or soft plastics?

**Hon. Mr. Clarke:** I am advised that they will not be set in the regulations — the targets — but they will be set in the stewardship plan, which will be worked on with Yukon businesses, national businesses, and the PROs — the product responsibility organizations — and they will be, at that point, split into more detailed categories. These categories will be determined during implementation, and we know right now — I'll surely be corrected by my officials — but the diversion rate now is in the range of 30 percent. Yes, the overall diversion rate in the Yukon is approximately 30 percent. We certainly would like that to be higher, and we are cautiously optimistic that this program nationally will incent innovation, and in my discussions with national vice presidents at the CCME — at the Canadian Council of Ministers of the Environment — they are very much all over the incenting innovation in packaging, because there is a profit motive to be better. There is a push that is already occurring nationally, and we will be part of the innovation — so, less, lighter, more innovative packaging, and ultimately, certainly a higher diversion rate is among the objectives of extended producer responsibility.

**MLA Tredger:** My understanding is that most other jurisdictions have set in their regulations their recovery targets.

Can the minister comment on why the decision was made to leave that up to the PRO and their stewardship plan?

**Hon. Mr. Clarke:** The proposed changes will enable Yukon to draft regulations that assign producer responsibility in a manner similar to the most modern extended producer responsibility regulations across Canada, like those in Alberta, Ontario, Saskatchewan, and Nova Scotia.

National industry groups have been calling for greater consistency between jurisdictions, and these act amendments will allow Yukon to align with provinces. In turn, this will contribute to more efficient and cost-effective programs in the Yukon and may allow for greater interjurisdictional collaboration and harmonization. Given the extended producer responsibility programs in southern jurisdictions, the Yukon has an opportunity to work with the developed programs to contribute to an efficient and cost-effective program that allows for interjurisdictional collaboration. Aligning with other jurisdictions can provide benefits such as cost savings, improved outcomes, reduced administrative burden, and increased opportunities for product innovation.

I am advised that only some jurisdictions have actually set targets in the regulations. These approaches then do not include a stewardship plan. In this instance, given that we are the first territory and acknowledging the concerns raised by the Leader of the Official Opposition with respect to the size of our territory and some unique challenges that may exist, I am sure that the officials at the departments of Environment and Community Services are well aware of those somewhat unique challenges.

A stewardship plan approach provides flexibility that the Yukon needs to balance the financial burden on local businesses, service levels, and environmental outcomes; therefore, we are proceeding with the stewardship plan approach that will allow us to obtain robust data for the territory before committing to targets.

So, that is the answer, and as I indicated, I'm advised that only some jurisdictions have actually set targets in regulations, but I can certainly provide a cross-jurisdictional scan of which jurisdictions have regulations and which jurisdictions went with a preferred option of a stewardship plan.

**MLA Tredger:** With discussion of the stewardship plan, my understanding is that it will be approved by the Yukon government rather than an external body as in some other places. Will that stewardship plan be published publicly, and will the annual reports on it be published publicly?

**Hon. Mr. Clarke:** As it stands right now, I'm advised that the stewardship plan does not need to be — will not be required to be published, but there will have to be an annual report. So, briefly, the regulator will consider the engagement conducted during the plan preparation. The plan is expected to adequately address the stakeholder concerns heard during that engagement. The regulator will consider the effectiveness of each proposed element of the stewardship plan in order to deliver programs to all Yukoners. If necessary, the regulator will seek advice from established, or ad hoc, advisory groups.

Producers, or PROs, on their behalf, will submit an annual report to describe the operational and financial performance of

the extended producer responsibility program, including program performance against approved targets, amounts of material supplied to the Yukon, amounts of collected material, how collected material was managed at end-of-life, and audited financial statements.

To the question about whether there will be annual reports, the answer is yes. It seems like it is proposed that it will have a fair bit of absolutely relevant data and success matrices as to how the extended producer responsibility program is operating in the territory.

**MLA Tredger:** Will the annual reports be published publicly?

**Hon. Mr. Clarke:** Yes.

**MLA Tredger:** I am glad to hear it. I am a little concerned about, as people read those annual reports, how they will be able to tell the progress if they haven't seen the original stewardship plan.

**Hon. Mr. Clarke:** Just to slightly repeat myself and to provide perhaps some additional information — but I think that the Member for Whitehorse Centre is asking about performance matrices, and I think that I answered it, but I certainly apologize if I haven't, and I can receive more information on the topic.

Producers, or PROs, on their behalf, will submit an annual report to describe the operational and financial performance of the extended producer responsibility program, including program performance against approved targets, amounts of material supplied to the Yukon, amounts of collected material, how collected material was managed at end-of-life, and audited financial statements. I am advised that the annual report will include reference to the targets that have been committed to in the stewardship plans. It appears that there are a lot of matrices or a lot of indicators here as to the objective success or lack of success or effectiveness of the program that hopefully will be captured in the regulations.

