



# Yukon Legislative Assembly

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Number 167

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35<sup>th</sup> Legislature

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## HANSARD

Wednesday, March 13, 2024 — 1:00 p.m.

Speaker: The Honourable Jeremy Harper

# YUKON LEGISLATIVE ASSEMBLY

## 2024 Spring 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

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

### THIRD PARTY

#### New Democratic Party

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

### LEGISLATIVE STAFF

Clerk of the Assembly	Dan Cable
Acting Deputy Clerk	Allison Lloyd
Clerk	Christopher Tyrell
Sergeant-at-Arms	Karina Watson
Deputy Sergeant-at-Arms	Joseph Mewett
Hansard Administrator	Deana Lemke

**Yukon Legislative Assembly  
Whitehorse, Yukon  
Wednesday, March 13, 2024 — 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 in recognition of artwork exhibits in the Chamber**

**Speaker:** I am pleased to introduce the seven pieces of artwork on display in the House for this Sitting. Each work comes from the Yukon permanent art collection, the territory's record of visual art. Beginning from the south back side of the Assembly and moving counter-clockwise, the works are: *Slippers* made by Mary Caesar; *Talking Mask* by Christina Peters; *Sixth Shaman* by Kenneth Coyne; *Raven Mask* by Eugene Alfred; *Dakwākāda Warriors Graphic Novel Originals* by Cole Pauls; *Sheep Horn Spoon* by Keith Wolfe Smarch; and untitled beading by Fanny Charlie.

We are proud to showcase these important works and encourage Yukoners to visit the Yukon Legislative Assembly website to learn more about the artists and their work.

*Applause*

**DAILY ROUTINE**

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

Introduction of visitors.

**INTRODUCTION OF VISITORS**

**Hon. Ms. McPhee:** Mr. Speaker, I will ask my colleagues to help us welcome a number of guests who are here today: Chief Superintendent Scott Sheppard and his wife, Vicki Sheppard, Superintendent Lindsay Ellis, Inspector Kent Langley, Sergeant Calista MacLeod, Jack Jia, Zayden Potter, and Carrie Power, all from the RCMP; Deputy Minister of Justice Mark Radke and Assistant Deputy Minister of Justice Ian Davis.

Thank you for being here today.

*Applause*

**Hon. Mr. Mostyn:** Mr. Speaker, we have quite a crowd here today. There are a lot of names, so please bear with me.

This is for our Special O tribute later on this afternoon. We have with us today athletes: Mallory Pigage, who is a five-pin bowling gold in ladies' singles; Bobbi-Rae Patchett, five-pin bowling gold in ladies' singles; Duncan McRae, five-pin bowling gold in men's singles; we have Ernest Chua, who is silver in the 2.5-kilometre classic and bronze in the cross country ski one-kilometre classic; we have Edward Kaye, curling, fourth place in division 2; and we have Scott Lillies, who is part of the coaching staff, assistant coach in curling. We have a lot of other guests here supporting the team. We have the incomparable Serge Michaud who is here this afternoon, Khoon Chua, Shirley Chua-Tan, Cecil Kenny, Marie Kenny,

Helen Slama, Kris Bruneau, Leslie McRae, and also Sean Ridder, who came in late — if everybody could please help me in welcoming everybody here.

*Applause*

**Hon. Mr. Streicker:** Mr. Speaker, I am looking for coach Krista McKinnon as well. There she is. I am not sure if I heard it — and just to make sure, because I know she will want to get it pronounced — it is Mallory Pigage — and if we could welcome them, too, please.

*Applause*

**Ms. White:** Mr. Speaker, I apologize if it was already said, but athlete Brandle Bruneau is also here.

*Applause*

**Speaker:** Tributes.

**TRIBUTES**

**In recognition of RCMP Chief Superintendent Scott Sheppard appointed as Member of the Order of Merit of the Police Forces**

**Hon. Ms. McPhee:** I rise today on behalf of the Yukon Liberal government to pay tribute to RCMP Chief Superintendent Scott Sheppard, commanding officer for M Division of the Royal Canadian Mounted Police here in the Yukon.

Chief Superintendent Sheppard has been serving Canadians as a member of the RCMP for over three decades, with a varied and distinct career. In 2016, Yukoners and the members of M Division have benefited from the incredible experience, leadership, professionalism, and support of Chief Superintendent Scott Sheppard as M Division's commanding officer.

His leadership has provided the Yukon with a strong, innovative, and culturally appropriate response to public safety, inspiring respect for the core and community policing functions. Of particular note is M Division's reconciliation strategy, which was led by Chief Superintendent Sheppard and has strengthened relationships and built trust with Yukon First Nation governments and communities.

He has transformed the work of the RCMP by modernizing operations to result in quality of investigations and the creation of a territorial crime reduction unit and a historical cases unit, supporting the innovative Car 867 program, and upholding the work of Yukon's MMIWG advisory committee in *Changing the Story to Upholding Dignity and Justice*. Under his leadership, community groups, municipalities, and government partners continue to benefit from constructive partnerships, collaboration, and support to try new ideas.

It is with all of this in mind that I take great pleasure in recognizing Chief Superintendent Sheppard's recent appointment as a Member of the Order of Merit of the Police Forces. This is an honour bestowed by the Governor General of Canada, the Rt. Hon. Mary Simon. The Order of Merit of the vPolice Forces recognizes exceptional service and performance of duty to Canadians. This appointment recognizes Chief

Superintendent Sheppard's long-lasting and positive contributions toward policing and community safety, going above and beyond the demands of his day-to-day work to improve the lives of his colleagues and all Yukoners.

On behalf of the Government of Yukon and all Yukoners, I would like to extend our heartfelt congratulations. This honour is a testament to his ongoing dedication to excellence in law enforcement. It is a fitting tribute to his contributions toward territorial policing and ensuring that public safety measures are thoughtful, impactful, and long-lasting. Although he and his wife, Vicki, and his two sons are a long way from Manitoba where he began his career, we are grateful that they have chosen to make Yukon their home.

I have had the good fortune of working with Chief Superintendent Sheppard since 2016 when he became the M Division commander and I had the honour of becoming the Minister of Justice. I value his insights and perspectives as we work toward a safer place for all Yukoners.

Thank you for your ongoing leadership, guidance, and service to all communities and the people of the Yukon. This is a well-deserved honour.

*Applause*

**Mr. Cathers:** Mr. Speaker, I rise today on behalf of the Yukon Party Official Opposition to pay tribute to Chief Superintendent Scott Sheppard, commanding officer of the Yukon RCMP, and thank him as well as the other RCMP members present here today and, of course, his wife, Vicki.

Chief Superintendent Sheppard is the commanding officer of the Yukon RCMP, also known as M Division. I would like to recognize his appointment as a Member of the Order of Merit of the Police Forces last month. This appointment is a national honour administered by the Canadian Association of Chiefs of Police and one of the most prestigious distinctions that a member of any police agency in Canada can receive. It honours exceptional merit through contributions to policing, community development, and leadership displayed by members of police services.

Chief Superintendent Sheppard came to the Yukon as commanding officer of M Division in 2016 and has a wide range of experience over 30 years in matters including general duty policing, covert and undercover operations, critical incidents, relocation services, and officer development and resourcing. His service to Canada includes working in front-line policing as a drug investigator, undercover operator, and explosives technician. He was an instructor in the explosives training program at the Canadian Police College in Ottawa and has also served as officer in charge of chemical, biological, radiological, and nuclear explosives operations, as officer in charge of the national critical incident program, as officer in charge of undercover operations, as director of relocation, and as career resource and development officer in executive officer development and resourcing.

Throughout his long career, Chief Superintendent Sheppard has received several honours for his efforts, including the Queen's Jubilee Medal in recognition of his leadership and development in the approach to security during the 2010

Olympic Games, as well as the commanding officer's commendation for long-term undercover operations.

He has presented on the RCMP's security programs to officials from other countries, including the United Kingdom, to the United Nations as well as Interpol, and has conducted program reviews for Australian police agencies. He also assisted the Canadian Forces in furthering their counterinsurgency investigations during his time in Afghanistan.

Last but not least, we appreciate and thank him for his service to the Yukon since 2016 during a very difficult time dealing with population growth as well as increasing challenges due to organized crime pressures and the illegal drug trade when the growth of pressures on the Yukon RCMP significantly exceeded the growth of their resources. The recent announcement of what may be the largest ever drug bust involving cocaine in the Yukon is a testament to his work and to that of all Yukon RCMP members who were part of that. We thank them all for their efforts, and in particular, we thank Chief Superintendent Scott Sheppard today for his leadership and continued service to the Yukon and to Canadians.

*Applause*

**Ms. Blake:** Mr. Speaker, I rise on behalf of the NDP to pay tribute to the Yukon's RCMP Chief Superintendent Scott Sheppard on being appointed to the Order of Merit of the Police Forces, which recognizes not only Scott Sheppard's leadership but also his service and performance in our territory and throughout his career.

As expressed by my colleague, Chief Superintendent Sheppard has a wide range of experience in programs such as general duty policing, covert and undercover operations, critical incidents, relocation services, and officer development and resourcing — all of which contribute to the work he does to serve our territory in his capacity.

I can only imagine how challenging it is to serve as an RCMP officer and the many sacrifices that come with that. I would like to thank you, Mr. Sheppard, for the times that you may have had to put your life on the line to keep Yukoners and the community safe. We thank you for continuing to show up day after day to serve and protect our community, for doing the hard work that you do in your role to address the criminal activity that continues to have devastating impacts across our territory.

In recent years, this activity seems to be hitting our small communities especially hard, and I was glad to hear of the success of Project Monterey and keeping dangerous weapons and drugs off the streets of our communities.

Mahsi' cho to Scott for his years of service, his dedication, and for his leadership. Again, congratulations to Mr. Sheppard on his appointment.

*Applause*

## In recognition of 2024 Special Olympics Team Yukon

**Hon. Mr. Mostyn:** Whoa — the hardware — the brightness of the hardware in the Chamber this afternoon is absolutely spellbinding.

Mr. Speaker, I rise today to pay tribute to the 2024 Special Olympics team. The athletes and staff of Team Yukon 2024 were excellent representatives of the territory — the Special Olympics Canada Winter Games in Calgary. The games assembled more than 1,250 athletes, coaches, and support staff, and they marked the first Special Olympics Canada Winter Games since 2020, when they were held in Thunder Bay.

Our 2024 Team Yukon competed in four sports. There was a sweep-tastic curling team, the rock and rolling five-pin bowling squad, speedy cross-country skiers, and a fan favourite figure skater. Every athlete on Team Yukon demonstrated that hard work, determination, and training lead to success on the ice, ski trails, and bowling lanes. The countless hours of training led to incredible sports performances and those performances led to an impressive medal haul. Our athletes returned home with 13 medals. This is a new Yukon Special Olympics winter games record.

Most importantly, each athlete on Team Yukon did a fantastic job of representing themselves and their home, made new friends, and had perhaps the most amount of fun of any team there. That's what sports are all about, Mr. Speaker.

Of course, the athletes could not do it alone. I would like to thank the coaches and mission staff who were there with the athletes on every step of this journey. I would also like to thank the families who support their children and their families in this cause. It is because of your efforts that the Yukon proudly boasts a vibrant sports community and why the territory leads as much off the field in ways that matter, like inclusivity, respect, and fun — as much as they do it.

Thank you very much, and congratulations to Team Yukon 2024.

*Applause*

**Mr. Dixon:** Mr. Speaker, I rise on behalf of the Yukon Party Official Opposition to pay tribute to Special Olympics Team Yukon. These athletes have just returned from participating in the 2024 Special Olympics Canada Winter Games in Calgary. The Yukon delegation included 13 athletes, who were accompanied by a team of coaches and mission staff to Alberta.

It was comprised of cross-country skiers, figure skaters, curlers, and bowlers, each competing against their peers from across the country in their chosen sports. The jingle of medals that we all hear in the gallery today, Mr. Speaker, is a testament to their success.

Special Olympics allows for inclusive competition in sport from the local to the international level. The games and our local organization, Special Olympics Yukon, are so incredibly valuable to our participants and their families. Special Olympics Yukon offers programming for budding athletes at a very young age through to adulthood, offering athletes the

opportunity to compete at regional, territorial, national, and even international games.

The staff and volunteers at Special Olympics Yukon not only offer support, training, and inspiration to our athletes and participants; they ensure the success of the entire organization.

Our thanks to all those who make opportunities like the games in Calgary and the continuation of year-round programming possible.

Special Olympics Yukon is organizing their 2024 festival dinner auction for April 13 — in a few short weeks. I encourage all Yukoners to consider supporting this incredible group by attending the dinner or taking part in their silent auction or by donating money or other goods and services to help out Special Olympics Yukon and all those families and individuals who benefit from their programming.

I would like to give a special thanks to Special Olympics Yukon CEO Serge Michaud, the Special Olympics staff, and the dedicated board of directors for all their efforts and dedication.

*Applause*

**Ms. White:** Mr. Speaker, I rise today on behalf of the Yukon NDP to celebrate, salute, cheer, commend, and congratulate all of the athletes, coaches, and mission staff of Special Olympics Yukon on their recent success at the Special Olympics Canada Winter Games in Calgary.

There are not enough words to say how proud I am of Team Yukon and how well they represented themselves and the Yukon. From all the practices leading up to the competition, to the fundraising and the Christmas party, to the uniform unveiling, Special Olympics Yukon barely had a minute to breathe before landing in Calgary at the end of February for the games.

When I saw a video from the opening ceremony, my heart nearly burst with pride, because Team Yukon was up dancing and showing the rest of the country their joy, and Team Yukon continued to share their joy at the curling rink, the bowling alley, the cross-country ski stadium, and the ice rink. Over and over again, Team Yukon showed their love of sport and each other by showing up and trying their best.

There are so many stories and “best day evers” that each and every one of them brought home. They won some, they lost some, and they even brought home medals, but Team Yukon never forgot the Special Olympic oath: “Let me win, but if I cannot win, let me be brave at the attempt.”

We are so proud of you, Team Yukon. Congratulations on your hard work and dedication to sport and to each other. You are awesome.

*Applause*

**Speaker:** Introduction of visitors outside of proceedings.

## INTRODUCTION OF VISITORS

**Ms. Blake:** Mr. Speaker, I would like to ask my colleagues to welcome youth from Vuntut Gwitchin First Nation: Tyra Benjamin, and also welcome Nikki Williams-Patchett, who is a citizen of Champagne and Aishihik First

Nations, and our youngest visitor in the House is Ms. Zariah Williams, who is a citizen of the Kwanlin Dün First Nation.

Mahsi’.

*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?

## INTRODUCTION OF BILLS

### Bill No. 37: *Miscellaneous Statute Law Amendment Act, 2024* — Introduction and First Reading

**Hon. Ms. McPhee:** Mr. Speaker, I move that Bill No. 37, entitled *Miscellaneous Statute Law Amendment Act, 2024*, be now introduced and read a first time.

**Speaker:** It has been moved by the Hon. Minister of Justice that Bill No. 37, entitled *Miscellaneous Statute Law Amendment Act, 2024*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 37 agreed to*

**Speaker:** Are there any other bills to be introduced?

Are there any notices of motions?

## NOTICES OF MOTIONS

**Hon. Mr. Mostyn:** Mr. Speaker, I rise to give notice of the following motion:

THAT the House supports the development of 44 serviced residential lots in Haines Junction that is now underway through the awarding of the construction contract to Castle Rock Enterprises.

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

THAT this House urges the Government of Yukon to begin formal negotiations with the Association of Yukon Communities to modernize the comprehensive municipal grant formula.

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

THAT this House urges the Yukon government to be open and transparent with all hospital and government employees whose jobs will be affected by the establishment of a health authority corporation, including disclosing to them the following information:

(1) which departments, branches, and employees will move under the proposed corporation;

(2) how important issues including pay, benefits, and opportunities for advancement will be impacted; and

(3) clarity regarding the impact this major structural change will have on employee pensions.

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

THAT this House urges the Government of Yukon to initiate:

(1) a public awareness campaign about the risks of measles; and

(2) a vaccination campaign to ensure that MMR vaccination rates in the Yukon meet or exceed 95 percent.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to provide access to free pregnancy tests for all Yukoners.

I also give notice of the following motion for the production of papers:

THAT this House do order the return of the caregivers, foster parents, and relatives strategy review report conducted for Yukon Family and Children’s Services by Savoury Consulting Ltd.

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

## MINISTERIAL STATEMENT

### Housing opportunities

**Hon. Mr. Pillai:** Mr. Speaker, interest rates and the cost of living continue to impact all Yukoners, with some households now spending more than half of their pre-tax income on housing costs. Through budget 2024-25, our government is supporting housing opportunities for all Yukoners, while promoting vibrant and diverse communities.