**MLA Tredger:** Thank you to the minister for the clarification.

I am still a little bit confused about why the stewardship plan wouldn't be published if the reports that talk about the progress toward that plan are published, but I will leave it there for now for that.

Will there be expectations that the PRO provides recycling collection services in communities outside of Whitehorse? I ask that because Whitehorse has a really high percentage of the Yukon's population, a lot of consumption and sales happen within Whitehorse, and I think that it is quite possible that a PRO could meet their responsibilities, in terms of percent collection, only by providing services in Whitehorse, and that, of course, would leave the burden of all services for the rest of the communities on the Yukon government and the people in those communities, which is something that we are trying to avoid with this regulation.

So, I am wondering if there will be expectations for the PRO to provide recycling collection outside of Whitehorse?

**Hon. Mr. Clarke:** I will keep this brief, because I think there's a lot of good work that will be done at the end of this year and into next year, but our goal is for service levels to remain the same or perhaps even improve over time. That will

also be part of the process of developing the stewardship plan. We are certainly cognizant of the fact that communities outside of Whitehorse shall receive appropriate services in their goals to reduce waste, improve waste diversion, and have recycling programs that are appropriate for their communities.

As indicated, our goal is for service levels to remain essentially the same and to work on the stewardship plan with the communities that are outside of greater Whitehorse.

**MLA Tredger:** On the waste hierarchy, above recycling are reduction and reuse. Will there be goals in the plan for reduction and reuse as well as for recycling?

**Hon. Mr. Clarke:** The extended producer responsibility regime incorporates several accountability measures. Producers must report on program performance every year. As part of the report, producers describe how collected materials were managed in accordance with the reduce-reuse-recycle waste management hierarchy. In addition, there are several federal initiatives underway that will further support the use of recycled resins across Canada, such as rules for recyclability, labelling rules, requirements for minimum recycled content, and the development of a plastics registry.

As I indicated in a previous response, by having this producer hierarchy in place, there is an incentive for the companies that are producing the packaging — and ultimately the waste that will result from the packaging — to be more innovative to make their packaging as effective as possible but as lightweight as possible and as little as possible because, of course, there is an expense and/or profit motive. The early indicators from the provinces are that this is exactly what occurs with respect to incentivizing innovation in packaging.

**Chair:** Do members wish to take a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

The matter before the Committee is continuing general debate on Bill No. 28, entitled *Act to amend the Environment Act (2023)*.

Is there any further general debate?

**MLA Tredger:** I would like to ask now about enforcement of the stewardship plan once it's approved by the government. The minister touched on this a little bit briefly earlier, but I am wondering if he can walk me through what happens. I am imagining a scenario where the stewardship plan says that there is supposed to be X-percent recovery in a certain category and the report comes back the next year and says that it is actually not that — that they haven't achieved that target. What are the next steps?

**Hon. Mr. Clarke:** Once you have a stewardship plan in place, then the *Environment Act* provisions for compliance and enforcement of the plan will include — and I think that I have discussed this before — audits, extra reporting, new service requirements, and notices of non-compliance to the public in order to obtain compliance with the government outcomes.

Additionally, the extended producer responsibility regime would incorporate several accountability measures, which I have talked about, but in any event, just to be clear, producers would report on program performance every year as part of the report. Producers describe how collected materials are managed with the most environmentally responsible waste management practices available within the waste management hierarchy, and this hierarchy would prioritize reducing and recycling waste generation to avoid unnecessary additions to the landfill.

There are tools that are already in use to enforce, as I indicated before, *Designated Materials Regulation*, which obligates non-Yukon companies as well. Public registry of non-compliances has been particularly effective in other jurisdictions, as the publicly listed infractions are reported to business stakeholders.

Additionally, producer responsibility organizations are motivated, as I indicated as well, to identify free riders and to bring them into compliance to ensure that their producer members pay their fair share of costs and not more.

As I indicated, I believe, in my preliminary comments, there are 15 months or 18 months of developing a stewardship program, but obviously, the devil will be in the details. As I have indicated previously as well, there is an operationalized extended producer responsibility regime that is in place in British Columbia and Alberta, and, of course, we will take guidance from them but will develop a stewardship plan that is made in Yukon and is cognizant or is always aware of particularities or the unique nature of our territory. Also, taking into account that we are the first territory to embark on this extended producer responsibility regime with a relatively small population and a very large territory, there will be logistical challenges as well.

**MLA Tredger:** I think what has me concerned right now is that there is a huge amount of power in this process being given to the PRO in terms of defining the targets, setting the targets, and setting the categories and how categories are going to be divided, and especially when we are talking about large companies here — we are talking about national-scale companies — I do believe that companies can have social responsibility as a goal, but ultimately, they are responsible to their shareholders for profits and that is not always compatible with the best possible recycling system. I am really concerned about the amount of power being given to them. I really want to make sure that I understand what happens if they are given that power and they don't live up to it. What will the Yukon government do? I understand that they could do an audit. I understand that they could ask for increasing targets, which doesn't seem like it would fix the problem of not having met the first set of targets. I understand that they could be kind of publicly shamed through telling the public that they haven't met those targets.

Are there any other actions that the Yukon government could take? Could the minister walk me through the escalating steps that would happen in this scenario?

**Hon. Mr. Clarke:** The Yukon government will have the ability to review and approve stewardship plans and all of their elements. The minister is intended to have the ability to amend

or revoke the plan, if necessary; however, the Yukon government is planning a more collaborative approach.

The *Environment Act* already allows for a wide range of compliance and enforcement tools. Examples of these tools include audits, investigations, fines, and a public registry of non-compliance. Similar tools are already in use to enforce *Designated Materials Regulation*, which I have talked about and which obligates non-Yukon companies as well. The public registry of non-compliance has been a particularly effective tool in other jurisdictions as well. Additionally, producer responsibility organizations are motivated to identify free riders and bring them into compliance to ensure that their producer members pay their fair share in costs and not more.

So, just to summarize, government approves the stewardship plans; the PROs or the companies are the how.

Just as far as the hierarchy of ultimate enforcement, there are a number of enforcement tools that may be available, depending on the facts. This would likely be the preliminary tool, a request for voluntary compliance under section 158 of the act, moving up to a contravention of the act, regulation, or term or condition of the plan that would constitute an offence so a charge could be laid. Then there could be an environmental protection order, and the biggest hammer, Madam Chair, would be to cancel or suspend a permit. My understanding is that this would be a cancellation or a suspension of a permit to import the goods that they are permitted to import.

I'm also advised that fines under the *Environment Act* range up to \$200,000. It's unlikely that this fine has ever been imposed, but, in any event, I can be corrected on that. The bottom line is that there are significant fining powers under the *Environment Act*.

Just to loop back, Madam Chair — just to be clear, the Yukon government will have the ability to review and approve stewardship plans and all other elements. The minister is intended to have the ability to amend or revoke the plan, if necessary. Once again, just for persons perhaps listening at home, the Yukon government is planning a more collaborative approach when and where at all possible.

**MLA Tredger:** I thank the minister for that outline. This is my last question, so I will start it by thanking the officials for being here and for answering my many questions, or helping the minister to answer my many questions, and for all the work it takes to get it to this stage. I appreciate that a lot.

Will there be additional capacity required in the Department of Environment in order to review and make decisions about this stewardship plan? Is there a plan to add FTEs, or is it just something that comes up once every five years that needs extra work? Perhaps the minister can comment on that.

Thank you to the minister and his officials.

**Hon. Mr. Clarke:** Thank you to the Member for Whitehorse Centre for her questions and interest this afternoon.

This can be a brief response. Under the *Our Clean Future* funding envelope, I am advised that the Department of Environment has one full-time-equivalent person to oversee the implementation of the stewardship plan. As it stands right now, pursuant to *Our Clean Future* funding from prior years, the

Department of Environment has one full-time-equivalent person to assist and operationalize the stewardship plan.

**Mr. Istchenko:** I want to thank the staff for coming in today and for their thorough briefing earlier.

I only have a couple of questions, and I guess I will get right into it here. Has the government conducted a thorough cost-benefit analysis and a strategic economic impact assessment of the proposed EPR regulations?

**Hon. Mr. Clarke:** Extended producer responsibility is a waste management framework that provides a long-lasting solution to the underlying structural issues facing the Yukon's recycling system and is intended to reduce the costs of recycling to the Yukon taxpayer. We have all noticed the impact to recycling services over the last year. Most recently, processors announced that they will no longer be accepting soft plastics. Under an extended producer responsibility system, the government can obligate producers to collect products like soft plastics, glass, and other hard-to-recycle materials to ensure that they are designed out of the system, reused, or recycled.

While we have heard widespread support for an extended producer responsibility system during our public engagement period, respondents raised concerns about potential cost impacts to residents and Yukon businesses. Because extended producer responsibility systems are already in place across Canada, as I have indicated — and my friend the Minister of Community Services has indicated — the national chains have already incorporated the cost of funding these systems into their prices.

A recent economic analysis estimated that, collectively, Yukoners are already paying an estimated \$1.3 million to \$2.9 million annually for extended producer responsibility services that the territory is not receiving. In order to ensure that concerned Yukon businesses and recycling stakeholders have the certainty that they need, the Yukon government has maintained an ongoing dialogue in order to address concerns and inform the development and implementation of our system. We are committed to continuing this dialogue up to and beyond the implementation of an extended producer responsibility system in the Yukon.

Extended producer responsibility programs for printed paper and packaging materials are not expected to increase costs of groceries and other consumer goods in the Yukon that generate such waste materials. Most large producers in the Yukon are national companies that have already incorporated some collection and diversion costs into their product costs because many southern jurisdictions already have extended producer responsibility programs in place.