I want to speak today about two important benefits — one new for homeowners and one ongoing program for renters. These measures are in addition to the record-breaking investments in housing made in our budget. The Canada-Yukon housing benefit is made possible through federal funding from Canada Mortgage and Housing Corporation and currently supports Yukoners struggling to pay their rent. This program was recently expanded to support Yukon homeowners, and it is important for Yukoners to know that, for the homeowners’ stream, there is a limited time to apply.

Canada Mortgage and Housing Corporation provided our government with \$1.1 million to support Yukon homeowners through the recently announced Canada-Yukon housing homeowner benefit. Low- to moderate-income Yukon homeowners are invited to apply for the one-time payment to help them with their housing costs. It is important to note that housing costs is a broad category, including costs such as mortgage payments, property tax, home insurance, home repairs, heating fuel, and electricity bills.

To be considered for the benefit, homeowners must demonstrate that they are spending more than half of their pre-tax income on housing costs, with a gross household income of \$100,000 or less in 2022 or 2023. Applications close when the program is fully subscribed or at 4:00 p.m. on March 26, 2024.

I encourage Yukoners experiencing housing affordability concerns to apply at their earliest convenience. Information is

available online at [yukon.ca](http://yukon.ca). Successful applicants in Whitehorse can expect to receive \$1,000, while those outside Whitehorse will receive \$1,500 by June 1 this year.

This is not the first time the Canada Mortgage and Housing Corporation has extended support through the Canada-Yukon housing benefit. On November 4, 2020, the Government of Yukon announced the Canada-Yukon housing rent benefit, which supports low- to moderate-income households across the territory with rental housing affordability. Since 2020, over 300 households have received support through the Canada-Yukon housing rent benefit. As of February 2024, 162 clients are receiving monthly support.

In closing, we will continue working with our partners at all levels to make life more affordable for Yukoners. Budget 2024-25 contains many other measures to make life more affordable for everyone in the territory. In budget 2024-25, our government is responding to high inflation, improving access to housing, and working hard to make sure that Yukoners can access essential services at prices they can afford. This is just one of the many ways in which we are helping Yukoners create and maintain a home.

I want to acknowledge the staff of the Yukon Housing Corporation for rapidly turning the Canada-Yukon housing homeowner benefit program around and note that not all jurisdictions were able to act quickly enough to take advantage of this federal funding.

Thank you, Mr. Speaker.

**Ms. Clarke:** Mr. Speaker, it appears that the information in this ministerial statement received coverage in several media outlets and was covered in a press release. The homeowner benefit is notably old federal money from last year's fiscal year and is very late getting out the door.

Last year, Yukoners struggled with the highest cost of living increases in the country. We are more interested to see if the Premier has any new ideas to address the cost of living, like eliminating the carbon tax on all home heating fuels or a full carbon tax exemption for the north.

Salamat po.

**MLA Tredger:** Mr. Speaker, we hope that this money will be a stop-gap for some of the many people whom we hear from who are struggling to make ends meet. What this does not do is address the core problem. It does not address the fact that Yukoners are struggling to find affordable housing. I put the emphasis on "affordable" because this seems to be the piece that this government is often missing.

I hear about housing everywhere I go. Whether it's the grocery store or a community event, a casual conversation or someone in crisis, I hear over and over and over again that people can't find affordable housing. \$1,000 or \$1,500 will help people for a month or several months, and I'm glad to see that happen, but it won't change the underlying problem: that it is very difficult to find and afford housing in the Yukon. This is a real problem that this government needs to address, and it is part of a broader affordability problem in the Yukon.

Cost of living for Yukoners keeps increasing. I'm very proud that, through the CASA, the Yukon NDP has been able to make life more affordable for Yukoners. Things like tying minimum wage to the consumer price index, like bringing in a cap on rent increases, like increasing social assistance rates and increasing the child benefit — we know all of these are helping Yukoners make ends meet, but we also know that it's not enough.

One issue that I hear about regularly from Yukoners is their electricity bills. I was very proud to be an intervenor on the proposed electricity rate hike from ATCO and speak against it. ATCO is an Alberta-based company planning to increase their profits by charging Yukoners more every month. The silence on this issue from the Yukon Party and from the Liberals speaks for itself.

Before I hand it back to the minister, I have some questions about the housing benefit. First, how many Yukoners will be able to access this program before it is fully subscribed? Will he commit to topping up the program, if necessary, so that all eligible Yukoners can benefit and not just the first ones who get their applications in?

I would suggest that 18 days to apply for this money — from the time the program was announced until when the deadline is for applications — is just not enough time. People need to hear about their recently announced program, understand the details, collect all the required paperwork to prove their housing costs and incomes, and submit their applications.

I hope the minister will consider extending this deadline, and I look forward to his reply.

**Hon. Mr. Pillai:** I will maybe start with some questions or comments from the Official Opposition. I would say, first of all, that we had Canada Mortgage and Housing Corporation reach out to us and say: We've got these funds; do you think you could put them into a program to provide to Yukoners? That happened in the last week, so this is absolutely a new program. The information from the opposition that it's an old program is incorrect.

It would be important, we thought, that we should move as quickly as we possibly could. Our team at the Yukon Housing Corporation — I commend them for all the work that they did to get this in place. I think it's important to share this information as much as possible, because we think it's a good program. It's built in a way that we respect those extra costs that Yukoners in rural areas have, as compared to the City of Whitehorse. It has been built that way, so it's very strong, and it really respects rural Yukoners and, at the same time, provides some extra tools around this particular program.

I think, again, the time frame that has been given to us was defined by Canada and our ability to have this in the current year's budget and to be able to have that flow. We couldn't define an extra time frame. I agree; more time would be great, but we are in a position right now, as we bring this through, where we are using the guardrails that have been defined for us. We think it's important for every MLA in this Legislative Assembly to reach out to their constituents — especially

anybody who is representing rural Yukoners, making sure that they are aware of this. This is a good program for their constituents.

My sense is that the modelling that we have done will make sure that we can provide this benefit, based on the analysis we did, to all Yukoners who can apply for it. We are looking to see as many people as possible, and we have defined that based on what we see as the quantum of homeowners, both rural and here in the City of Whitehorse.

I also will just share — it is one strategy, but the housing challenges need a series of strategies, and I think we have talked about the work at Yukon Housing.

We see in this budget absolutely record-breaking investment into affordable housing, which, to the NDP, I think would be something that would be a true strategy and response to looking at our ability to provide appropriate housing. We have heard the Yukon Party say that they don't believe we should be investing this much in affordable housing, yet we should be looking at the private sector — but truly, we're doing all those things.

I think it's also important to note — I'm just going to correct the record. Yesterday, the Yukon Party provided false information to the public around the amount of money that has gone into construction in the residential field.

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

#### Point of order

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

**Mr. Cathers:** The Premier is knowingly contravening Standing Order 19(h), accusing another member of uttering a deliberate falsehood. I would ask you to remind him of that — to retract his offending comments and to not do it again.

#### Speaker's statement

**Speaker:** There is no point of order, but I would caution members on their language.

Hon. Premier, please continue.

**Hon. Mr. Pillai:** Thank you, Mr. Speaker. I apologize for any disruption in the House. I think it was incorrect information that was provided.

What we heard yesterday in the Chamber was that there was this connection that — because of a connection with lot development and a decrease in spending on residential construction — I would just urge the members to correct the record publicly.

If you go back and look at the actual expenditures on residential housing from 2022-23, we're seeing the national number down 11.6 percent but actually an increase of 12.7 percent of actual dollars spent. I urge them to set the record correctly, now that they know they have been providing inappropriate information, and again, thank you for giving me an opportunity to speak to this —

**Speaker:** Order, please.

This then brings us to Question Period.

#### QUESTION PERIOD

##### Question re: Carbon tax

**Mr. Istchenko:** Mr. Speaker, in a few weeks, on April 1, the Liberal carbon tax will increase by almost 25 percent. It will represent over 17 cents per litre on gasoline and 21 cents per litre on diesel, but there is a growing movement across the country of political leaders urging the federal government to halt this upcoming tax hike. We have seen at least seven provinces write the Prime Minister to make this request.

Will Yukon's Premier stand up for Yukoners and make a formal request to the Prime Minister to halt the upcoming increase to the Liberal carbon tax?

**Hon. Mr. Silver:** Mr. Speaker, we need to take action to move to a greener future. That's known.

Our government is building a clean, green future and a strong, resilient economy. That's known.

I'll explain it again to members opposite, since they don't seem to be willing or able to understand the simple policy. The members opposite profess to be a party focused on economics, so I'm sure that they can appreciate that this is an economic signal that gives people and businesses the option of reducing or paying for emissions. They would have taxpayers pay for climate change, whereas the world is turning to carbon pricing. We are shifting the burden of managing climate change off the taxpayer and we are putting it on the polluters themselves.

The Yukon Party signed us up for a carbon-pricing mechanism, campaigned on it in the last election, and now they don't have a plan to move forward, yet they will criticize the plan.

As we approach another summer and another spring, many of us are thinking about the potential of floods and fires across the territory. Now more than ever, it's crucial to not retreat from carbon pricing, Mr. Speaker. We are at a pivotal moment in the fight against climate change, and we need bold action locally, nationally, and globally.

I know that the members opposite believe in climate change — I know that — but they don't have a plan to address it. They're asking us to throw the baby out with the bathwater, and they will not give us any plan to address climate change.

**Mr. Istchenko:** Mr. Speaker, premiers across the country are speaking out against the upcoming tax hike. Here's what the Premier of Prince Edward Island told the Prime Minister — and I'll quote: "With most goods arriving by diesel trucks ... adding to the cost of gas and diesel continually drives up the costs to goods, services, and food for Islanders.

"When we don't have any other alternatives here, it becomes punitive and unfair tax."

We couldn't agree more, because that is exactly the case here in the Yukon. So, can the Premier of the Yukon explain why he supports this tax hike on Yukoners?

**Hon. Mr. Silver:** Mr. Speaker, it's not clear what the members opposite don't understand. They know that the Yukon carbon rebate program returns all of the carbon levies back to individuals, back to businesses, First Nation governments, and municipalities.

The members opposite also know that the remote supplement — that is money that goes to Yukoners from carbon

pricing in the remote — will double for Yukoners living outside of Whitehorse, and that starts this summer. Why don't they want this for Yukoners? Again, all money — all those revenues coming back.

But this is the item that the members opposite will continue to harp on. We know that they want to double down on fossil fuels.

I am very, very proud to have been on the First Ministers' negotiations and signed the pan-Canadian framework several years ago in my role as Premier. Because of this deep involvement and alignment in the principles and the vision for Canada's green future, the Yukon became an early adopter of carbon pricing and the principles used in the development of the pan-Canadian framework.

Again, the Yukon Party signed us up to the Vancouver Declaration for a carbon-pricing mechanism. If they don't like the current system, what is their plan? We can't just say that the taxpayers pay for climate change; we have to make sure that the polluter pays. What is the plan of the Yukon Party?

**Mr. Istchenko:** Mr. Speaker, even the last remaining Liberal province is against the carbon tax hike. Here is what the Premier of Newfoundland and Labrador said in a letter to the Prime Minister — and I'll quote: "The coming almost 25 percent increase ... in the federal carbon tax on April 1<sup>st</sup> is causing understandable worry as people consider how they will manage the mounting financial strain."

Again, Premier Furey is describing the exact same case that we see every day here playing out in the Yukon. So, if just about every premier in the country is against this tax, why is the Yukon's Premier in favour of it?

**Hon. Mr. Pillai:** Mr. Speaker, I will tell you why we stand to support this. It is because, number one, I haven't seen another plan put on the table. We know that the Yukon Party leader in the last election ran on the fact that there would be a Yukon Party carbon tax. Sure, it made good sense because, at that particular time, politically the Yukon Party knew that they needed to say that if they had any shot at winning the election. That is why they said it. Today, it is that they want to cancel it, but I can tell you — yes, you know what? I am going to be sitting at a table with all those premiers and I am going to be disagreeing. The reason I am going to be disagreeing is because there is not another system that has been tabled.

When I sit down — and I had a conversation with a young Yukoner today. They looked at me and said: What is the conversation going to be today? I said that it is going to be about the carbon tax and it is going to be about the fact that a number of premiers have decided not to support it. The response to me was: Oh, they're folding. It's too bad that they are folding.

It is disappointing for all the youth in this country when you see this happen, because we have to do something. The response to the major challenge that we have will take sacrifice. That is the truth. So, you can either make sure that you do something that is going to help you politically in the short run and give up on our next generations or are you going to stand strong and make the changes that we need to so that next generations can have the lives that we have had on this planet.

### Question re: Carbon tax exemptions for home heating fuel

**Mr. Dixon:** Mr. Speaker, last December during a trip to Ottawa, the Premier of Yukon took some time to appear on a national television program for an interview with Power Play, hosted by Vassy Kapelos.

The Premier's main message during that interview was that he was disappointed with the Prime Minister not because the federal Liberals haven't been able to come up with new infrastructure funding or that they haven't been able to deliver on the promised funding for a new convention centre or any of the other promises they have made, but the Premier was disappointed in the Prime Minister's decision to cut the carbon tax on home heating oil.

Mr. Speaker, the Premier of Yukon was actually advocating that the carbon tax be put back on home heating oil. So, I would like to give the Premier a chance to explain this. Why does he want the federal Liberals to reverse their decision to cut the carbon tax on home heating oil?

**Hon. Mr. Pillai:** Mr. Speaker, the line of questioning at that particular interview was about carbon pricing. There wasn't a conversation concerning funds for infrastructure or for a convention centre, but those are all conversations that we had over the time period, making sure that the priorities for the Yukon are identified. There are a number of things that we want to continue to see the federal government support us on.

Quite openly, the same answer from the last series of questions is the answer to the question from the Leader of the Official Opposition. I feel that we have an obligation to have a system in place so that, when the next generation of Yukoners look at us in the middle of this fire season and say: What are you doing to deal with this situation on this planet? — we are saying that we are using the system that is in place, the best system we have seen delivered either in this country or on this planet. That's what we are doing. Not: I'm not going to do anything, because I think it's going to make good sound bites and that will help me in the next election — because this is a reduction in cost. There is pain with this. We know that, but I can tell you: Having the Yukon go up in fire or floods and continuing to see the magnitude of that year after year — that's more pain.

**Mr. Dixon:** Mr. Speaker, the premier was quite clear on CTV. He said, "We are focused on the current system. We believe in the current system. We don't think there should be exemptions," but earlier in that interview, he acknowledged that about half of Yukon homes are heated with heating oil. That means that half of Yukon homes benefit from the Trudeau Liberals' decision to cut the carbon tax on home heating oil.

While almost every other premier in the country is advocating that the federal government extend that exemption further, the Yukon's Premier is the lone voice advocating that the tax be put back on Yukoners.

Yukoners want to know, Mr. Speaker: Why is the premier advocating that half of Yukoners should pay more to heat their homes during this cost-of-living crisis?

**Hon. Mr. Pillai:** Mr. Speaker, what we are starting to see, which is a bit of a change for the Leader of the Official

Opposition, is more fun with facts. He used to be a bit more disciplined in what he brought to the table.

What I'm seeing right now is that there is a piece of that interview that is not being talked about, and that is really what I said — we want to go out and ensure that there are other opportunities to reduce our reliance. I think the number is 49 percent of individuals. We had a very high number of individuals using home heating. What I did say in that interview is that I wanted to make sure that the Minister of Energy, Mines and Resources got the best deal in the country for us to be able to do installs on heat pumps, which is what was being used in Atlantic Canada, understanding that we are not going to get 12 months of use out of an instrument such as that in the Yukon but making sure that we had it financially viable for those to be able to reduce. Talking to some Yukoners who have put them in place, they can't use them for 12 months, but over the eight, nine, 10 months that they can use them, they are seeing a great reduction in their heating bill, and they're seeing it to be very appropriate.

Again, the deal in Atlantic Canada was: We will give a break for three years so that people can use this particular item. We are in the midst of having that conversation. We want the best deal in the country for that, and we think that Yukoners then will have an opportunity to reduce their reliance. So, that is what I said in the interview, but we are not getting the whole version, just the points that help the opposition today.

**Mr. Dixon:** Mr. Speaker, when Yukoners look across the country, they see other premiers standing up for the interests of their citizens. They see the Liberal Premier of Newfoundland calling for a halt to the increase in the carbon tax because it's bad for Newfoundlanders. They see the Premier of the NWT calling for an exemption for the carbon tax for that territory because it's bad for northerners. They see the NDP Premier of Manitoba calling for the application of the carbon tax in his province to be revisited because he knows that it's wrong for Manitobans. Yet here in the Yukon, we see a very different approach. Here, we see the premier criticize those other governments, including the federal Liberal government, for not taking enough action on climate change.

Yukoners see their premier calling for increased taxes and for exemptions that benefit Yukoners to be removed. How does the premier explain advocating against the interest of Yukoners?