For other materials, costs may be passed down to consumers by fees charged at point of sale or incorporated into the product costs. This supports user pay and user responsibility principles of waste management.

We recognize, however, to the member opposite's question, that inflation has impacted Yukoners, particularly in the last year. In many cases, we already pay higher costs for some paper products and packaging because of the extended producer responsibility systems in other jurisdictions, which I indicated cannot be removed from the system as groceries and

other products get to the Yukon. This is because extended producer responsibility fees are common in other provinces, and large producers do not adjust the price down — often just a fraction of a cent per product. That means that, in many cases, the Yukon is paying for recycling and not getting the corresponding recycling service.

For other types of items captured under the EPR regulations — for instance, the various types of hazardous waste — there may be a new cost attached to the sale of the product, but fees for disposal — for instance, tipping fees of that product — will be removed. The additional cost of new product packaging is directly related to the level of collection service that the Yukon government will require from industry, either in regulation or in stewardship fees.

I am advised that there is a report commissioned by the Department of Environment that can be found online. It is titled *Economic/Financial Analysis of Development and Implementation of EPR in Yukon*.

Just to briefly repeat myself, Yukoners produce approximately 450 kilograms of waste per person per year. I am sure we are right up there globally, but we're certainly right up there on a Canadian basis as well. Among other hopefully intended consequences of this, on a per capita basis, Yukoners will be producing less waste, and the big companies that we all know — the big national Canadian companies — will continue their innovation and make packaging lighter. There will be less packaging because there is a cost associated with it. So, that's it. There is a report entitled *Economic/Financial Analysis of Development and Implementation of EPR in Yukon*.

**Mr. Istchenko:** Great, there is a report online; I'll have a look at it; thank you.

The minister said that the regs will be available to the public after they are approved by Cabinet. So, can he confirm that there will be a period after Cabinet approves the regs but before they come into force for the industry and the public to review them?

**Hon. Mr. Clarke:** The member opposite is likely well aware that the Department of Environment has been drafting the regulations with care and thought to ensure that the concerns heard through the public engagement period are taken seriously. The results of the engagement show that a sustainable recycling system is important to Yukoners. The feedback generated from the public and stakeholder engagement is being incorporated into the draft regulations to include small business exemptions, placing the ownership on Canadian brand owners and ensuring waste is responsibly managed in accordance with the waste management hierarchy system.

The regulation will be available publicly once it has been approved by Cabinet, but, again, I want to assure members opposite that a workable extended producer responsibility program will continue to be developed in collaboration with our valued business community, producer responsibility organizations, and the Yukon government.

There is a long period of time for this stewardship plan to be finalized and operationalized in the Yukon. I know that the Member for Kluane is usually interested in consultation, which is great, but I can advise that there is a significant consultation

record that has already occurred, between November 1, 2022, and into the end of February 2023, and there is certainly a commitment to continue with that.

If the member opposite is interested, I can provide detail. There were a number of meetings with the extended producer responsibility advisory committee with the Association of Yukon Communities, with the Yukon Recycling Summit participants, Food Producers of Canada, the Retail Council of Canada, the Association of Yukon Communities administrators, First Nation governments, *What's Up Yukon*, Call2Recycle, the Klondike Placer Miners' Association, the Yukon Chamber of Mines, the Canadian Consumer Specialty Products Association, the Village of Teslin, the BC Used Oil Management Association, First Nations, once again, extended producer responsibility advisory committee again, Yukon Chamber of Commerce, meeting with me and various stakeholders, and then during the engagement period, in-person meetings with 18 that probably account for among the biggest Yukon retailers.

I can provide additional detail on that. I guess that's just to say, in answering the member opposite's question, that the engagement — significant engagement and consultation has occurred as well, and it will continue, and it will take a while before the stewardship plan is operationalized. We certainly do not anticipate — there is an intention that there be no surprises.

**Mr. Istchenko:** That concludes my questioning for today, so thank you. Thanks to the staff who came.

**Chair:** Is there any further general debate on Bill No. 28, entitled *Act to amend the Environment Act (2023)*?

Seeing none, we will now proceed to clause-by-clause.

**Mr. Kent:** Pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all clauses and the title of Bill No. 28, entitled *Act to amend the Environment Act (2023)*, read and agreed to.

#### **Unanimous consent re deeming all clauses and the title of Bill No. 28 read and agreed to**

**Chair:** The Member for Copperbelt South has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all clauses and the title of Bill No. 28, entitled *Act to amend the Environment Act (2023)*, read and agreed to.

Is there unanimous consent?

**All Hon. Members:** Agreed.

**Chair:** Unanimous consent has been granted.

*Clauses 1 to 5 deemed read and agreed to*

*On Title*

*Title agreed to*

**Hon. Mr. Clarke:** Madam Chair, I move that you report Bill No. 28, entitled *Act to amend the Environment Act (2023)*, without amendment.

**Chair:** It has been moved by the Member for Riverdale North that the Chair report Bill No. 28, entitled *Act to amend the Environment Act (2023)*, without amendment.

*Motion agreed to*



**Chair:** The matter now before the Committee is general debate on Vote 10, Public Service Commission, in Bill No. 211, entitled *Second Appropriation Act 2023-24*.

Do members wish to take a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

**Bill No. 211: *Second Appropriation Act 2023-24* — continued**

**Chair:** The matter now before the Committee is general debate on Vote 10, Public Service Commission, in Bill No. 211, entitled *Second Appropriation Act 2023-24*.

**Public Service Commission**

**Chair:** Is there any general debate?

**Hon. Mr. Silver:** I would like to begin by welcoming to the gallery today representatives from the Public Service Commission. I have Sherri Young, the Public Service Commissioner, and I also have Ash Kayseas, the Director of Communications, Policy and Change Initiatives, which is a new role for Ash. Great to see him here.

As mentioned previously, the Public Service Commission — the department responsible for the public service — includes a range of government-wide human resource programs and services. I have some notes, but I am going to basically just cede the floor to get to some questions.

We do know that *Supplementary Estimates No. 3* and *Supplementary Estimates No. 1* will provide that extra spending authority that is necessary for the Public Service Commission to fulfill retroactive payments and pay increases for employees of the Public Service Commission for compensation that they earned, or will earn, from April 1, 2023 to March 31, 2024. That amount is \$845,000.

**Ms. Clarke:** I just have a few questions. I just want to thank the officials who are here today. Thank you very much for coming. I just have a few questions for the minister responsible on the relocation and expense directive.

What is the current relocation and expense directive?

**Hon. Mr. Silver:** Our government may offer reimbursements of interview and relocation expenses for job candidates — newly hired employees who are moving to the territory from another jurisdiction.

**Ms. Clarke:** How is it determined who is eligible, and who approves?

**Hon. Mr. Silver:** I believe that it is set out in the *Interview and Relocation Expense Directive*, and we can get a copy of that for the member opposite.

**Ms. Clarke:** Do they have a breakdown of the last two years? I am also wondering which departments have used it.

**Hon. Mr. Silver:** Just so the members opposite know as well, there is a review of the directive that will consider more flexible options moving forward to ensure that we balance the

fiscal responsibility with the ability to attract the right people to meet the operational and strategic needs.

For the 2022-23 fiscal year, interview and relocation expenses totalled \$894,407.27. Now, over the past six fiscal years, the total interview and relocation expenses across the Yukon government averaged about \$8,000 per year and the number does fluctuate year to year. I do have numbers government-wide that I can provide to the member opposite for those years right back to 2017-18. I don't have the breakdown per department, but we could endeavour to get that.

I mentioned the 2022-23 number. The 2021-22 number is \$555,904.68. The 2020-21 fiscal year total expenses were \$827,196.30, the 2019-20 amount is \$1,061,729.06, the 2018-19 amount is just under \$900,000, and the 2017-18 amount is \$639,929.32.

**Ms. Clarke:** I just have one more question and then I am going to give the floor to my colleague. How does one access this from the Public Service Commission?

**Hon. Mr. Silver:** Madam Chair, can I ask the member opposite to expand upon what she means by "this"?

**Ms. Clarke:** I am talking about the relocation and expense directive. How does one access it from PSC?

**Hon. Mr. Silver:** Each of the departments would be responsible for the dollar values or for the program, but we administer the program — the policy — and the departments specifically will be the ones that do the actual day-to-day allocation of those funds.

**Ms. White:** Welcome to the officials, of course, and I am pleased to be here to talk about the Public Service Commission.

In the last two to three years with COVID, there were challenges, of course, with folks who were choosing not to be vaccinated. Can the minister share with us how many people were unable to attend work and how many have returned to work since the policy ended for vaccination requirements?

**Hon. Mr. Silver:** I believe that this was a question that was also asked during the updates for the members opposite. I don't have an update past that, but, at that time, we did let the opposition parties know that no staff were laid off due to vaccine mandates. Employees who did not meet vaccination requirements were placed on leave without pay for the time that the requirements were in place. As of April 2022, the vaccination requirement for most public servants was lifted and most affected employees returned to work. As of July of the same year, 2022, the remaining vaccination requirements of Yukon government employees in high-risk settings were lifted, and any remaining employees on leave without pay were able to return to work as well.

While the data on the number of employees who returned to work is not available, there were 92 full-time employees on leave without pay due to the vaccination requirements as of March 2022 before the requirements were lifted.

**Ms. White:** I do appreciate that. I'm sure the question has been asked before, but I did not remember the answer. Of those 92, did all return to the Yukon government?