**Hon. Mr. Pillai:** This is the commitment I will make to Yukoners: I will stand up for our future generations. I will stand up on the right thing to do. What I will not do is, like the Leader of the Official Opposition, flip-flop on whatever makes sense on the day. I have watched it on renewable energy; I have watched it on carbon pricing. Go back and see what the Leader of the Official Opposition says in the middle of an election and what he will say three years later — whatever it takes for him to get a shot at power.

No — if this means that Yukoners in the next election feel that this is something that they want to vote against me or us on, okay; so be it, but I will stand up for what we believe in; I will stand up for what is right for the next generation, and that's how we're going to govern.

### Question re: Home care support services

**Ms. White:** Mr. Speaker, Yukoners who access support through home care are concerned about the recent cuts to service hours. The amazing staff provide services that are essential for Yukoners who need support to live independently. In many cases, folks accessing these services have exhausted all other options.

Recently, someone reached out to us and told us that their home care supports were suspended for six months due to staffing issues. Not only that, but they were told to reach out to friends and family in lieu of home care support. This is a completely unacceptable response. Asking people to rely on friends and family, if they are fortunate enough to even have people available to them, leaves folks with acute needs vulnerable and puts unrealistic pressures on their loved ones.

Can the minister tell us how many people have had their services cut or completely removed in the past 12 months?

**Hon. Ms. McPhee:** Mr. Speaker, I think that our home care system here in the territory is extremely successful. It is extremely supportive of the patients it serves every day in their homes. We have, of course, a seniors action plan that speaks to the expansion of home care to the supportive home care. As a matter of fact, it is one of the issues noted yesterday by the Minister of Health and I — the federal Minister of Health, Mr. Holland — when we signed three agreements of nearly \$86 million to improve health care access to services. One of those agreements is focused on the care of seniors and the idea of being able to care for seniors and support them in their home for as long as possible, to improve access in rural communities for home care by promoting aging in place through in-home respite or rural end-of-life care. These programs are in place already, and this funding will enhance our ability to provide access to new services and expand the services that we have.

**Ms. White:** Mr. Speaker, unfortunately, there was no recognition by the minister for those whose home care supports have been removed. People are not getting home care because their needs are optional; they are getting home care because they need it. Not only were this home care client's essential support needs put on hold for six months, but they also received no clarity as to whether their support hours will be reinstated after the hold. This person required home care after they had multiple serious injuries due to their lack of supports. They are now living at risk of being injured again.

Basically, they have been told that they are on their own. Their hours are suspended, but their need for these supports remain. This government is failing the home care system, their staff, and clients alike. This government's inability to manage our health care system is putting the lives of Yukoners at risk.

What critical steps is this government taking to restore home care supports to clients whose services have been suspended, and what steps are being taken to support those working within the home care system?

**Hon. Ms. McPhee:** Mr. Speaker, I am intimately familiar with the needs of individuals who are having the services of home care. Home care is a critical service here in the territory. It is a service that is provided here which is often not provided in other health systems. We are extremely proud

of the home care supports that are provided to individuals for the purposes of providing them service in their home, their place of home, and in an opportunity for them to heal better, heal faster, and be supported by amazing professionals — home care attendants, both with nursing qualifications and other home care attendants who help them with individual activities, perhaps.

There has been an increase in our community services for nursing, which includes the home care, that has gone from a 47 percent vacancy rate to a 17 percent vacancy rate in February 2024. Is that enough? No. We continue to work extremely hard and support our home care workers.

**Ms. White:** Mr. Speaker, home care is critical, and those doing the work are spread so thin that they can't keep up and it's no fault of their own. Imagine if, one day, you were unable to perform essential life tasks — things like getting out of bed, taking a shower, getting dressed, preparing a meal, or even going outside for some fresh air. These tasks are supported by the hard-working folks at home care, but due to government lack of action, they have been left understaffed and overloaded. Cancelling home care services is telling people that they must live without access to these basic human needs. These activities are not a luxury. Everyone has a right to live a life of dignity and respect. By suspending services and telling clients that they are on their own, the government is cutting off their right to dignity, respect, and autonomy.

Can the minister tell us what her government is doing to ensure that Yukoners needing home care can live with dignity, autonomy, and respect?

**Hon. Ms. McPhee:** Mr. Speaker, yesterday, Minister Holland of the Canadian government and I signed an aging with dignity agreement. The Government of Canada will provide close to \$12 million to support Yukon's five-year action plan to help people living in the territory age with dignity close to home and with access to home care or care in a safe, long-term care facility. This is a top priority. Have our home care services been affected on occasion by the global shortage of appropriate and important nursing staff or home care staff? Absolutely. Is that satisfactory? No, it's not, but we have a health human resources strategy that has been put in place in this territory that is absolutely unique in its development, with every decision maker and every care provider team at the table for the purposes of determining how we can plan not only now for improved services for Yukoners but well into the future.

#### **Question re: Municipal recycling program**

**Mr. Hassard:** Mr. Speaker, yesterday, the Minister of Community Services confirmed that the Yukon government had offered \$2.4 million to the City of Whitehorse to develop a new recycling curbside collection program. My colleague noted that this was despite the fact that the City of Whitehorse had many outstanding questions about what this funding would mean and how the Yukon government expected a new program to work. It also created several questions from other municipalities.

My question is simple: Will the Minister of Community Services be making similar offers for recycling support to other communities, or is this offer just for the City of Whitehorse?

**Hon. Mr. Mostyn:** Thank you, Mr. Speaker, and I thank the member opposite for the question this afternoon. As I said yesterday as well in my answers to the questions from the Official Opposition, recycling is one of the biggest issues that we've heard about on the doorstep from constituents. They are very concerned about the way that recycling is going to be handled in the City of Whitehorse in light of the moves that have been made by Raven ReCentre.

We know that this is an active conversation with the City of Whitehorse. They are going to be having conversations about this as a council on what next steps are. They have put together a request for information to inform their decision, and I wish them well in those deliberations, because recycling and garbage is a municipal responsibility, and it is top of mind for every citizen in this city.

In light of that and because the Raven ReCentre made a decision very quickly and the City of Whitehorse is left to deal with this, we have decided, as a Cabinet, to step in and make an offer to the City of Whitehorse to financially help the launch of a curbside recycling system inside the City of Whitehorse.

**Mr. Hassard:** Mr. Speaker, other communities took notice that, on the same day that the minister was saying that all communities matter, he announced a special new program just for the City of Whitehorse. So, maybe some communities do matter more than others to this government, because the City of Whitehorse is not the only community that has challenges and issues with recycling.

For instance, in my community of Teslin, the village has offered curbside recycling pickup for many years — almost two decades, in fact — without any financial support from the Yukon government to support this ongoing effort. If the minister is so willing to provide \$2.4 million to the City of Whitehorse for a curbside recycling program, how much funding should communities like the Village of Teslin expect for offering the very same program?

**Hon. Mr. Mostyn:** Mr. Speaker, I really want to commend the Village of Teslin for the work they are doing on behalf of their constituents in that community on recycling. I know that, down in Watson Lake, they have a very good municipal landfill as well. In Dawson City — we actually have a recycling program up in Dawson City, and the Yukon government actually did contribute to the refurbishment and the launch of their recycling facility up there. I haven't heard from any other municipal mayors about how much they are paying for curbside recycling and that type of thing. It's obviously — you know, this is something that we have to grapple with in society. There is a cost to garbage, and we have to deal with those costs. So, this is something that we're working with.

That is why we are working so hard to refurbish and invest in our municipal landfills across the territory to make sure that they are gated and controlled, have staff and have power, so that we can better control the inputs into our landfills, make sure that they last longer and are better managed on behalf of

the citizens of the territory going forward. We all know how expensive landfills are to both commission and decommission.

This is all work that we are doing; it's all part of our new approach to garbage — something that was ignored for so many years — and I know that municipalities came to us and said: Do something — and we are doing something on that front.

**Mr. Hassard:** Mr. Speaker, it is interesting that the minister mentioned Dawson City, because just last summer, the new recycling centre in Dawson City opened. In an interview with CBC in May, the town's public works supervisor said that the new facility was designed to accommodate a curbside pickup program that members of the community have been calling for, for years. The only issue is that the City of Dawson can't afford the cost of a program like that, so when the minister makes an announcement that he is offering millions of dollars to support the City of Whitehorse, understandably, other municipalities start to ask questions.

I would like the minister to explain this: Why did he announce an offer to support municipal recycling collection in the City of Whitehorse but not in any other community?

**Hon. Mr. Mostyn:** Mr. Speaker, I will note right off the hop that, out of the gate, the member opposite mentioned the fact that we invested in a recycling centre in Dawson City. We don't have an investment of such a municipality facility here in Whitehorse. We do have, however, an issue that has cropped up in the City of Whitehorse that is top of mind for citizens of this municipality in that they do not know what is going to happen with their recycling once the public drop off is closed. Raven ReCentre was very clear that they wanted to see action on a municipal curbside system and, if not, they were going to close their drop off.

We are working with the City of Whitehorse. We have struck a committee; that committee has met for more than a year now; we've met regularly. We have a much greater understanding of the needs of the municipality of Whitehorse, and we are taking action, as a Cabinet, to support citizens of Whitehorse and support the City of Whitehorse in launching a curbside recycling program here in the largest municipality in the territory.

### **Question re: Residential lot development in rural communities**

**Ms. McLeod:** Mr. Speaker, on March 8 of last year, the Yukon government issued a news release about the development of Frances Avenue in Watson Lake. The press release even included a nice picture of the Premier signing an agreement alone in his office in Whitehorse. Now, according to the budget speech, my community should expect to see work begin on the new lift station as well as lot development this summer.

I would like to ask for an update on this. Can the minister confirm that the construction of the lift station will be fully completed this summer, and when can my community expect to see those 43 lots made available for sale?

**Hon. Mr. Mostyn:** Mr. Speaker, I am very happy to talk about all the work on lot development that we're doing in rural Yukon. We just put out a news release about the lots we're

building in Haines Junction, and now the member opposite is talking about all the great work we're doing on Frances Avenue.

I actually recently met with the municipality of Watson Lake in the last month. I had a great conversation with the mayor and council there. They were very welcoming, and we had a productive meeting well into the evening. Frances Avenue, of course, was on the agenda.

Frances Avenue is 43 lots and a lift station. Construction is targeted for completion in the fall of 2024, and under the agreement, 18 lots will be transferred to the Liard First Nation. This was an arrangement where we worked with the Liard First Nation and the Town of Watson Lake to make sure that we had this development going. We have every intention of having the work done — the lift station, the lots prepared — this year.

**Ms. McLeod:** Mr. Speaker, one of the main concerns that I have heard about these lots is how they will be priced. In some cases, the Yukon government prices lots based on the cost of development. In some cases, it's based on the market rate, and in some cases, it's a blend of those two. I would like to ask for clarity about which of those scenarios will apply to these lots.

How will these lots be priced when they are finally put up for sale?

**Hon. Mr. Mostyn:** Mr. Speaker, we are working; we have an approach of pricing lots that are as affordable as we can make them, given the cost of actually building the lots, and we will see what happens when that comes out. I had the same conversation with the municipality of Watson Lake when I was down there.

I will say, though, that it's really great — echoing my words yesterday — to hear the opposition, after 10 years of inaction, finally cottoning on that housing is an issue in the City of Whitehorse. We had them sit on housing money that they refused to spend. They sort of ignored lot development.

Mr. Speaker, we know how important lots are for Yukoners, how important housing, as an issue, is to Yukoners, which is why we are investing tens of millions of dollars into housing to make sure that Yukoners have a safe, affordable place to live. This year alone, we are spending \$27.3 million to build affordable homes, community housing, and Housing First projects and replace aged-out units. We have \$6 million to assist the Safe at Home Society to develop supportive housing units in Whitehorse. We have \$5.5 million in loans for individuals and developers to buy and build homes and for homeowners to repair their principal residence. There is \$8.3 million to fund the development of rental housing; \$2 million to renovate and rehabilitate units owned by the Yukon Housing Corporation; another \$1.2 million in rental subsidies.

Mr. Speaker, housing is an issue we take seriously. We know it's important to Yukoners and we are working on that file.

**Speaker:** Order.

**Ms. McLeod:** Mr. Speaker, it seems that the minister was so long in the tooth there that he forgot the question.

The question was: How much are those lots going to cost the citizens of Watson Lake?

In the premier's ministerial statement about this project on March 8 of last year, he committed that this development would include an additional 73 lots beyond the 43 that would be released initially.

So, I would like to ask where those additional 73 lots will be located and when they will be made available.

**Hon. Mr. Mostyn:** Mr. Speaker, I think that the member opposite was so dazzled by the amount of work that we are doing on housing that she forgot the answer I gave her at the beginning. I said that I had discussed this with the Town of Watson Lake. We try to make our housing lots in these communities as affordable as possible based on the cost of building lots, and we will continue to do that.

Mr. Speaker, I am hearing all this stuff about housing, and I appreciate it. It's an important issue to Yukoners; I am glad that the Yukon Party finally understands that. The Yukon Party record on housing is frankly embarrassing. I have said this before. They sat on millions of dollars in affordable housing money and did nothing. They diminished housing lot development in the City of Whitehorse and across the territory for years and years and years. We inherited a deficit in housing in the territory. We have been working tirelessly to make sure that housing is developed, because we know that it is an important issue to Yukoners. We have heard that again and again and again. Yukoners care about housing; they want affordable housing, and we are delivering as fast as we can to make sure that Yukoners have a safe place to live in this territory, which is growing faster than we have ever seen it before because of the red-hot economy.

**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. 35: *Coordinated Vaping Product Taxation Agreement Act* — Third Reading**

**Clerk:** Third reading, Bill No. 35, standing in the name of the Hon. Sandy Silver.

**Hon. Mr. Silver:** I move that Bill No. 35, entitled *Coordinated Vaping Product Taxation Agreement Act*, be now read a third time and do pass.

**Speaker:** It has been moved by the Minister of Finance that Bill No. 35, entitled *Coordinated Vaping Product Taxation Agreement Act*, be now read a third time and do pass.

**Hon. Mr. Silver:** Mr. Speaker, following the assent of this bill, we will enter into a coordinated vaping products taxation agreement with the Government of Canada, as we discussed in Committee of the Whole and in second reading. In an ideal world, no one would smoke, but that is not the world we live in. However, we appear to be at a point of inflection where we are seeing a significant shift from smoking cigarettes to vaping.

As we know, lung cancer is the most commonly diagnosed cancer and the leading cause of cancer death in Canada. While vaping is considered less harmful than cigarette smoke, it should still be taxed to provide a disincentive, as it does with smoking.

Youth between the ages of 15 and 19 are three times as likely to vape as to smoke cigarettes. I believe that the approach we are taking today makes strides toward providing a price signal that we hope discourages youth from starting to vape.

Mr. Speaker, I used to smoke cigarettes. I think I quit when the cigarettes became 10 bucks a pack. That was way too much money for me at that time and it was a disincentive. I don't know what I would have done if, way back then, there were actually vaping products available — if I would still be addicted to nicotine or not.

I think that the initiative that we're doing here is a sound approach. I thank the federal government and the provinces and territories that are having this conversation and making sure that we stay ahead of something that is extremely important, especially because it affects our youth so much.

**Mr. Cathers:** Mr. Speaker, I do not have much else to say to this beyond what we have indicated earlier. As I noted before, I think that generally there is a broad consensus among most of the public that supports a taxation of tobacco and vaping products. I'm sure that not 100 percent of people feel that, but I think that generally that support is there. Certainly, we have seen advocates, such as the Canadian Cancer Society, arguing for this type of approach.

We will be supporting the passage of this legislation.

**MLA Tredger:** Mr. Speaker, at second reading, I had stated our position, which is that, of course, we want to help people reduce harm; we want to make sure that people aren't starting vaping and that they are able to quit if that is what they want — if they already vape. This is particularly important when it comes to our young people. We want to make sure that as few of them as possible start vaping and that as many of them as possible who already vape can quit. I said that I was looking to the government to make the case that this legislation would do that.

I got some of those answers in second reading in Committee of the Whole, perhaps not in as much depth as I would have liked, but I was pleased to see that there was some reference to leading organizations calling for this as an approach to reduce vaping. I appreciate that information from the minister.

I want to come back to the point that, if this is our goal — if this is our joint goal that we reduce vaping among people because of public health and because of their personal health, we attack that on many fronts at once and that it's not just about charging more, but it's also about supporting people. We know that what helps people stop smoking and stop vaping is behavioural intervention and pharmacological support. I really encourage — and will be looking for this government to make those supports available as widely as possible, particularly to young people.

I also want to bring back the idea that my party has bringing up since 2019 of flavoured vaping products — because we know that those are very incentivizing to young people to start vaping and cause a lot of harm and also that the flavoured products themselves are also very harmful. Yet those are still available to be sold today in the Yukon, to the best of my knowledge. If that is incorrect, I hope that the minister will correct me.