**Hon. Mr. Silver:** We don't have that number here. All were able to return to work. I don't have the final number of

those who did, but I can endeavour to get that back to the member opposite.

**Ms. White:** I would appreciate that information. It was a challenging time for everybody across all spectrums.

One of the things I have had conversations about — and people have approached me — are their dealings with respectful workplaces and trying to navigate hard situations, for example, in the workplace, whether it is a disagreement among colleagues or challenges with supervision.

Can the minister walk me through what, for example, an intake into Respectful Workplace looks like or how a person accesses that and what the steps look like? So, what steps are taken with the employee who approaches Respectful Workplace, and what kind of resolutions can we hope to find there?

**Hon. Mr. Silver:** I will start with GAM policy 3.47 for respectful workplace policy, which was drafted in consultation with both the Yukon Employees' Union and the Yukon Association of Education Professionals to replace the former workplace harassment prevention and resolution policy. The new policy came into force in 2013, introducing appropriate dispute resolution — “ADR”, as we call it — to the process of addressing disrespectful conduct in the workplace.

Since the policy was changed, or introduced, in 2013, it is interesting to know that the RWO has received almost 3,000 requests for service. Many complaint requests are in the form of harassment or bullying — those types of things. Following the assessment of RWO, most were found to be interpersonal conflict, not to say that they all were.

The RWO serves two main service functions for conflict support: One is the promotion, awareness, and increased conflict management skills in the workplace through the educational and supportive efforts; and the other is to implement appropriate workplace interventions in response to complaints or requests. Education and support efforts involve conducting training courses, presentations, and also workshops for employees and managers.

As far as alternative dispute resolution consultation, an initial informal and confidential exploration of an employee's situation and options would be the first step. Conflict coaching is a structured process consisting of private and confidential sessions that allow an employee to proactively develop their own skills to manage an actual or potential conflict. Then the RWO also works through facilitation — a neutral third party facilitates a dialogue between two employees or within a work team. Facilitation is like mediation but less structured. It allows for conversations to be allowed without producing formal agreements, I guess. Mediation is that process where a neutral third party helps parties to negotiate a mutually acceptable solution. Then there is a group process, as well, as far as accessing these services, which is any collaborative process involving multiple parties, including group or tailored initiatives or interventions that help to reveal underlying conflict issues through workplace engagement, followed by the appropriate dispute resolution process from that.

The how is more complicated than just one approach. There are several. It is also worth noting that the Respectful

Workplace Office launched a new online sexual harassment training for employees in the spring of 2023.

**Ms. White:** I thank the minister for that.

In this job market, it makes sense that we are trying to recruit as actively as possible across different things, and one of the things under — that Yukon government touts — is the flexible work and leave options. One of those things talks about “share a full-time job”. I have had conversations with nurses in rural communities — nurses in charge, actually, in rural communities — who have asked to job share, and they have been denied, and they have actually just left the positions. So, underneath “Share a full-time job”, it says: “Share a full-time job with a colleague or simply reduce your own working hours. You may find these options to be useful when a full-time salary is not a key priority, or when planning a phasing-out of work prior to retirement. Flexible work options are subject to operational needs and would need to be approved by your supervisor.”

In the example that I am using, actually, two nurses had approached about sharing a full-time job, because of the requirements of being out of town and other things, and they were denied. In the end, we lost both nurses.

How do we ensure that one of these things that is supposed to be something that we use for recruitment or retention — for example, sharing a full-time job — is actually given the time or the look-into and it is not just denied? So, instead of having two full-time nurses in a rural community sharing a position, we have no full-time nurses in that community sharing a position, and now, they are being backfilled with agency nurses, which — I mean, I am glad that there are nurses there, but they are certainly not the two who were happy to do the job ahead of time.

So, how do we make sure that, when people are applying for things like flexible work hours, that their requests are taken seriously and viewed with importance, case-by-case, as required?

**Hon. Mr. Silver:** Madam Chair, I appreciate the question from the member opposite, especially being a rural MLA and especially understanding, in my time as Premier, the Canada health transfer and the *Health Act* in Canada, of equal access to health care services across the nation, let alone into rural communities in the Yukon.

I know that the member opposite does recognize, as well, that it is sometimes extremely hard to recruit for some rural positions in some of the rural communities, but that being said, it is extremely important, as we face these challenges that every government in Canada is facing right now as far as shortages of human resources, to make sure that we do all that we can to staff all positions whether they are challenging or not, such as health care professionals, teachers, because there are extreme labour-market shortages everywhere.

Without knowing the details of this specific case, as I would assume that would be through Health and Social Services, I can talk about when individual departments lead recruitment planning and strategies for their own specific workplaces, the Public Service Commission can support those departments with initiatives to address recruitment and

retention challenges that are specific to all different departments of government but also other challenges of the physical jurisdiction of where these jobs are and the challenges that those departments have.