I appreciate the government bringing this forward and working toward this goal that we all share. We will be supporting this legislation.

**Speaker:** Are you prepared for the question?

**Some Hon. Member:** 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 yea, nil nay.

**Speaker:** The yeas have it.

I declare the motion carried.

*Motion for third reading of Bill No. 35 agreed to*

**Speaker:** I declare that Bill No. 35 has passed this House.

### **Bill No. 214: Interim Supply Appropriation Act 2024-25 — Third Reading**

**Clerk:** Third reading, Bill No. 214, standing in the name of the Hon. Mr. Silver.

**Hon. Mr. Silver:** Mr. Speaker, I move that Bill No. 214, entitled *Interim Supply Appropriation Act 2024-25*, be now read a third time and do pass.

**Speaker:** It has been moved by the Minister of Finance that Bill No. 214, entitled *Interim Supply Appropriation Act 2024-25*, be now read a third time and do pass.

**Hon. Mr. Silver:** Mr. Speaker, there is not much more to add today. Of course, we know what the interim supply entails and the reason for it to be debated in a timely manner. I thank the members opposite for the conversation in Committee of the Whole and for committing to this process.

**Mr. Cathers:** Mr. Speaker, I will reiterate, as I did earlier, that while we recognize the need for an interim supply bill, since this is a confidence vote, my colleagues and I will be voting against the government on this. I note again that 80 percent of Yukoners want a change in government. They are tired of this tired Liberal government and a Premier who literally no one voted for. We will be voting for Yukoners for an election and against this Liberal government.

**Ms. White:** Mr. Speaker, if there was a way to vote both for the interim budget and against the Yukon Party at the same time, I would. Instead, I will vote in favour of the interim budget.

**Hon. Mr. Streicker:** Mr. Speaker, yesterday at second reading and again today at third reading on the interim supply bill, the Member for Lake Laberge, the Yukon Party Finance critic and critic of democratic institutions, rose to speak. I respect the right of the Yukon Party to vote against the main budget and to vote against increased funding for health care and the RCMP on the main budget; however, the interim supply bill is about allowing government services to be provided while we debate the main budget here in the Assembly. It's about keeping the lights on for Yukoners in the meantime. Still, I was not surprised that the Yukon Party, as the Official Opposition, voted against continuing services for Yukoners through the interim supply while we debate the budget and I won't be surprised if they vote against it here in a moment.

What I was surprised about was the Yukon Party's comments suggesting that they don't respect the results of the last election, especially from the person they have designated to be the critic of democratic institutions. In the last election, Yukoners did not elect a majority government. They elected eight Liberal MLAs, eight Yukon Party MLAs, and three NDP MLAs — in other words, a minority government. Yukoners elected all of us as MLAs without a majority. Effectively, Yukoners said: You need to find a way to work together to find compromises here in the Assembly. That is what we have been doing.

I know that the Yukon Party knows this because they stood in this House and suggested that they could work with, they would work with, and should have the opportunity to work with the NDP to govern the Yukon. The Leader of the Yukon Party said in this House that he would honour the confidence and supply agreement.

I know that the Yukon Party has several members who have made a career out of politics. Regardless of that fact, yesterday's comments and today's comments from the Yukon Party border on a sense of entitlement. I have heard directly from some members of the private sector that Yukon Party

MLAs told them that we, the government, did not have the confidence of this House and that they would be elected as a majority in the following election. I find these types of comments disrespectful to Yukoners and not upholding of the fundamental principles of our democracy.

For the record, I will be voting to keep the lights on.

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

Does any other member wish to be heard?

**Hon. Mr. Silver:** There's not much to say after that.

**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:** Disagree.

**Mr. Kent:** Disagree.

**Ms. Clarke:** Disagree.

**Mr. Cathers:** Disagree.

**Ms. McLeod:** Disagree.

**Ms. Van Bibber:** Disagree.

**Mr. Hassard:** Disagree.

**Mr. Istchenko:** Disagree.

**Ms. White:** Agree.

**Ms. Blake:** Agree.

**MLA Tredger:** Agree.

**Clerk:** Mr. Speaker, the results are 10 yeas, eight nays.

**Speaker:** The yeas have it.

I declare the motion carried.

*Motion for third reading of Bill No. 214 agreed to*

**Speaker:** I declare that Bill No. 214 has passed this House.

### Bill No. 212: *Third Appropriation Act 2023-24* — Second Reading

**Clerk:** Second reading, Bill No. 212, standing in the name of the Hon. Mr. Silver.

**Hon. Mr. Silver:** Mr. Speaker, I move that Bill No. 212, entitled *Third Appropriation Act 2023-24*, be now read a second time.

**Speaker:** It has been moved by the Minister of Finance that Bill No. 212, entitled *Third Appropriation Act 2023-24*, be now read a second time.

**Hon. Mr. Silver:** Mr. Speaker, I am pleased to rise this afternoon to debate the *Third Appropriation Act 2023-24*. Bill No. 212 is the second supplementary estimates for that fiscal year. As is the case with all supplementary budgets, this bill provides opportunities for the government to take a fulsome view of its fiscal plan for the year. It allows us to see how our forecast at the start of the year is translating into reality, basically.

This bill also allows us to make adjustments and course corrections where they might be needed. As we have seen, for example, during the COVID-19 pandemic, the world and our territory continued to evolve rapidly. A war in Ukraine, ongoing conflicts in the Middle East, and distant environmental disasters continue to have impacts on issues locally.

We have been shown the importance of the government's need to remain agile in order to respond to acute challenges as they emerge. We must, however, make the adjustments to our plans within the confines of our framework. Supplementary estimates are an opportunity to steer us back toward the goals that we set in March by responding to new challenges and opportunities as we identify them.

As has always been our focus with supplementary budgets, these supplementary estimates reflect our commitment to responsible fiscal management while addressing the pressing needs of Yukoners.

The issues facing the Yukon may not always be unique to our territory, but our population feels the impact more acutely than other jurisdictions in Canada. Impacts like climate change, Mr. Speaker, continue to be seen and felt more intensely in the north than in other parts of the country. The rising cost of living continues to be felt by Yukoners, and jurisdictions across the country continue to see the needs for health resources tightening as funding remains critical in delivering access to health care services for all residents.

All of these issues, Mr. Speaker, are affecting Yukoners, as they are other Canadians, and I am pleased to say that these supplementary estimates continue to make great strides toward improving these issues.

As a narrative through challenging times for citizens, our government also recognizes the importance of maintaining a balanced and prudent approach to fiscal management. That is why, as we look toward solutions that enhance the well-being of Yukoners, we do so in a way that continues to foster economic growth while preserving our fiscal framework.

Mr. Speaker, the *Third Appropriation Act 2023-24* proposes an increase of \$61 million in new operation and maintenance spending and no significant changes in capital spending on a gross basis beyond one minor \$143,000 transfer in the Yukon Legislative Assembly. The increase in operation and maintenance spending is paired with \$29.4 million in new recoveries for O&M projects, along with a \$397,000 decrease in capital recoveries. This results in a total of \$29 million in additional recoveries.

The supplementary estimates also include an estimate to revenues with a \$14.9-million reduction in that figure. These changes to the budget mean that we have an adjusted forecasted surplus of \$1.7 million, down from the \$3.6 million found in the first supplementary estimates. This is a reflection of continued investment in Yukon's infrastructure and tangible capital assets. I will speak a bit more to the impacts of TCAs — tangible capital assets — during Committee of the Whole. Year-end net debt is forecasted as \$444.5 million, which is different from the \$423.8 million forecasted in the first supplementary estimates.

Mr. Speaker, overall, these changes demonstrate that our territory is well on the path of recovery from the impacts of the COVID-19 pandemic. While inflationary pressures have affected government projects, we are still working diligently to make sure that our commitments are fulfilled for the benefit of all Yukoners.

Now, let's break down the budget a bit here. Mr. Speaker, the proposed operation and maintenance budget includes \$61 million in new spending and \$29.4 million in new recoveries. The largest increase for O&M is the Department of Health and Social Services. Health care is the cornerstone of a thriving society. It is our duty to ensure that people of the Yukon have access to the quality services that they deserve. However, in the ever-evolving landscape of health care, we find ourselves confronted with the undeniable truth that the costs associated with providing quality medical services continue to rise.

Our commitment to the well-being of our citizens demands that we respond with diligence and foresight to the challenges before us. This strain on our health care system, exacerbated by unforeseen global events for the last four years, has necessitated a closer look at how we deliver these services. The costs of medical advancements, personnel, and infrastructure maintenance are mounting and the gap between available resources and the needs of our society are widening.

To sustain the delivery of health care services, we must take measured steps to allocate additional funding through these supplementary estimates. In light of this, the second supplementary estimate proposes to dedicate \$44.9 million specifically to health care. These funds will be allocated to address immediate needs, improve patient care, and enhance the overall resilience of our health care system. This investment is not just a financial commitment; it is an investment in the well-being and resilience of our community. These investments in health care services will ensure that the services we provide remain robust, accessible, and responsive to the needs of every citizen.

There is also a notable increase in O&M spending in the Department of Justice. As a government, the safety and protection of our communities is paramount. As with most aspects of our society, the landscape of public safety is always evolving and we must be responsive to the needs of our communities as these changes occur. The funds needed in this area of government are not just numbers on a spreadsheet; they represent the conscientious effort to provide the RCMP and

associated law enforcement services with the resources that they need to keep our communities safe and secure.

By allocating funding to these areas, we aim to enhance crime prevention measures and improve work on reducing gender-based violence. We want to help stop gun crime and gang violence before it starts, address Yukon's substance use health emergency, and invest in the well-being and training of those who protect us every single day. \$6.7 million will serve as a measured investment to fortify our commitment to the well-being of every Yukoner. This funding will ensure that our communities remain safe and secure places for all of us and where our residents can live with confidence in the knowledge that their safety in their community is a top priority.

As we think about our communities in the present, however, we must also think about shaping them for the future. Investments made in the Department of Education as part of these supplementary estimates reflect an investment in the intellectual and social capital that shapes the future of our communities.

Recognizing the significance of our educators, a portion of the proposed investment is allocated for a collective agreement and governance office increases at the Yukon University. This targeted funding underscores the importance of providing our educators with a supportive and motivating environment, acknowledging their instrumental role in shaping the minds of tomorrow.

Additionally, the remaining portion of the education investment is earmarked for initiatives aimed at enriching the overall educational experience. By supporting the recruitment of educational assistants, learning assistance teachers, and mental health and wellness counsellors, we aim to create a learning environment that is inclusive and responsive to the diverse needs of our students.

In essence, the \$4.3-million investment in education as part of the second supplementary estimates reaffirms our commitment to fostering an environment where every student can thrive. It is an acknowledgement of the pivotal role that educators and education plays in shaping the future of our community and ensuring its long-term success.

Mr. Speaker, I would also like to underscore the pivotal role played by the Department of Community Services in fostering the well-being and vitality of our communities. This department serves as a bedrock of our collective welfare, addressing a myriad of needs that contribute to the overall resilience of our society. From supporting community operations to providing essential services, the Department of Community Services contributes toward creating an environment where every citizen can thrive. \$4.3 million in these supplementary estimates recognizes the significance of adequately funding this department to ensure that it continues to be able to provide these services.

I want to draw particular attention to the critical areas where additional funding is needed. Our communities face diverse challenges ranging from operational needs to unforeseen circumstances like flood relief. Supporting sports and recreation initiatives is an investment in the physical and mental health of our communities' residents. Finally, the

supplementary estimates contribute \$2.9 million to the Department of Highways and Public Works and \$1.6 million toward the Executive Council Office.

The former helps to address necessary funding for utility increases and the maintenance needed for road washouts and snow removal, while the latter reflects a comprehensive approach to addressing various facets of our communities' cohesiveness. Whether fostering cooperative relationships with First Nation governments, ensuring responsible water resource management, extending supports in times of crisis through interprovincial partnerships, or commemorating our shared history, together these endeavours address current challenges while fostering thriving and united communities.

Mr. Speaker, there are also some noteworthy decreases in O&M spending which I would like to outline during Committee of the Whole. There are a number of spending decreases at the Department of Energy, Mines and Resources. In our ongoing commitment to ensuring that we are both mindful of our budget constraints and proactive in addressing environmental concerns, decreases in spending at several abandoned mines are a reflection of updated workplans.

With these changes in spending, there are a number of adjustments made in O&M recoveries. On a net basis, the government will see a \$31.6-million increase in expenditures. The most notable, however, is a \$25-million increase in recoveries for work completed and underway at the Minto mine this year. The abandonment of the Minto mine in mid-May has affected many Yukoners who are owed money by the former operator. We understand that it has been a difficult time for all involved. As a regulator, the Yukon government's focus has been on ensuring that the environment is protected at the mine site. We have been applying lessons learned from the Wolverine mine and moved quickly to ensure that water treatment at the site continued and that there was early advancement of remediation and closure activities.

Following the closure of the mine, the Yukon government held \$75.2 million in financial security for the site and work began to determine how it would be applied to the expenditures incurred by the government. The \$25-million recovery reflects the recovery of these funds from the surety bond that is held for this site. These funds are recovered on a monthly basis and we anticipate collecting the full amount reflected in these supplementary estimates by the end of the fiscal year. We will continue to work in coordination with the Selkirk First Nation to do what is necessary to ensure environmental protection in the best interest of Yukoners.

I am going to move on to the capital budget. The capital budget has no overall change on a gross basis in these supplementary estimates, but this is not because there are no shifts to be made. The major projects are still getting the resources they need to reach completion, but other projects were deferred or delayed. Most notable is a decrease of \$21.3 million as part of the Skagway marine services platform project. As a top mining destination, ensuring that companies have the means to bring their products to market is a priority of this government. We are fortunate that secure tidewater access

can be found just a few hours away from our border in Skagway, Alaska.

Maintaining a reliable ore export option in the Yukon's nearest deep-water port supports mining development, mineral exploration, and investment in the territory. It also helps to promote the Yukon's position as a significant jurisdiction contributing to Yukon's supply chain security, green energy targets, critical mineral goals, and much, much more. This project remains a priority of the government and will be deferred to 2025-26.

Despite no changes at the gross level, there are a number of other important offsetting changes in capital which I will highlight in further detail when we get into Committee of the Whole — projects like opening a walk-in clinic in Whitehorse, for example. The opening of the Whitehorse medical walk-in clinic marks a pivotal moment in our commitment to strengthening health care accessibility in Yukon. This clinic is not just a new facility; it's a promise to our community to ensure timely and compassionate care, especially for those who currently lack a primary health care provider.

Offsetting the reduction for Skagway, we also see several proposed increases for capital projects progressing faster than anticipated or that may require additional funding. Notably, this includes \$40.9 million in gross increases in the Department of Highways and Public Works' supplementary budget allotment. The bulk of this increase will go toward the Dempster fibre project, which will see \$18.4 million in proposed additional funding. This amount reflects additional capacity and work on this project this year and marks significant progress on the project, which will create a 4,000-kilometre fibre network providing communities with a backup line in the event of service disruption to the Yukon's cell and Internet network. I look forward to highlighting many of the projects under this department in Committee of the Whole as we get into that.

As with changes in O&M resulting in changes to recoveries, the same can be seen in capital, which will see \$397,000 in fewer recoveries as part of the supplementary estimates. This is the net result of offsetting capital projects advancing faster than others and the deferral of some recoverable projects. Again, I will provide more detail on these moves during Committee.

Before I finish, I would like to address changes in revenue in these supplementary estimates. As part of the supplementary estimates, we will see a \$14.9-million decrease in total revenues, not including recoveries. This is owing largely to two separate groups of changes. The first is made up of a decrease in tobacco tax revenue and corporate income tax revenue. Tobacco tax revenue saw a steep decline in 2022-23, which resonates with a nation-wide trend. All jurisdictions in Canada reported a decline in tobacco sales. This is a trend that we are continuing to see in 2023-24, as fewer individuals are purchasing tobacco products.

There are two components to this decrease. The first — and one that we will continue to investigate — is the degree to which vaping is replacing the use of tobacco products. We are monitoring this shift, and this reinforces the need for the federal vaping coordinated tax agreement. I was happy to see that pass

in third reading today. We are also monitoring the effects of the illicit market on tobacco tax revenues.

The other factor impacting the reduction in revenues is the success of government and non-governmental smoking cessation campaigns like Quitpath, which supports Yukoners who want to become tobacco-free.

Corporate income tax revenues will see a decrease as part of the adjustment to previous year's forecasts. As is historically the case, the corporate income tax revenue is highly variable from one year to the other. This adjustment is within the normal historic variability. This decrease is partly offset by greater personal income tax revenues which have increased, as stronger Yukon wages have resulted in the government collecting more income tax.