Some of the initiatives that we would be working on would include streamlining the hiring practices and trying to get through this through process improvements and conducting research to understand the barriers, for example, that Indigenous employees and members of other marginalized groups may experience throughout the recruitment process. As the Public Service Commission, we also can help to focus on psychological health and safety initiatives to help to ensure that our workplaces are welcoming to everyone. We continuously work to ensure that the Yukon government public service is recognized as an employer of choice, as it is, and that the talent of people is attracted locally but also nationally and internationally to meet the operational and strategic needs that we have today and also as we plan for tomorrow.

I will give a plug to [yukoncareerpaths.ca](http://yukoncareerpaths.ca). That was recently launched this spring, and the site offers a variety of resources and information for any potential job seekers, including details about benefits and career development that make the Yukon government one of Canada's top 100 employers. The site provides information about living in the territory, including profiles from each of the communities and more information about recreation, about First Nation culture, and it's a great tool that helps us, as the departments seek to fill the positions that are so desperately needed right across all of the communities in the Yukon.

**Ms. White:** Thank you, Madam Chair, and I thank the minister for that.

The challenge I guess is that the Yukon government touts flexible work and leave options, but I have had conversations with people who have applied for these things and been turned down in what feels to be a very arbitrary way, especially if both people are government employees and both are able to do the work. So, it wouldn't have been a shortage; it would have just been a reorganization of time, but they were denied. Does the Public Service Commission get any kind of information — for example, do departments report back about how many people have requested different leave options or different scheduling options? Is there anywhere within government that is all collected?

**Hon. Mr. Silver:** I would say that the Public Service Commission doesn't have the analytics that would be necessary for that type of data research and work. Those HR concerns would be more specific to each of the departments, which would be a good opportunity, as well, for the members opposite, as the departments appear here, to talk about those analytics per department. You will come to recognize the differences per department in those pursuits.

Again, as the Public Service Commission is a small but mighty team — that's for sure — we work on the policy. For example, there is the *People Plan*. We are engaging to ensure that the public service itself is strong and engaged and able to effectively deliver programs and services to Yukoners. That's our policy. The *People Plan* is a collaboratively developed

human resources strategy that intends to support our ongoing efforts to develop inclusivity, engagement, and also effective public servants, but the feedback loop coming back and the analytics being done after the fact in the Public Service Commission would be a big effort, and we do not have the human resources to do that right now, but we do set the priorities and the policies through these overarching plans. *Breaking Trail Together* is another great example of the work that the department does to encourage Indigenous representation in our government.

With the *People Plan*, there are several priority projects that are underway that we're putting into action, including improving recruitment practices, streamlining the human resource process, and identifying the projects and initiatives that begin to address the issues of everything from cumulative stress to sexual harassment and burnout. Again, we are the policy shop that sets those parameters.

I will also say that, based upon engagement with our other departments in the government, multiple projects were identified and are currently being implemented under the *People Plan*. The current *People Plan* does expire at the end of 2023, and plans are underway to report on the current plan in the spring of 2024. We are designing for a new plan launch for 2024. I am sitting with two people who are extremely excited about the work that's being done on that endeavour. It is a lot of work, but it is work that is relished by the public servants and the Public Service Commission.

**Ms. White:** The Yukon Employees' Union, in their newsletter on September 15 — the title is "Public Service Commission orders files destroyed, violating the ATIPP Act". Then there is a follow-up on September 18 entitled "Ensuring Transparency and Compliance: YEU Addresses ATIPP Concerns". Then there is one on September 27 that actually has the ATIPP documents. I mean, it has questions about how ATIPP was used.

Has the minister looked into the allegations by the YEU about mishandling ATIPP requests and the situation that happened that they shared in September?

**Hon. Mr. Silver:** Yes, to answer the member opposite's question. I will start by saying that all records, including personnel assessments, are retained and disposed of in accordance with the Public Service Commission's records retention and disposition schedules that are governed by the *Yukon Archives Act*. We work according to that act. The disposal of working files, including drafts and duplicates, is authorized under the transitory records schedule. It's important to recognize that we are working inside of the act. We are fully committed to complying with all laws and regulations regarding access to information and the protection of privacy requests.

The information within the YEU newsletter contains some inaccuracies — inaccurate information. However, it would be a violation of the *Access to Information and Protection of Privacy Act* to get into the specifics of the requests referred to in the newsletter. The commission inadvertently provided a copy of a personnel assessment to their designated access officer — their DAO — in response to an ATIPP request. Now,

personnel assessments must not be disclosed in response to an ATIPP, as per schedule 71 of the ATIPP act, so the Public Service Commission requested that their DAO shred the copy of the personnel assessment to protect its confidentiality — rightfully so and consistent with the ATIPP act. The DAO agreed and removed the copy in their files, given that the Respectful Workplace Office was the custodian of the master personnel assessment. The Respectful Workplace Office retains the original master personnel assessment according to the required retention schedule, so that was not destroyed. There is no active investigation of the Public Service Commission from the Information and Privacy Commissioner with respect to inappropriate disposals of any records.

**Ms. White:** In the response — probably similar to what the minister has just shared — the YEU does go on to challenge the claim there about that inaccuracy, and they do go into talking about the ATIPP legislation and specifics around requests. So, has there been a conversation with the PSC and the YEU since this happened in September?

**Hon. Mr. Silver:** Again, I'm not going to share too much more information as it would be a violation of the *Access to Information and Protection of Privacy Act*, but suffice to say, there are ongoing conversations with all union representatives and the Public Service Commission still to date.

**Ms. White:** I appreciate that. One of the important things when we talk about union representation and we talk about the employer is that there needs to be a relationship of trust. What is the Public Service Commission doing to make sure that this relationship is either rebuilt or continues on?

**Hon. Mr. Silver:** It has been my privilege to be the minister of this department for a short period of time so far, with a huge responsibility as we were going through collective bargaining and as we prepare for other collective bargaining. The meetings that I have with the Public Service Commissioner and her team exemplify professionalism and the desire to continue respectful dialogue in very, very hard conversations — in very tough conversations — where everybody, at the end of the day, just wants what is best for the public servants. I have never witnessed, in my time, anything other than an effort and a willingness to maintain and continue to maintain those respective dialogues with all of the union representatives. My observations would be that the Public Service Commission and team recognize the tough job that the union representatives have as well.

**Ms. White:** One of the things that we had discussed previously this year was whether or not the American Sign Language program had been reviewed, especially with those people who were accessing it. I can't remember if, at the point in the spring when we talked about it, it was under review or was going to be reviewed. Can the minister please just refresh my memory on the American Sign Language interpreter and that service?

**Hon. Mr. Silver:** That is part of our diversity region of the Public Service Commission. It is a permanently funded program and it is not currently under review.

**Ms. White:** I must have asked for the review. One of the reasons for it was that, in the beginning when that program was

unveiled, people within the deaf community found it really helpful because they could book an interpreter for different times of the day. The interpreter had flexible hours, and if they had meetings, for example, or they were attending events with people, their hours could reflect that.

Does the flexibility for the interpreter still exist for them to work outside of government office hours?

**Hon. Mr. Silver:** Yes.

**Ms. White:** That's excellent to hear. I would suggest, though, that, at some point in time, there be a conversation with community members who access that service as I have heard that, at times, there are limitations. I think that if we are trying to build the really inclusive society that I hope we are, we want to make sure that we address any of those barriers and are able to address any of those barriers.

I realize that I could continue asking questions for a while, but it is 5:25 p.m. and I do have an interest in clearing the lines, so I will close the computer and ask the Clerk for the sheet so we can try to get this done before we report progress.

**Chair:** Is there any further general debate on Vote 10?

Seeing none, we will proceed to line-by-line.

**Ms. White:** Pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all lines in Vote 10, Public Service Commission, cleared or carried, as required.

#### **Unanimous consent re deeming all lines in Vote 10, Public Service Commission, cleared or carried**

**Chair:** The Member for Takhini-Kopper King has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all lines in Vote 10, Public Service Commission, cleared or carried, as required.

Is there unanimous consent?

**All Hon. Members:** Agreed.

**Chair:** Unanimous consent has been granted.

***On Operation and Maintenance Expenditures  
Total Operation and Maintenance Expenditures in the amount of \$845,000 agreed to  
On Capital Expenditures  
Total Capital Expenditures in the amount of nil agreed to  
to  
Total Expenditures in the amount of \$845,000 agreed to  
Public Service Commission agreed to***

**Hon. Mr. Streicker:** Madam Chair, I move that you report progress.

**Chair:** It has been moved by the Member for Mount Lorne-Southern Lakes that the Chair report progress.

*Motion agreed to*

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

**Chair:** It has been moved by the Member for Mount Lorne-Southern Lakes 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 now have a report from the Chair of Committee of the Whole?

**Chair's report**

**Ms. Blake:** Mr. Speaker, Committee of the Whole has considered Bill No. 28, entitled *Act to amend the Environment Act (2023)*, and directed me to report the bill without amendment. Committee of the Whole has also considered Bill No. 211, entitled *Second Appropriation Act 2023-24*, and directed me to report progress.

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

Are you agreed?

**Some Hon. Members:** Agreed.

**Speaker:** I declare the report carried.

**Hon. Mr. Streicker:** Mr. Speaker, I move that the House do now adjourn.

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

*Motion agreed to*

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

*The House adjourned at 5:28 p.m.*

**Written notice was given of the following motion respecting committee reports October 17, 2023:**

Motion Respecting Committee Reports No. 6

Concurrence in the *Eighth Report of the Standing Committee on Rules, Elections and Privileges* (Cathers)