The second notable category represents a decrease in mineral resource royalty revenues. This reduction is the result of reflecting the latest forecast from mining operations in late summer. The previous revenue projections were based on previous forecasts, which are adjusted periodically over time. These forecasts can change for a variety of reasons, including but not limited to a change in mineral production, a change in market value of the minerals produced, or a change in production costs or eligible offsetting expenditures. These forecasts are shared with government and are used to update the forecasts for resource royalty revenues that the government shows in the supplementary budget.

Mr. Speaker, as we reflect on the changes in spending — both increases and decreases — it is essential to recognize the resilience of our fiscal framework and our commitment to maintaining our surplus position.

This testifies to our dedication to responsible fiscal management. In navigating a landscape of evolving priorities and unforeseen challenges, our government continues to demonstrate its steadfast dedication to robust decision-making, ensuring that we are able to improve the lives of Yukoners in our communities while doing so in a fiscally responsible way.

Strategic increases in spending have been carefully calibrated to address pressing needs and also foster growth. Simultaneously, prudent decreases in certain areas underscore our commitment to efficiencies without compromising the essential services that our citizens absolutely rely upon. These decisions are a reflection of our collective responsibility to allocate resources with great attention to detail as well as their impacts on the bigger picture.

The current balanced budget serves not only as a safeguard against unforeseen challenges, which continue to emerge, but also as an opportunity to explore investments in areas critical to our communities' long-term well-being. The government's ability to navigate these fiscal waters and uphold its surplus position speaks volumes about our dedication to stability, to resilience, and to the continued prosperity of our citizens. In essence, it is a testament to the efficiency of our financial management principles and our commitment to making decisions that stand the test of time.

With that, Mr. Speaker, I'll say thank you very much and open up the floor to debate.

**Mr. Cathers:** Mr. Speaker, in rising to speak to this supplementary budget, I want to start with the top story from the fiscal year. Just as one of the local newspapers is fond of doing the top stories of the calendar year, the top story of the fiscal year for the Liberal government is that we began the year with Yukon hospitals short \$30 million that they needed in O&M at the beginning of the fiscal year. The government, in every Sitting, repeatedly insisted that the hospital had enough resources, yet they were finally forced to provide an increase of almost \$30 million in O&M, with an increase of \$17 million-plus in the fall and an additional \$12.5 million in O&M in the supplementary estimates — all, I might add, with the repeated pressure by the Yukon Party and me, as our Health critic, in pointing out the government's failure to fund the hospital and the direct impact that this was having on Yukoners in a negative way.

So, Mr. Speaker, it should be noted that this is the top story from the fiscal year. It should also be noted that, in addition to that, the fact that they are claiming a small surplus for the fiscal year is only due to the fact that, after they added \$21.3 million for the Skagway port — for building a facility that we wouldn't own — they then pulled it from the budget. It certainly appears that one of the reasons, if not the reason, for doing so was to present a better fiscal picture at the end of a bad-news fiscal year.

Mr. Speaker, we also learned that the government is now regularly using a line of credit, which we understand the total amount on is \$200 million. I would ask the Minister of Finance to confirm his understanding of the government's credit limit under that line of credit as well as what the current balance is. We understand that the posted rate of interest for that line of credit is 7.2 percent and that government, through the Department of Finance's budget in this portion of the supplementary, has added \$2.4 million strictly due to paying more interest cost than they had originally anticipated in the fiscal year, and that is concerning, Mr. Speaker.

We also see the growth in personnel in non-health areas and again, going back to the hospital, the fact that for an area that is incredibly important to Yukoners — our health care system — the government neglected it so badly that their own report that they commissioned by Ernst & Young came out with a damning indictment of the Liberal government's failure to provide the hospital with adequate resources over the four years that report covered. They found that the hospitals were dealing with a chronic cash flow and operating shortfall, that government was repeatedly informed of the deficit, and that in the 2022-23 fiscal year, that shortfall was so serious that, had they not diverted millions of capital funding, they would have been challenged to even meet payroll. That is all cause for concern and certainly not inspiring, as this government sets out to try to make major changes within the health system to the piece of legislation that they tabled to establish a new health corporation this fall.

I would also like the minister to note that we understand that, as a result of the government's failure to adequately fund Yukon hospitals, the hospital was forced to make cuts that were characterized by the CEO and chair as "cost containment

measures". We know that those cuts included caps on X-ray, CT, mammography, and ultrasound. We heard directly from the CEO in this Assembly that the wait time for mammography cancer screening was expected to grow to 35 months as a result of that.

We also know, and we heard from health professionals, that the cuts to surgeries was approximately a 30-percent cut in surgical services. The government claimed that it was just a Christmas slowdown, but in fact, it went on weeks longer than they had ever seen before. The Liberals' Christmas gift to Yukon patients was cancelled surgeries and longer health care wait times for the procedures that they need. We will look forward to hearing details.

Now that the government finally recognized this need to provide an additional \$12.5 million to Yukon hospitals in this budget, we would ask: What has happened as far as those services which had been capped and cut? In particular, I would begin by asking how the number of procedures today for all of those services compares to what the cuts were as indicated in the internal e-mail from November 2023. I would ask, in the area of mammography, what the current wait time is now that we have heard that these services have been increased. I would also ask — we understand that the capacity of mammography from the information we received in November is to provide 120 screenings per week. Could the minister indicate what is actually being performed right now?

I know that the Minister of Finance does not typically like answering this type of question, but for any Yukoner who has a family member who is seeking cancer screening, this is very important. It is not a minor detail, as the minister has dismissed this type of question in the past. It is important. The Minister of Finance should know it, the premier should know it, and the health minister should know it.

With that, Mr. Speaker, I will wrap up my comments. We look forward to asking additional questions during debate.

**Ms. White:** Mr. Speaker, today, in speaking in response to Bill No. 212, I have questions around the Department of Economic Development and the \$21.3 million that was earmarked for the Skagway marine platform last fall. Last fall, we were told that it was critical. It was of such a critical nature that it was put in a supplementary budget. It wasn't budgeted for last year during the Spring Sitting. We were given all sorts of warnings as to why it had to go through then, so I would like to know why it has been deferred and if the minister could tell us about ongoing conversations with the municipality of Skagway but mostly why something that we were told was of a critical nature in the fall is no longer a priority in this year's budget, and we look forward to further conversations.

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

Does any other member wish to be heard?

**Hon. Mr. Silver:** Mr. Speaker, I would like to thank the members opposite for the comments. I will start with the Finance critic for the Yukon Party. It is getting to the point

where it is just no use to argue with the member opposite because he will compare oranges to apples until the cows come home. He will put words in my mouth, and he will make up the numbers as he goes along, whereas when we are involved in this process on this side of the House, we take pride in the numbers and making sure that we are clear about the accurate portrayal of Public Accounts to Public Accounts, mains to mains, and we will stand behind the accounts and the financial acuity that we have.

We did mention — and it is in the budget highlights as well — that when it comes to the trend of cash — the decrease of cash — that trend started under the Yukon Party, and they didn't go through a pandemic; we did. In going through that pandemic, it was disheartening on a financial basis, to begin with, because if we didn't have to — and, of course, we did, for great reasons — spend all that money on health care, if we didn't spend all that money on businesses and on individuals making sure that people were safe, making sure that we did our fair share of negotiating with the federal government to front-end load vaccinations — to do all of that work — we would have been in a situation where that trend would have been already changed. But we had to do that spending, and the Yukon Party can continue to say that we're are spending too much here but not enough over here. We haven't heard yet, during the pandemic, what businesses they wouldn't have supported — those types of things. But again, like I said, it is just not worthy of the debate because the member opposite is not listening. He came in with his prepared notes and that is what he is going to stick to. That is fair, and this is fine.

But I will do — a specific answer — again, when it comes to health care spending — imagine that — a record amount of money is being spent for very good reason this year on health and social services. That is a record amount of money on health and social services post-pandemic. Think about that. Think about the money that we spent — not just the regular programming and services and personnel — but the care and the need at that time, and this is still a record investment, comparatively.

Again, I watch all the meetings that we have on the health authority. I watch all the work that the dedicated people in Health and Social Services do not only now but during the pandemic. This is a budget that is based upon the needs of both the corporation and the Health and Social Services department.

I'm not going to get too far into that because we have a very capable minister who can talk about this during Committee until the cows come home.

I will talk about the interest the member opposite spoke about, because that is in my department. We are absolutely committed, again, to ensuring that the programs and services that we do have in these extraordinary times that we live in are still getting out the door, because Yukoners rely upon them, and we're delivering those without delay and without interruption.

Again, we did have to spend a lot more money than normal during a pandemic. We got ourselves into the situation where we are not looking at currently borrowing long term on O&M; that's extraordinary. Other governments can't say that right now. A good thing the Yukon Party didn't spend all of our

money, our debt room, when they were in government. They tried; they definitely tried. But we've been very fiscally responsible when it comes to that long-term borrowing.

The members opposite don't want to talk about long-term borrowing; they just want to talk about net debt. We have had that conversation over and over again. The best GDP-to-net-debt ratio — second best in Canada and the envy of most other departments of finance.

The borrowing that has been done by a government — we're at about \$234 million, I believe it is; about \$200 million of that is from the Yukon Party. They don't want to talk about that; they want to talk about the interest rates and say: Look at all the interest rates. Of course, we are in a situation right now where we have done a lot of great fiscal work to be able to not borrow on O&M — long-term borrowing on O&M. We do have interest rates because of that; every government does; we are now getting into that fray. It is based upon a commitment. It's a commitment that the Department of Finance takes very seriously to actively monitor cashflow and liquidity to ensure that the employees and the vendors are paid in a timely manner, given the extraordinary circumstances that we find ourselves in: inflation, world conflict, post-pandemic. None of that stuff was going on during the Yukon Party, yet that cash trend was started during their years in office.

So, anyway, we are also showing a forecast where we are levelling off our net debt, which is good to see, and that is based upon the investments that we have made during the pandemic, post-pandemic.

To accomplish a monumental balancing act between government's accounts payable and its accounts receivable, we have to make use of regular cash reserves. On occasion, the government's cash position may be in a negative balance, and as a result of that timing, each of these payment streams will have to take a look at short-term borrowing — but that's short term. In these instances, the government does draw upon its line of credit just like the corporations do — just like the corporations did under the Yukon Party. It is one of those tools used to finance that temporary shortfall.

When it comes to that — as with any long-term or short-term loans — governments incur interest charges, so that is the amount of the line of credit that we speak of. Offsetting some of these interest costs, the government will earn interest on a balance of its operating budget when positive.

We can get some more numbers for the members opposite when it comes to the lines of credit interest, but again, I think the bigger point here is, in all of the situations we find ourselves — in a little bit of a perspective compared to other jurisdictions in Canada — we are in an excellent fiscal position. We have forecasts built into this budget that show positive trends so that we can actually continue to make sure — god forbid what happens in the future, but as we get back to some more normal times — the investments that we have made, the revenues that are coming in, the work we are doing in Health and Social Services and the authority, making things more streamlined and better for Yukoners —

I am very proud of this budget. I am happy with the fiscal acuity that the departments have provided when working with

the Department of Finance. I want to thank every single deputy minister, assistant deputy minister, all the finance branches in all of the government departments. It is absolutely extraordinary work, what is done to get these budgets in. I am very, very proud of that work and very, very proud of where we are with our surplus in the mains and also our commitment to maintaining the programs and services that Yukoners rely upon.

**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:** Disagree.

**Mr. Kent:** Disagree.

**Ms. Clarke:** Disagree.

**Mr. Cathers:** Disagree.

**Ms. McLeod:** Disagree.

**Mr. Hassard:** Disagree.

**Mr. Istchenko:** Disagree.

**Ms. White:** Agree.

**Ms. Blake:** Agree.

**MLA Tredger:** Agree.

**Clerk:** Mr. Speaker, the results are 10 yea, 7 nay.

**Speaker:** The yeas have it.

I declare the motion carried.

*Motion for second reading of Bill No. 212 agreed to*

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

**Speaker:** It has been moved by the 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):** Order, please. Committee of the Whole will now come to order.

The matter before the Committee is general debate on Bill No. 212, entitled *Third Appropriation Act 2023-24*.

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.

**Bill No. 212: *Third Appropriation Act 2023-24***

**Chair:** The matter before the Committee is general debate on Bill No. 212, entitled *Third Appropriation Act 2023-24*.

Is there any general debate?

**Hon. Mr. Silver:** Madam Chair, it's my pleasure to rise and to begin Committee of the Whole debate on Bill No. 212, which represents the third appropriation act for the 2023-24 fiscal year, also known as the second appropriation estimates for that period.

Before I do, I would like to introduce and welcome back Jessica Schultz to the Legislative Assembly. As the Deputy Minister of the Department of Finance, Jessica and her team work extremely hard to produce the most up-to-date financial documents and statements that are debated in this House. I would like to thank her and also the entire Finance department for preparing this material and for their diligent tracking of hundreds and hundreds of moving pieces on a daily basis.

Madam Chair, I spoke to the rationale for these supplementary estimates in my second reading remarks. To avoid too much repetition, I will dive right into the contents of the appropriation bill.

At a high level, the second supplementary estimates propose a \$61.2-million increase in spending. This amount is made up almost entirely of proposed O&M spending and there are no significant gross changes in capital beyond one minor \$143,000 transfer to the Yukon Legislative Assembly. The second supplementary estimates also include some changes in recoveries and revenues.

This includes \$29.4 million in new O&M recoveries and a \$397,000 reduction in anticipated capital recoveries. Revenues will also see a \$14.9-million decrease, as I mentioned in second reading. These changes result in the revised fiscal framework resulting in an updated surplus of \$1.7 million as well as a revised net debt of \$444.5 million.

The ability to remain in a surplus position despite an increase in spending is largely owed to significant infrastructure investments. As members will be familiar with, when we made expenditures on tangible capital assets, there is an immediate impact to net debt, as the entire amount is reflected in the books. However, as the asset is anticipated to last many, many years, its impact on the surplus deficit position is recognized over the expected life of that asset, so it's more of a three-dimensional view, really.

I would like to go into further detail about the various proposed changes in spending included in these estimates. I am going to begin with O&M, which will see the largest changes in spending proposed in this bill. As I mentioned, we will see \$61 million in new funding in this area. The largest change

affecting O&M spending represents increases related to programs and initiatives within the Department of Health and Social Services. To date, those changes represent \$44.9 million in new spending. We will continue to work closely with the Yukon Hospital Corporation to identify and meet their core funding needs as new and emerging pressures are identified to ensure that Yukoners have access to the services they require.

We are proposing an increase of \$12.5 million over and above the supplementary estimates to the Yukon Hospital Corporation. This additional funding will respond to funding needs identified by the Yukon Hospital Corporation for unanticipated costs, which are partly a result of a global shortage of health care providers and work done to retain our valuable nurses. This additional funding will also address growth in hospital services, like breast cancer screening. Additionally, the government is addressing growth and increased spending requirements to deliver legislated programs through Insured Health Services.

The increase of \$25.6 million will be used to ensure that a healthy and sustainable insured health system contributes to the overall health of the territory's population. As the Yukon population continues to age and continues to grow, we are experiencing increased costs within hospital claims. This funding will go toward ensuring that Yukoners can access necessary and timely care provided by specialists outside of the territory.

This funding also includes money to address costs associated with administering our pharmaceutical program and to provide access to medications for Yukoners.

We will continue to work with our health system providers to respond to rising costs, ensuring that our health care providers are supported and take the necessary steps so that Yukoners can have access to care that they require to lead healthy and happy lives.

Additionally, \$2.2 million will go toward the land-based healing fund through the Council of Yukon First Nations, while \$3.3 million will be directed toward work on supporting the transition to the Health and Wellness Yukon health authority.

The following investments within the Department Health and Social Services and the Department of Justice will see the largest O&M-related spending increases. \$9.5 million will go toward initiatives aimed at strengthening justice and community safety within our territory, of which \$4.4 million will be recoverable. \$2.8 million is being directed toward retroactive payments for the RCMP as part of the new RCMP collective agreement. This represents a conscientious effort to provide the RCMP and associated law enforcement staff with the resources that they need to keep our communities safe and secure.

A proposed \$814,000 is being directed toward the *National Action Plan to End Gender-Based Violence*. The *National Action Plan to End Gender-Based Violence* is a concrete step toward fulfilling a long-standing commitment of federal, provincial, and territorial governments working together toward a Canada free of gender-based violence, a Canada that supports victims and survivors and their families from coast to coast to coast. \$741,000 will be directed toward the Teslin

Tlingit Council and the Carcross/Tagish First Nation for their community safety officer programs.

In Yukon, community safety officer programs are designed and operated by First Nation governments to advance safety priorities in their communities. This year, the Government of Yukon and the Government of Canada are jointly contributing funding to support two additional Yukon First Nation community safety officer programs.

A further \$800,000 will go toward the gun and gang violence action plan to help stop gun crimes and gang violence before it starts.

\$623,000 will go toward the *Substance Use Health Emergency Strategy*. This strategy envisions a Yukon where everyone leads a safe and healthy life, contributing to the well-being of families, cultures, and communities.

Nearly \$1 million is going toward several court-related programs and services, including \$510,000 for drug treatment court funding, \$150,000 for legal aid and Indigenous court work agreements, and \$274,000 for law library program materials.

Both the departments of Education and Community Services will also see noteworthy increases as part of the *Supplementary Estimates No. 2*. Each department will see a proposed increase of \$4.3 million. In the Department of Education, \$2.6 million of this amount will be directed toward additional educational assistants, learning assistance teachers, and mental health and wellness counsellors. By adding these positions, we aim to create a learning environment that is inclusive and responsive to the diverse needs of our students. Just over \$1 million will also be directed toward Yukon University as part of collective agreement and governance office increases.

In the Department of Community Services, a proposed \$1.5 million for community operations pressures, including the increased cost of solid-waste and water services. These costs are the result of regional agreements to support municipal solid-waste management, repairs to the Old Crow gasifier, and the increased operating costs of solid-waste facilities. \$1.4 million was used to increase response capacity and training for firefighters and flood response, while \$122,000 has gone toward the 2 Billion Trees program, which will plant fire-resistant trees to help tackle a dual crisis of climate change and biodiversity loss. This amount is 100-percent recoverable from the Government of Canada.

We are also committed to additional sport and recreation funding as part of these supplementary estimates. There is \$577,000 for the Canada-Yukon northern wellness agreement, which aims to improve the health and well-being of Yukoners, especially for children and youth, while \$100,000 in recoverable funding will help support Yukon teams travelling to the 2024 Arctic Winter Games.

Madam Chair, I would like to highlight increases within the Department of Highways and Public Works, which will see proposed funding of \$2.9 million. This amount will help cover higher costs of utilities at government-operated buildings at a rate of \$1 million, including costs for biomass chips, heating, fuel, and electricity consumption. Also covered in this total

increase for the department is \$680,000 for emergency floods and washouts, \$650,000 for snow removal, and \$375,000 for ongoing work on the Dawson ice bridge.

In the Department of Finance, \$24 million in additional funding is being budgeted for line-of-credit interest. Madam Chair, as members are aware, the Government of Yukon has access to a line of credit with its banking provider, which is used to manage temporary or short-term cash-flow needs for all of government throughout the year. In the 2023-24 fiscal year, the Yukon government began accessing its line of credit in October 2023 and is expected to continue to make use of this tool to meet operational requirements, as required.

Finally, I would like to speak to a few increases within the Executive Council Office. Of the \$1.6 million in proposed new funding in this department, \$106 million — I have a clarification there.

This is why I have Jessica here. Madam Chair, I'm going to go back to the Department of Finance. I said "\$24 million", and it was supposed to be \$2.4 million for the Department of Finance in additional funding.

As I said, the increase in Executive Council Office — of the \$1.6 million in proposed new funding in this department, \$106,000 of it is recoverable.

Notable changes include \$845,000 for bilateral agreements with Yukon First Nation governments, \$350,000 to meet board obligations with the Yukon Water Board Secretariat, \$240,000 for costs associated with the electoral reform committee, and \$110,000 for work to develop evidence-based policy and engagement strategies as part of the Arctic Security Advisory Council.

Madam Chair, before I conclude my remarks on changes to O&M, I would like to outline a few of the notable decreases for members.

The largest decrease is related to actuarial adjustments of employment future benefits within the Public Service Commission to reflect the March 2023 valuation for post-employment benefits. The Department of Energy, Mines and Resources will also see some decreases in these supplementary estimates. This includes \$5.6 million that reflects updated work planned at several abandoned mines and the associated recoveries within that change in work, as well as \$1 million in reduced resource royalty expenditures to Yukon First Nations because of lower resource royalty revenues collected by the government.

Having wrapped up with the O&M numbers, I would like to outline some of the changes in capital spending included in this appropriation bill. As I mentioned in my earlier remarks, the capital budget has no significant overall change on a gross basis in these supplementary estimates, but this does not mean that there have not been any adjustments in capital. Most notable in these supplementary estimates is the decrease of \$21.3 million as part of the Skagway marine services platform project. As a top mining destination, ensuring that companies have the means to bring their products to market is a priority for our government. We are fortunate that secure tidewater access can be found just a few hours away from our border in Skagway. Maintaining a reliable ore export option in the

Yukon's nearest deep-water port supports mining development, mineral exploration, and investment in the territory. It also helps to promote the Yukon's position as a significant jurisdiction contributing to Canada's supply chain security, green energy targets, critical minerals goals, and more.

As we indicated as part of the first supplementary estimates, the appropriation was based on an estimate for a possible pathway under which the Yukon's proposed marine services platform will be bundled with Skagway's main redevelopment project. That pathway would have required that the final binding agreement be completed in the fall of 2023. As negotiations toward this agreement are ongoing and the Yukon and Skagway continue to work together to determine the best pathway forward for this project, this funding has been deferred to 2025-26 and remains a priority of this government.

Other significant capital reductions include \$7.7 million in infrastructure development funding, which was returned to the capital plan as a result of updated cash-flow projections on various projects.

Madam Chair, how much time do I have?

**Chair:** You have three minutes and 30 seconds.

**Hon. Mr. Silver:** Okay. I have a whole bunch more notes here on the specific investments, but what I will do is I will skip ahead, and we will be able to get through the capital investments as we go through debate. Each department can speak to those as well.

I do want to talk about changes in FTEs, so I will end with that. I would like to quickly provide a summary of the full-time equivalents as part of the 2023-24 *Supplementary Estimates No. 2*. We say "full-time equivalents", but these are people. These are dedicated public servants. As part of the supplementary budget, there is a proposed increase of 42.6 FTEs, resulting in a total FTE count across government of 5,444.1. Of this number, only 13.5 represent permanent increases, while the bulk of the 29.1 are term positions. These term positions are fully recoverable. When accounting for all additional FTEs, 73 percent are recoverable.

The largest increase is the Department of Justice, where 17 term FTEs will assist with valuable deliverables, like the Yukon government substance use health emergency, the guns and gang violence action fund, the drug treatment court funding programs, the *National Action Plan to End Gender-Based Violence*, and work as part of the family information liaison unit. Sixteen FTEs are being added to the Department of Health and Social Services; eight of these positions are permanent, and they will help with the walk-in clinic; eight positions will contribute to the health authority.

Five and a half FTEs correspond with the recruitment of new teachers in the Department of Education, and this is based upon enrolment. These positions are permanent. Finally, four additional term FTEs in the Department of Community Services will help enhance resilience in fighting and managing wildfires in a changing climate.

I will conclude by saying, again, in addition to briefing with our officials, I hope to have provided members with some good context here today. At the same time, I recognize that the 2023-24 *Supplementary Estimates No. 2*, as well as other

appropriation bills, contain a significant level of detail that are too granular for my remarks today. In the coming weeks, I invite members to request further information from ministers and me as we do our best to answer the questions they have about this appropriation bill.

With that being said, thank you very much, Madam Chair.

**Mr. Cathers:** I would like to begin by thanking officials as well as thanking the Finance minister for saving me a question and noting what the total number of FTEs were in terms of the increase this year. I would also like to ask a couple of questions related to that. For the fiscal year that we're discussing here — wrapping up — could the Minister of Finance tell me: What is the total personnel spending both on a consolidated basis and a non-consolidated basis? What is the revised estimate for the fiscal year?

While he or officials find that information, I would just ask for some clarification on FTE numbers. In particular, as the minister may have noted, there was some discrepancy between the Minister of Health and Social Services' understanding of some of the numbers, according to her remarks, and what we have been provided by officials, so I'm just seeking the minister's clarification about the breakdown of the FTE numbers. I am referring to information that we were provided by Finance officials at a briefing on the supplementary. Of those 42.6 new FTE positions, my understanding — and I would ask the Finance minister to either confirm or correct this — is that this includes four positions for Community Services and 5.6 for the Department of Education. Could he please confirm that this is his understanding as well?

**Hon. Mr. Silver:** I am not really sure what information was provided at the briefing for the member opposite. A lot of times, there are different ways of counting FTEs, as the members opposite knows — whether it's hours or actual humans and those types of things — so there might be some discrepancies there. Again, I wasn't there at the briefing to know what the discrepancy was; however, I can tell you that, for this *Supplementary Estimates No. 2*, it's the addition of 42.6 FTEs, of which 21.9 are term positions and 73 percent fully recoverable, as I just mentioned. Eight of these are permanent staff for the walk-in clinic, eight are for the health authority; six term positions to help with the substance use health emergency; 5.5 permanent teachers have been added; four term staff helping with the enhanced resilience in firefighting and managing forest fires in a changing climate; nine term positions have been extended to continue work toward safer and more inclusive communities; two term positions will help with the *National Action Plan to End Gender-Based Violence*.

I think that's it. That is the comprehensive list. If there are any other specific questions as far as the number I presented today, I could get into the specific — the rationales behind the term positions, if the member opposite needs that.

**Mr. Cathers:** Okay. If that is the way the Finance minister would like to approach it, what I will do is just reference some of these numbers. If his understanding differs from the information that we understand following briefings with officials, then I would invite him to correct that.

Our understanding is that there are eight new positions for Health and Social Services associated with the walk-in clinic and eight new FTEs funded under THIF. In the Department of Justice, where there is the most significant increase, the minister made reference to several — I believe there were six associated with the substance use health emergency, three associated with drug treatment court funding, one associated with the family information liaison unit, and two associated with the *National Action Plan to End Gender-Based Violence*.

Finally, according to the information we were provided, there are five FTEs associated with the gun and gang violence action fund. Again, I would invite the minister, if any of that does not align with his understanding, to provide me with information reflecting his understanding of the facts.

In the area of the gun and gang violence action fund, as members may recall, Madam Chair, this fund — we had previously been advised by the Minister of Justice that, while this funding came from the federal government, they actually couldn't use it to fund policing. This is something — as members may recall — I have written to the Minister of Justice, as our Justice critic, regarding this matter in the context of a letter regarding our opposition to Bill C-21, the federal firearms legislation, in which I listed on behalf of our caucus a list of specific suggestions that we proposed as a better approach to responding to the real issues associated with gun and gang violence.

One of those specific requests was that we urged the Minister of Justice to seek a change that allowed the gun and gang violence action fund to be used for policing. I made the identical request to the federal minister in a letter sent at around that time.

So, my question today is: With that funding for those five positions, is any of that being used to support the RCMP? Can that funding now be used to support the RCMP, and if it is not policing positions, could the minister just please explain what that is for?

**Hon. Mr. Silver:** I am not going to get into the specifics of FTEs and what they are used for. That is not my department; that would be the Minister of Justice. So, I can either get that information for the member opposite through that department or during Committee debate, the member opposite can bring that up too.

What I will do — we're taking a look at some of the sheets — I am looking right now at the FTE count that was given to the opposition, and I am just looking at a little bit of a discrepancy of one number between two different lists here. So, what I am going to do is commit to making sure that I will get the most up-to-date piece of information for the member opposite. The difference that I see — I need to clarify whether or not it is two term positions for the *National Action Plan to End Gender-Based Violence* or three. That might go under the conflicting information here. So, I will commit to the member opposite that I will get the most up-to-date information. Again, some of these changes are coming in, in real time based upon some federal funding. So, I will make sure that we have the updated list, because even if I look at my totals, the totals match

up, so I just want to make sure that I am giving the right information to the member opposite.

**Mr. Cathers:** Thank you, Madam Chair. I appreciate that answer, and I would appreciate it if the Minister of Finance would either provide that information verbally in the House so that it can be recorded or via legislative return. Again, I would just note that the reason for this is that we have had some discrepancy in the past — including this week in debate with the Minister of Health and Social Services — between what our understanding was based on reviewing the budget and information from officials and what, in that case, the Minister of Health and Social Services indicated. So, I am just, in this case, asking the Minister of Finance to clarify what his understanding of it is so that we are dealing with the same set of facts in play.

I did ask and I don't believe that the minister provided the information: What is the revised total for estimated personnel spending for the current fiscal year on a consolidated basis?

**Hon. Mr. Silver:** As we are debating the unconsolidated currently; we don't have those numbers. We will get those numbers for the member opposite, but they are not in our hands. As you look through the binders, the tallies aren't made for the whole government; they are just per department, so we will tally them up for the member opposite and get both of those numbers for him.

**Mr. Cathers:** I would appreciate that, and if the Minister of Finance could also provide if there is an increase of FTEs in government departments for the fiscal year we are wrapping up, that information would be appreciated as well.

I just want to move on to another area regarding the carbon tax, which the government refers to as the "restricted fund carbon price rebate". Could the minister just confirm what the total amount is estimated to be for the end of the 2023-24 fiscal year? It appeared to us that there was a pretty significant increase to that amount versus what was expected in the mains. It appeared that, in the mains, the balance at the end of the year was expected to be \$4.3 million and change and that it had increased to the year-end balance for 2023-24 to \$22.7 million. Could the minister please confirm that this is his understanding as well?

**Hon. Mr. Silver:** I am assuming that the member opposite is talking about the surplus in the business account specifically, but I can give him numbers for all the different pieces. As of March 31, 2023, there is a \$20.5-million surplus in the business account. That represents the timing difference between when Canada pays the Yukon government its carbon proceeds and when Canada settles the final amount of payment made on behalf of businesses, so that is responsible for the lag.

I know that the team in Finance, Clarke's team, has done an extraordinary amount of work to get this process more streamlined. The Department of Finance indicates that the amount paid to the businesses in the calendar year of 2022 is \$21.8 million which, at the time of the Public Accounts, was \$18.7 million. So, I can understand, being in opposition and taking a look at those numbers, that it is confusing because, again, this is two governments and funds going to different places.

The \$21.8 million that I just mentioned will be debited to the revolving fund in late March of this year when the Yukon and Canada reconcile the amounts outstanding in the 2022 tax year in a process called the “final determination”. It should have a theme song with it.

The business rebate account is credited when we receive money from Canada from the carbon fuel charge. This usually takes anywhere from three to six months after the fuel charge is paid at the pump. So, businesses are being paid promptly all throughout the year; however, the government’s business rebate account is not debited until we reconcile with the Canada Revenue Agency for rebates made to those businesses. This process is typically completed 15 months after a tax year is closed — again, reminding that the businesses are being paid promptly all throughout the year.

From the inception of the carbon fund in 2019 to March 31, 2023, the government has received \$31.6 million in proceeds from Canada. By the end of the last fiscal year, this money has almost all been distributed to businesses. However, we have closed the books on only \$11.1 million in payments with CRA as we wait for the previously mentioned reconciliation period.

So, this leaves a balance of \$20.5 million, which is what’s reflected in the Public Accounts for 2022-23, and that balance consists mainly of estimates of amounts that have been paid to businesses for the tax year 2022, which still needs to be reconciled with CRA — so, not outstanding but just having to be accounted. There is also a small portion related to both the 2021 and 2023 years, but it’s marginal compared to the bulk of 2022.

**Mr. Cathers:** I note that the Minister of Finance was referring to numbers from the Public Accounts. Again, in information that we were given by officials, I’m referring to numbers for the fiscal year that we are debating. That information is contained on page 11-19 of the main estimates for the upcoming fiscal year, but the amounts are directly relevant to this budget in the current fiscal year because they are for 2023-24.

It appears — and I would just again ask the minister to agree or provide his understanding of what that number is — that at the end of the 2022-23 fiscal year, the balance at the end of the year, according to page 11-19 of the 2024-25 main estimates, was \$24,945,000. In the main estimates for the fiscal year that we are debating, 2023-24, they estimated that at year-end the balance in that account would have dropped by over \$20 million to \$4.35 million. Instead, it appears that they are actually expecting that the balance at the end of the fiscal year — at the end of March here — will be \$22.7 million in the account. I am not asking the minister to debate the merits or lack thereof of a carbon tax; I’m just asking him to confirm that this is his understanding of the 2023-24 forecast for what the balance at the end of the year will be in the restricted fund carbon price rebate account.

**Hon. Mr. Silver:** The long and short of it is that this is the difference between an accounting treatment — so what we can do is just get the most current numbers for the member opposite. Also, forecasts being given possibly before the federal government makes a change on home fuel would affect

those numbers as well, but I am just going to clarify. I’ll get that information, but mostly, this is an accounting treatment, not necessarily indicative of anything other than how those numbers are accounted based upon a forecast.

**Mr. Cathers:** I am a bit disappointed that this is the way the minister is choosing to respond. What I am referring to is based on information handed out by government officials. I am just asking the minister to confirm that he doesn’t disagree with how I am reading that page, which appears to indicate that the actual year-end balance for 2022-23 was \$24.9 million. The estimate — which, of course, reflects the mains — for 2023-24 — the current fiscal year that we are debating this supplementary budget for — of \$4.3 million and the forecast balance for the end of the year jumping by over \$18 million to \$22.7 million sitting in the account at the end of the fiscal year.

The minister suggested that the amount might be affected by the federal government’s increase that is coming on April 1, but I can assure him that it won’t be affected by it because I am asking for the amount on March 31 of the current fiscal year — what it’s estimated to be — and the federal tax hike of some 23 percent doesn’t kick in until the next day. Could he confirm what the forecast balance in the restricted fund carbon price rebate account is supposed to be at the end of the 2023-24 fiscal year, which ends on March 31? Again, I am referring to page 11-19 of the upcoming mains and just asking the minister to confirm, to his understanding, that the number reflects the forecast picture for the current fiscal year.

**Hon. Mr. Silver:** There are few different things that are swirling, and a little context is important in this because some of these changes — for example, the climate action incentive payment change from 10 percent to 100 percent in the base amount, but that doesn’t apply in the Yukon. I am just confirming with my officials the final accounting treatment purposes — the reasons why those numbers have been affected.

We do know that, instead of a forecasted surplus, for example, of \$6 million in 2022-23 Public Accounts, there was a surplus of \$25 million in the carbon rebate revolving fund. That was primarily due to a surplus in the business account, but there are a few different variables here that can be contributing to it, so I will confirm what that accounting treatment was — because there are a few that it could be, basically.

**Mr. Cathers:** All right, Madam Chair, since the Finance minister is choosing to be coy in answering with that information, I would just ask him — the budget that he tabled last week for the 2024-25 fiscal year contains information on page 11-19. Does the Minister of Finance believe that information was correct, or does he believe that it’s incorrect?

**Hon. Mr. Silver:** That information is correct.

**Mr. Cathers:** I’m just going to ask the minister a question about the line of credit, and if the minister could confirm both what the total amount is of the government line of credit and the maximum amount on it, and can he confirm what the current balance is or if he has a point in time — several weeks ago or whatever the date is — if he could provide a point-in-time snapshot of how much government is borrowing and how much they are authorized to borrow.

**Hon. Mr. Silver:** I believe that in the briefing, the Yukon Party did ask what the borrowing limit was. We gave that information to the members opposite. It is \$200 million. The officials told them at that time that the interest rate changes and fluctuates on a daily basis depending upon different circumstances. So, if I quote a number and that number changes — and knowing the member opposite, he might see that as two different numbers if I give him two different numbers on two different days.

So, that number changes — sorry; it's the balance that changes, not the interest rate that changes on a daily basis. My apologies.

But again, the accounting of this does come in the Public Accounts and those numbers are based on March 31. March 31 is the usual FAA way that we report those numbers.

**Mr. Cathers:** The minister made reference to the interest rate. Could he confirm what the interest rate is on that line of credit?

**Hon. Mr. Silver:** I believe that this number was provided by the department to the member opposite. It was 7.2 percent.

**Mr. Cathers:** I am just trying to make sure that we're all on the same page, so I appreciate that confirmation from the minister.

I am going to move on to another area the minister mentioned in his speech earlier on — that being an increase of, I believe, \$845,000 for First Nation bilateral agreements. Could he indicate which First Nations those agreements are with, the total amount of each, and if he has the information about the basic purpose of those agreements? I know that commonly some details of a contribution agreement might not all be disclosed, but it's typical practice to disclose the basic intention of funding provided by the Yukon government to another government.

Secondly, I would ask if he could either provide now or if they could provide later a breakdown of the total amount of funding in bilateral agreements to First Nations and municipalities for the current fiscal year — and, again, a breakdown of what those individual agreements are and the basic purpose of those agreements.

**Hon. Mr. Silver:** Madam Chair, I can provide the numbers, but as the member opposite may already know, when you are talking about negotiations with First Nations, you talk about government-to-government conversations and there is an awful lot of information there that is sensitive. You don't want to go ahead and talk about specifics. As the Finance guy, I am not in on those conversations. The Premier would be in on those with his responsibility for Aboriginal Relations in the Executive Council Office, so I would defer to that debate at that time, knowing the sensitivity of negotiations between governments.

**Mr. Cathers:** Can the Minister of Finance provide a breakdown? Again, I would urge him not to try to move the goalposts on this. While the fine print of agreements is often not disclosed, the typical practice for decades in the Yukon has been that if there is a transfer from the Yukon government to any other government, whether it is a First Nation or

municipality, there is public disclosure on what that agreement's basic purpose was and what the total amount is. I would note that this is just part of the practice around transparency to the public so that people can draw their own conclusions about any spending amount but be aware of what those amounts may be and the basic purpose there for those agreements.

**Hon. Mr. Silver:** That is different. Talking about money that is set aside for negotiations is one thing and then to say that, once negotiations are done and finalized — those are two totally different things. Again, I am not on that file. That would be the Premier's responsibility, so I will leave that answer. To the member opposite, I am not trying to not be accountable; I am just not going to get caught in the trap that the member opposite is trying to put me in.

**Mr. Cathers:** Madam Chair, the only trap that I am trying to put the Minister of Finance in is to follow past practices around disclosure of information to the public. If the government believes that what they're doing with any one of these agreements — and collectively, all of them — is good, then they should be proud to stand up and provide general disclosure about the purposes of these and allow people to draw their own conclusions about it. As the minister will recall, the past practice has been to note — I have stood in the past, for example, myself and explained why we were resourcing the capacity of other levels of government to participate in certain initiatives and explained why that individual government or order of government was being provided with assistance.

I understand the Minister of Finance is probably not going to provide that information here, but I would urge him to ask his colleague to prepare a breakdown of transfers between the Yukon government and other governments, both First Nation and municipal, and simply to provide a basic explanation of those amounts so that not only MLAs but members of the public can be aware of it and can draw their own conclusions about that.

**Hon. Mr. Silver:** “Sure” I think will be the answer to that. Conversations among Indigenous governance and the Government of Yukon — that department is the Executive Council Office. We're very proud of the track record that we do have in negotiating and working with First Nation governments. Part of this as well is that, as announcements come out, those are usually government-to-government announcements. I don't have my finger on the pulse of what negotiation dollars have been used for what particular First Nation government and which announcements that came from — or maybe we're waiting to announce.

I will put the member opposite's mind at ease and, in a timely fashion and when appropriate, those numbers will be publicly disclosed as has been the tradition.

**Mr. Cathers:** I look forward to receiving that information. I would just move on to another project that has been delayed, that being the Atlin power project, to which the government had allocated some \$50 million to contribute.

Can the Minister of Finance explain which fiscal years that expenditure was booked in at the start of the 2023-24 fiscal year

and where it shows now in the capital plan and for what dollar amount?

**Hon. Mr. Silver:** The Minister of Energy, Mines and Resources and I are having a friendly dispute about what the actual question was.

If the member opposite is asking when the Atlin project first showed up in the capital plan — and if I can get a yes or no, maybe a nod or head shake — nope, nothing.

Okay, then we can give him that number. If he is asking if there is any money in the capital plan this year for Atlin, then the answer is there isn't, but the minister has explained that the commitment is still there and has spoken on the floor of the Legislative Assembly about the current situation and the reason why. The way that we book expenditures is based upon our knowledge as to whether or not money is going to be spent in that fiscal year or not. We have made the decision that, this year, there is no money in Atlin, but the minister is adamant that the commitment is still there.

**Mr. Cathers:** Just moving on quickly to the Skagway port — that project for \$21.3 million was added in the fall. It has now been removed in this supplementary estimate. Can the minister please indicate: What is the total estimate for that project?

Is any work underway that would see a different ownership structure, such as where the Yukon government might actually own part of it instead of not owning a portion of that asset? Again, could he confirm the total estimated amount of that project and whether it has gone up or perhaps down — although I think that is unlikely — from what it was when the government announced that project last fall?

**Hon. Mr. Silver:** As we are debating the second supplementary estimates here for the current fiscal year, there is no money in this particular budget. The estimates for the project — I will leave that for the departments that are doing those negotiations.

**Mr. Cathers:** In the interest of expediting debate, I will hand over to the Third Party. We will ask some additional questions later on — particularly since there are a number of departments that don't have new appropriations and, in some cases, have reductions. As the minister knows, our only opportunity to ask about those is in general debate, so I would just alert them to that fact that we will be asking those questions.

If it is necessary to have officials from those departments on standby to provide the Minister of Finance or perhaps other ministers, if the ministers responsible for those departments — the reductions — wish to answer the question themselves -- in either case, if they could make the appropriate preparations to answer those questions in general debate, since it's our only opportunity to ask about those departments with reductions —

**Hon. Mr. Silver:** I just want to go back — well, first of all, I want to thank whoever in Finance is adding up all of the departments. We do have the department incorporation personnel numbers for the member opposite. So, Yukon Legislative Assembly — \$5.817 million; Executive Council Office — \$14.713 million; Education — \$140.264 million; Economic Development — \$8.405 million; Justice —

\$41.91 million; Public Service Commission — \$44.986 million; Women and Gender Equity Directorate — \$1.498 million; Finance — \$10.089 million — of course, these are all in millions — Health and Social Services — \$197.977 million; Office of the Ombudsman — \$1.244 million; Elections Office — \$453,000; Child and Youth Advocate Office — \$707,000; French Language Services Directorate — \$5.457 million; Community Services — \$27.807 million; Environment — \$31.964 million; Energy, Mines and Resources — \$34.39 million; Tourism and Culture — \$12.974 million; Highways and Public Works — \$77.927 million; and Yukon Housing Corporation — \$8.993 million.

So, the total personnel number is \$670,478,000. I will leave it there.

**Ms. White:** I thank the minister and his department for those numbers, and I don't envy him having to read those out on the fly or trying to get to that final number. I remember my very first days here trying to get my head around the fact that we had to add three zeros to everything and everything became millions. Most recently, in Public Accounts, I definitely undershot a department by forgetting the zeros, so I do appreciate that.

I noted that my colleague just asked questions about the Skagway port, but I realize that it has been taken off and doesn't exist in this budget, but again, we were told that it was critical in the fall during the supplementary budget. We were told that it was time-sensitive, that it was a necessity, and that it was more than \$20 million. Can the minister help me understand what has changed since the fall? We just passed that budget, I believe, in November, so can he help me understand what has changed since that more than \$20 million was earmarked for the Skagway marine port in the fall?

**Hon. Mr. Silver:** Again, I am going to defer most of this to the premier, who is on this file as the Minister of Economic Development. Suffice to say that the intent and the importance of making sure that we are signalling that the Yukon government is there to support our mining industry when it comes to the deep-water port has not changed. When we account for expenditures, it comes down to whether or not we believe that we are going to be able to spend that money in that fiscal year and in that fiscal time frame. Having said that, our commitment has not changed.

The municipality in Skagway has changed leadership. I have met the new mayor. He also was gobsmacked that we call our mayors "Your Worship" over here. He's trying to get his council members to do the same. I don't think that it is working out so well, but my role in these capital assets is: When do we book them? When do we spend the money? That money is not necessarily going to be spent this year, but the intent and the will from our government to make sure that we have access to our ports is still there.

**Ms. White:** I appreciate that from the minister, and I am relieved. In just flipping through, I actually realize now that there is, I believe, \$795,000 in O&M in Economic Development, so I will have a chance to ask about my Skagway marine port, but I just wasn't sure at the time.

One of the things, during the Finance briefing, that I thought was really interesting — we touched on it a bit — as I look for the handout — but we did talk about the change in employees, in FTEs. I do appreciate the minister's stance, which is, each of those people represents people — like one of those numbers represents a person who is doing work that is really important. So, with the changes in those employee numbers for the supplementary budget, can the minister indicate — of the 42.6 FTE changes that exist in the supplementary estimates, can the minister let us know which ones of those are tied to the confidence and supply agreement and in which areas?

**Hon. Mr. Silver:** No, as the Minister of Finance, I don't have that breakdown of CASA/non-CASA-related. I believe that it is out there — the numbers. As the member opposite knows, we have dedicated staff to this, so I can get back to the member opposite, but I don't have access to it right now.

**Ms. White:** I thank the minister for that. I think that, for now, I am going to take my seat. I know that my colleagues from the Yukon Party have additional questions, and as I have others, I will stand to ask.

**Hon. Mr. Silver:** I just have some numbers that we did get as we were sitting here from the Department Highways and Public Works, the Capital Planning Office.

As folks know, in the plan, just in capital for 2025-26 and 2026-27, Skagway is at \$44.7 million. Also, for Atlin, the first part of the capital plan — it first started in the capital plan — there was \$15 million in the mains for Atlin for 2022-23. In general, capital projects evolve and progress at different rates and timing, and so we reflect that in the supplementaries. Those are numbers that are already available.

This just in: 8.0 FTEs for CASA in the supplementary, and that is for the walk-in clinic.

**Mr. Cathers:** I just wanted to thank officials for the information that they provided to the Finance minister this afternoon. Among the answers that were provided, there are a few that are outstanding and we look forward to receiving that information.

With that, as I indicated, I will actually move on to the departments identified here and clear general debate at this point — at least from the Official Opposition's perspective, we would do that.

**Hon. Mr. Silver:** Thank you to the members opposite. Again, I heard anecdotally that the Leader of the Third Party is always very jazzed when Clarke LaPrairie is in briefings.

**Ms. White:** I would be remiss if I did not actually mention — I thank the minister for pointing that out — the pleasure that I have had of getting briefings on taxation law from Mr. LaPrairie. He has taken things that have been very not interesting and made them very interesting with his enthusiasm. I hope he gets this and that he knows that I appreciate him walking me through taxation law. I will never fully understand what he is saying, but I do appreciate the enthusiasm with which he delivers the message.

**Chair:** Is there any further general debate on Bill No. 212, entitled *Third Appropriation Act 2023-24*?

Seeing none, we will now proceed to clause 1. The bill's schedules form part of clause 1. One of the schedules is Schedule A, containing the departmental votes.

The matter now before the Committee is general debate on Vote 55, Department of Highways and Public Works, in Bill No. 212, entitled *Third Appropriation Act 2023-24*.

Do members wish to take 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 now before the Committee is general debate on Vote 55, Department of Highways and Public Works, in Bill No. 212, entitled *Third Appropriation Act 2023-24*.

### **Department of Highways and Public Works**

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

**Hon. Mr. Clarke:** Madam Chair, I would like to thank you for the opportunity to stand to speak on the *Supplementary Estimates No. 2* for the Department of Highways and Public Works. I would like to introduce, to my immediate right, the Deputy Minister of Highways and Public Works, Catherine Harwood, and to her right, one of the assistant deputy ministers, Richard Gorczyca, here to assist me and to assist the House as we move through the supplementary budget.

Madam Chair, I am pleased to rise today to speak about the 2023-24 supplementary budget no. 2 for the Department of Highways and Public Works. Our department is committed to supporting Yukoners by both investing in and maintaining Yukon's public infrastructure. I know that the department's employees are proud of the work that they do for Yukoners. They provide necessary services like road and bridge repairs, snow and ice removal, brushing and clearing of the rights-of-way, maintaining our government's buildings, ensuring that our airports are operational, and making government services more accessible online.

The department is also committed to using its budget to maximize the delivery of services to Yukoners. As the department works diligently to keep Yukoners safe on our highways, they have also made significant progress on major infrastructure projects such as the Old Crow health and wellness centre, the tenplex, the Nisutlin Bay bridge replacement project, the Whistle Bend Elementary School, and the Dempster fibre line project — just to name a few.

They have also begun making critical improvements to the infrastructure at the Erik Nielsen Whitehorse International Airport, and, of course, the main runway reconstruction project is commencing this summer.

Although we have made a lot of progress over the past year, it has also come with its fair share of challenges. Last summer, several communities across the Yukon faced evacuation orders due to nearby fires. On top of that, Yukoners faced flooding, washouts, and extreme weather.

It seemed that every month or so there was a new disaster or challenge to overcome. This affected all Yukoners, but the crews at Highways and Public Works responded quickly and effectively, often working long hours to make sure that our transportation networks were restored as quickly as possible. From flooding in Dawson and washouts along the Dempster to the massive amounts of snow in the Haines pass, our crews were out there working hard to make sure that Yukoners could get to where they needed to go safely.

Due to the challenges of this past year, Highways and Public Works is expecting an increase of \$2.9 million to our 2023-24 operation and maintenance estimates. This past year, our department has had to mitigate several emergency flood and washout repairs on stretches of road like the Klondike Highway. These washouts have resulted in the department requiring \$680,000 in additional operation and maintenance costs in order to address emergency repairs to our roads. Along with emergency repairs, our Property Management division was stretched thin due to fluctuating temperatures this past winter. The constant freezing and thawing that occurred took a toll on our parking lots and sidewalks, resulting in extra work for our dedicated crews. As a result, the department required an additional \$650,00 in order to address these challenges.

As mentioned before, the department has also felt the impacts related to wildfires this past year. One of the consequences of the fires in Mayo was that it displaced our crews as they were completing BST work, leading to an additional \$215,000 in expenses. On top of that, the cost of electricity and fuel went up significantly in the past year, leading to a \$1-million increase in our overall operation and maintenance budget. These rising costs have impacted all of government, and the Transportation division and the Property Management division in Highways and Public Works are no exception.

Just to help put it in perspective, our Transportation division is responsible for nearly 5,000 kilometres of road. They are in charge of plowing, inspecting, installing, repairing, and clearing these roads, all to make sure that Yukoners can get where they need to go safely — I guess, candidly, not just Yukoners — for all of our national and international guests and travellers as well.

This important work requires a great deal of fuel. Along with roads, the department manages over 550 buildings across the territory, buildings where Yukoners can seek emergency and specialized health care, access legal supports, government services, and go to school. These buildings need to be kept warm and their lights need to be kept on. As such, increased electricity and fuel costs have caused an unexpected increase to our overall budget this year in that regard.

Madam Chair, throughout the 2023-24 fiscal year, Highways and Public Works prioritized projects that advance safe and efficient travel across our transportation network. The department supported local communities, put a strong focus on sustainable infrastructure investments, and responded to emergencies. We made significant progress on many major capital projects. While many capital projects are moving forward on time and on budget — such as the north Klondike

Highway reconstruction — due to unforeseen impacts and events, Highways and Public Works is requiring an increase of just under \$41 million to our capital budget for the 2023-24 fiscal year. \$32 million of this is due to cash-flow changes over the different fiscal years, while \$9 million is due to increased costs.

The projects that required cash-flow changes are: the Old Crow health and wellness centre and tenplex projects, the Nisutlin Bay bridge replacement project, the main runway project at the Erik Nielsen Whitehorse International Airport, and the Dempster fibre line project. The increase in cost of \$9 million was partly due to a change order to the Nisutlin Bay bridge project that will be paid over the course of four fiscal years.

Speaking now on our capital projects, I will first begin with our work in Old Crow. As I am sure that my colleagues can appreciate, these projects are very complex. After all, construction is taking place in the most remote community in the territory and getting materials there can be — and, in fact, was — quite a challenge. The challenges related to the project's location led to shifts in the project schedule and more work than was budgeted for this year.

As a result of work that was not completed in 2022-23 but was added to 2023-24, this fiscal year, our department spent \$3 million more than planned. Our department spent \$3 million more than planned for the Old Crow health and wellness centre and \$2.8 million more than planned for the tenplex. However, I am pleased to announce that the community of Old Crow will have access to their very own new health and wellness centre and 10-unit complex this spring. There will be only some minor activities left to complete, such as the final site cleanup. I look forward to the opening announcement of these important pieces of community infrastructure.

It wasn't this last summer, but in the prior summer, I did have the honour and privilege of visiting and being on those construction sites in the community of Old Crow.

As we all know, the Nisutlin Bay bridge is a major transportation link for all of us here in the Yukon. Not only that, but it is also an important landmark and one that is recognized by both Yukoners and travellers alike. Since 2019, the Yukon government has been working with the Teslin Tlingit Council through a project charter to design and build a safe, reliable structure that also improves access for pedestrians and cyclists. Construction began in the summer of 2022, and the project is now heading into its third year of construction. If you were to take a trip down to Teslin today, you would see both abutments ready to connect the new bridge to the land and a temporary trestle bridge, which the contractor has used to be able to build six vertical supports called piers. Three piers are almost complete.

During this coming construction season, the bridge will start to look much like a bridge, as the contractor plans to have all piers completed, part of the decking installed, and two new fish habitat areas created. Madam Chair, while we are making great progress on this important project, there have been some unanticipated costs. First, there were the unexpectedly restrictive terms of the *Fisheries Act* authorization as well as

the additional scope of the water licence, which resulted in an unanticipated change order. The *Fisheries Act* authorization included new restrictive limits to noise impacts on fish beyond those that were expected. For example, we were required to develop an underwater noise management plan, hire a third party for environmental monitoring, and create bubble curtains for underwater noise reduction. Under the terms of the water licence, there were also significant conditions with respect to water sampling and the frequency of reporting.

Despite this, the Government of Yukon, the Teslin Tlingit Council, and Graham Infrastructure LP worked together to apply for amendments to both the water licence and the *Fisheries Act* authorization in order to ensure that the project can continue to move forward. The amended *Fisheries Act* authorization and water licence resulted in a change order that increased the construction contract cost by \$23.89 million over the life of the project. For the 2023-24 fiscal year, that translates to a \$10-million increase in the budget for that project in that year — yes, this last year.

While the change order accounts for the majority of the increased cost of this project, the supplementary budget is also seeking \$4.6 million in order to account for the work that has been done ahead of schedule this year. As everyone knows, we experienced a fairly warm start to the winter this year. The contractor and project team were able to utilize the favourable conditions and move the project forward ahead of schedule. While this is indeed good news for the project, this work was not expected nor planned necessarily for this year's budget. So, while there is no total increase to the cost of the project from this work, it is now part of this year's capital budget. These two unexpected events have resulted in additions to the *Supplementary Estimates No. 2* budget. I can say with confidence that all parties on this project are committed to delivering on the construction and completion of a new Nisutlin Bay bridge.

Another project that we are close to completing is the Dempster fibre line. Last year, despite facing challenges like road washouts, wildfires, smoke, and blizzards, the team installed over 405 kilometres of conduit and 702 kilometres of fibre, moving the project ahead of schedule. Because the work has been advancing quicker than anticipated, \$18.4 million was needed in the 2023-24 budget for construction activities that were originally planned for 2024-25. This acceleration means that there will be fewer schedule risks in 2024.

This coming year, the remaining work will be focused in the communities of Dawson, Fort McPherson, and Inuvik as well as connecting Northwestel buildings found along the route. Work for the 2024 season also includes joining the installed fibre cables, commissioning the line, and working with Northwestel to get the network online as soon as possible, as the Minister of Finance indicated, providing for trans-northern Canada redundancy — that is certainly exciting — when the line becomes operational.

Finally, earlier this year, I was proud to announce, alongside my federal colleagues, new funding that will be used to reconstruct the main runway and make other critical improvements at the Erik Nielsen Whitehorse International

Airport. These improvements will help to increase reliability and safety and ensure that the airport meets the future needs of the territory. Site preparation and drainage improvements have already begun, and construction on the main runway will take place starting this summer.

One of the major upgrades that we completed this past year was the work on the parallel runway. However, some of the work on the parallel runway was delayed due to weather in 2022-23 and had not been budgeted for in 2023-24. This change in timing of work has led to a total increase of \$3.6 million for the 2023-24 fiscal year.

In summary, Madam Chair, the *Supplementary Estimates No. 2* capital budget requests for Highways and Public Works is a total increase of just under \$41 million. Keeping our capital infrastructure projects on track is a priority for our government, recognizing the role that they will play in benefiting Yukoners. Despite the external challenges that we inevitably face, the Department of Highways and Public Works remains steadfast in its commitments to completing these projects with efficiency and fiscal responsibility. Because of these funds, we have been able to keep the heat and lights on in Yukon government buildings. We have been keeping Yukoners moving safely on our highways, and we have advanced projects that will have long-lasting economic benefits for the territory.

Madam Chair, thank you for the time today. I look forward to answering questions from the members opposite.

**Mr. Hassard:** Thank you, Madam Chair, and I thank the minister for those opening remarks. I would also like to thank the officials for being here today. I have a few questions for the department regarding the supplementary.

The minister talked about the roughly \$19.3 million in the supplementary for bridges. He talked about \$10 million of that going toward the \$23.89 million and another \$4.6 million for additional work that had been done this winter that they hadn't planned on. So, that leaves roughly \$4.5 million. I am wondering if the minister could provide us with an update or a breakdown on where that additional roughly \$4.5 million went.

**Hon. Mr. Clarke:** To clarify, I believe that the member opposite's question was with respect to the balance of approximately \$19 million on bridges. If that is, in fact, the question, the lion's share of the balance that wasn't involved with the Nisutlin Bay bridge was an increase of approximately \$5.363 million for the completion of the Lapie River No. 2 bridge replacement that had been slightly delayed. I am advised that project is finished, and I certainly look forward to seeing — so, yes, that is the balance of the funding. There are some other smaller numbers here, but that is the lion's share of the Nisutlin Bay bridge, which is \$14.557 million, and the replacement of Lapie River No. 2 bridge at \$5.363 million, leaving a few other minor projects.

**Mr. Hassard:** I appreciate that information from the minister. Under the line item for Highway Construction — Alaska Highway — there is an additional \$1.563 million. I am wondering if we can get an idea or a breakdown of where that additional million and a half dollars went as well.

**Hon. Mr. Clarke:** Yes, the increase for the Alaska Highway maintenance was \$1.563 million for the Takhini thaw

slump and culvert replacement project due to changes in the project timing.

I believe that the entire budget for that was more in the range of \$4 million, so this is some extra funding because, although that advancing permafrost thaw slump — and people listening at home and members of the Assembly will know — on the road just as you leave Whitehorse on the Alaska Highway on the way to Haines Junction was moving more quickly than had been anticipated, a consequence of that — my recollection is that in the summer of this last year, I was asked to approve a contract on a relatively expedited basis. The total contract there was in the range of just south of \$4 million to Cobalt at the time.

This is additional funding that was required, and the indications are that there was a change in the project timing. My briefing at the time was that it was by virtue of the fact that the permafrost thaw slump had moved more quickly than had been anticipated, notwithstanding that it had been observed for many years.

I will just check my notes on the topic, Madam Chair.

In 2023, we invested in a section of the Alaska Highway that was facing increasing risk of damage due to permafrost thaw. Active thawing permafrost was causing the ground to slump in the Ibex Valley and the slump expanded into the highway right-of-way. We are addressing sections of the highway near the Takhini River in the Ibex Valley approximately five kilometres west of and outside of the Whitehorse city limits. The highway is now realigned away from the active thaw area. The YESAB recommendation was issued in July 2023. The project was tendered in June 2023 and, as I indicated previously, was awarded to Cobalt Construction Inc. in July 2023 for \$3.95 million. Construction started in early August 2023 and the new alignment for the highway is now open to the travelling public. Minor cleanup and placement of bitumen surface treatment will happen in the spring of 2024 when weather permits.

We will work to ensure that this reconstruction project is completed as quickly as possible. The permafrost underlying the highway was thawing at an increased rate and had resulted in differential settlements and cracking in several areas that affected highway safety and performance.

Highways and Public Works is working in collaboration with the Yukon University in order to develop options to make the highway more resilient against future climate impacts. After this project is completed, we will continue to monitor this area for a number of years.

Finally, long tension cracks formed between the thaw slump and the highway as close as 20 metres from the road embankment. The Alaska Highway has now been moved further away from the active thaw slump caused by the thawing permafrost that is located between the Takhini River and the existing highway in the vicinity.

The realignment is to protect highway infrastructure and public safety by increasing the buffer between the active thaw slump and the highway. The department has been working, as I said, with the Yukon University to understand thaw slumps and to develop options for mitigation, including installation of

ditches, spring water diversion, consolidation of the sediment, and realignment of the highway away from the thaw slump.

I would say that this is another example of the impacts of climate change and the negative impacts on our road infrastructure and the fact that we did have to move more quickly on that matter than we had originally anticipated having to move on it.

**Mr. Hassard:** The minister said that the BST will be done in the spring. I am just wondering if the minister could actually confirm a timeline of when that BST will take place. I am just curious if it will, in fact, be done before the tourists start to come, which traditionally is late May. Could the minister just provide us with that assurance?

**Hon. Mr. Clarke:** I have received some information from my officials with respect to the schedule for BST this upcoming spring. Members opposite will likely know this, but the conditions for BST application are usually sufficiently favourable or suitable in late May and the crews, on a sort of pan-Yukon basis, start in late May. Highways and Public Works is developing the schedule and we will certainly consider the fact that, of course, the Yukon, the Alaska Highway, and the artery between Whitehorse and Haines Junction are busy and that sooner is preferable. I get the message.

That is the information that I have from my officials so far.

**Mr. Hassard:** I appreciate that commitment from the minister and the department. I had a question regarding the \$5.8-million extra in building development. I am wondering if the minister could give us a breakdown or some idea of those dollar amounts.

**Hon. Mr. Clarke:** The \$5.8 million in building development is what I think I just referenced in my opening comments, and they are the additional funds that were required in this fiscal year to complete the Old Crow health and wellness centre replacement at \$3 million required and the Old Crow 10-unit, mixed-use housing development at \$2.8 million due to cash-flow changes, resulting in \$5.8 million of additional budgeting required for fiscal 2023-24. As I also indicated in my opening comments — I can receive some additional information from my officials — my understanding is that both of these very valuable community assets will be available for community use and occupancy shortly.

**Mr. Hassard:** I appreciate that information — just so we made sure that we were all on the same page. Since we're talking about those two buildings in Old Crow, I'm wondering if the minister could provide us with a total overrun cost on each of those buildings, because it sounds like they both went overbudget — so if we could get a final cost and the overrun costs on those particular buildings.

**Hon. Mr. Clarke:** As I indicated, there is certainly exciting news as far as new infrastructure in Old Crow this spring. This spring, the Old Crow community will have access to their very own new health and wellness centre and tenplex. The Department of Highways and Public Works and the Vuntut Gwitchin Government continue to work closely to complete the new facilities. The tenplex was substantially complete at the end of January, and the health and wellness centre is expected

to be completed in April. Full use of the facilities could take up to two months following substantial completion. Activities completed during this time include move-in, set-up of utilities, technology systems, and operational training for staff.

Construction of these facilities began in March 2021 and went, as indicated, into January 2024. This enabled the Vuntut Gwitchin community to benefit from \$12.5 million in employment, training, and business opportunities related to these projects. The Government of Yukon and Vuntut Gwitchin Government are excited to see these two beautiful facilities constructed in the Yukon's only fly-in community.

As I indicated previously in my comments, I had the opportunity to see both of these construction projects in mid-construction and would certainly love to return to the community and see the finished products. Both buildings were designed and built to high standards, including air tightness, insulation, energy-efficient heating, ventilation, and lighting. Both buildings are designed to exceed our national energy performance target of 35 percent below the 2017 National Energy Code standard. The health and wellness centre's energy performance target was 37 percent. The tenplex's energy performance target was 41 percent. As a result, greenhouse gas emissions have been reduced in the health and wellness centre by 40 percent and the tenplex by approximately 37 percent.

The design/build contract for the project was awarded to Ketzta TSL Construction Ltd. in March 2021 for \$44.8 million. Higher shipping costs, a greater number of air freight loads, and changes in market conditions have resulted in an increased contract amount of \$53.5 million for both projects, so from \$44.8 million in 2021 to \$53.5 million by early 2024.

The design/build procurement was value driven to look beyond the price to make sure that the project brought as much value as possible to the community and to the territory. In this case, the winning proponent received points for the schedule, training plans, subcontracting plans, northern- and Old Crow-specific experience, and First Nation participation. A 60-year land lease to accommodate both facilities on one site was signed in the spring of 2021 with the Vuntut Gwitchin Government.

Just briefly for people listening at home, with respect to this project, this may be of some interest: To assist with this project and other projects in the community, a winter road was constructed during the winters of 2021-22 and 2022-23 between Eagle Plains and Old Crow. In 2022, 67 truckloads of material were transported to and from Old Crow. In 2023, a total of 54 truckloads were shipped to Old Crow on the winter road, including 41 for the Vuntut Gwitchin Government and 13 for the Yukon government and other parties. The first loads arrived in the community on February 22, 2022, and the last convoy left Old Crow on March 13, 2023, obviously over the course of two winters. The winter road was used to haul 13 loads out of the community on behalf of the Yukon government and other parties. These loads included construction equipment, old and outdated machinery, vehicles and equipment no longer needed in the community, waste oil, batteries, and other miscellaneous materials.

Air North Partnership has transported materials by air for the Old Crow health and wellness centre and tenplex project with their ATR 42s. I reviewed the file, and there was quite a number of ATR 42 flights by Air North. Of course, Air North is a Yukon company partly owned by the Vuntut Gwitchin Development Corporation and is helping to keep the benefits of this project flowing within the Yukon — so, certainly a good news project. There were complexities and it was commenced still basically right in the middle of COVID, with the attendant supply chain challenges and interruptions, but ultimately, this is incredibly valuable and state-of-the-art infrastructure that has been provided and that will be available to the citizens of Old Crow in the very near future. As I have said, I do look forward to returning to the community to see those completed projects.

However, Madam Chair, seeing the time, I move that you report progress.

**Chair:** It has been moved by the Member for Riverdale North 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 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. 212, entitled *Third 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:** 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.*