



Yukon Legislative Assembly

Number 127

2nd Session

34th Legislature

HANSARD

Tuesday, March 19, 2019 — 1:00 p.m.

Speaker: The Honourable Nils Clarke

YUKON LEGISLATIVE ASSEMBLY

2019 Spring Sitting

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

CABINET MINISTERS

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

GOVERNMENT PRIVATE MEMBERS

Yukon Liberal Party

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

OFFICIAL OPPOSITION

Yukon Party

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

THIRD PARTY

New Democratic Party

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

LEGISLATIVE STAFF

Clerk of the Assembly	Floyd McCormick
Deputy Clerk	Linda Kolody
Clerk of Committees	Allison Lloyd
Sergeant-at-Arms	Karina Watson
Deputy Sergeant-at-Arms	Harris Cox
Hansard Administrator	Deana Lemke

**Yukon Legislative Assembly
Whitehorse, Yukon
Tuesday, March 19, 2019**

Speaker: I will now call the House to order. At this time, we will proceed with prayers.

Prayers

DAILY ROUTINE

Speaker: We will proceed with the Order Paper. Introduction of visitors.

INTRODUCTION OF VISITORS

Mr. Gallina: We have some special guests with us here in the gallery today for the 40th anniversary of the Nakai Theatre Ensemble. I would like members to join me in welcoming Jenna Winter, Jacob Zimmer, Laurel Parry, Miche Genest, Zach McCann-Armitage, Kaori Torigai, Beth Mulloy and Duncan Sinclair. My lovely wife has joined us — Sarah Gallina. Welcome.

Applause

Hon. Mr. Mostyn: I would like to welcome this afternoon Jacquie Van Marck and Carlos Sanchez-Aguirre from Mothers Against Drunk Driving Yukon. As well, I would like to introduce Constable Louis Allain and Inspector Lindsay Ellis from the RCMP. Please join me in welcoming them to the House this afternoon.

Applause

Speaker: Tributes.

TRIBUTES

In recognition of the 40th anniversary of Nakai Theatre Ensemble

Mr. Gallina: Today is a special day in that I get to rise on behalf of the Yukon Liberal government to pay tribute to the 40th anniversary of the Nakai Theatre Ensemble. Back in 1979, Beth Mulloy and Sheila Langston founded the Nakai Players; 10 years later, they merged with Separate Reality Theatre to form the Nakai Theatre Ensemble.

Nakai Theatre was the first professional theatre company north of 60 and has definitely made its mark. Over the years, Nakai has emphasized different aspects of theatre development, and its various artistic directors have led and inspired experimentation, workshopping and the development of plays. Sometimes the focus is on youth, other times it is on First Nation artists, on local development or on producing Canadian scripts, and sometimes there is a focus on bringing senior Canadian playwrights and script advisors to work within the developing field of Yukon theatre craftspeople.

It has brought in theatre professionals such as DD Kugler, Ker Wells, Jesse Buck and Maiko Yamamoto. Nakai benefited from a succession of visionary artistic directors, which included Dawn Davies, Philip Adams, Michael Clark, David Skelton and, currently, Jacob Zimmer among others.

In 1986, Nakai created the 24-hour playwriting competition, which was the first of its kind in Canada. Many of Yukon's local scripts have had their start in those knuckle-crunching 24 hours. It is still a popular annual event and challenge.

In 2009, Nakai began the Pivot Festival, an annual gathering of theatre makers and audiences from Yukon, across the country and around the world. Many local plays were mounted with Nakai, and this was a springboard for other local theatre companies to develop and forge their own professional artistic directions. Many of these artists have gone on to perform at festivals and on stages outside of Yukon. This is encouraging, and these achievements are to be celebrated.

As I reflect on my own connection with theatre, I can't help but think of the regularly occurring family shows that my children and their friends always put on when they get together. You know — the children make a grand entrance informing the adults that there is a performance that we must watch before the night is over. The children effortlessly create and design, and every child and most parents have a role in the production, from ticket-takers to lighting, sound, video recording, leading role, supportive cast, cameo appearances — you name it. The list goes on. The productions that they put on are complete and delivered with passion and something they have contributed to in collaboration with one another.

At these family performances where there are only a few hours to prepare, I have been through haunted houses, musical performances and comedy nights, and the most elaborate of all was this past summer with *Teslin's Got Talent*, where parents were entertained with over 20 minutes of rehearsed performances set among the backdrop of Yukon's wilderness.

Nakai's commitment to giving voice to stories that originate right here in Yukon is derived from Nakai Theatre's board of directors.

Many citizens have served on this organization's board and in other capacities, all of whom, with the help of the deeply committed and passionate staff, have helped the theatre company evolve.

Today I would like to specifically acknowledge Denise Lamb for her service. She has been involved with Nakai for over 20 years and is currently vice-president of the board of directors.

Mr. Speaker, we know Nakai Theatre not only enables a richer social and artistic community, but also contributes to our cultural industry. Thank you to all for your time and passion; we are lucky to have this long-standing organization producing theatre. I wish you many more years of success.

Applause

Ms. White: I rise on behalf of the opposition parties to wish Nakai Theatre a happy 40th birthday. At its inception, Nakai was a touring company with an emphasis on nurturing First Nation theatre. In 1986, Nakai created Canada's first 24-hour playwriting competition. Social media allows us a window into the strangeness of this event as some playwrights document their progress through the long night. This event

continues to attract individuals interested in testing their writing skills.

The year 2004 saw the creation of the Homegrown Festival, a unique opportunity for local theatre artists to present their work. In 2009, we were invited to the first ever Pivot Festival.

Mr. Speaker, through its long and lustrous life, Nakai has grown, refocused, nurtured and encouraged artistic development in the north. We thank all of those who have and who will continue to put their love and energy into theatre that's in the north, for the north. We have enjoyed the show so far, and we look forward to the next run. Thank you for all your work.

Applause

In recognition of National Impaired Driving Prevention Week

Hon. Mr. Mostyn: Mr. Speaker, on behalf of the Government of Yukon and the Third Party, I rise today in support of National Impaired Driving Prevention Week.

Established last year and designated for the third week of every March, National Impaired Driving Prevention Week encourages Canadians to help keep our roads and communities safe.

Impaired driving is the leading criminal cause of death and injury in Canada. Just last month on one incredibly cold evening, I was out with Mothers Against Drunk Driving Yukon — Jackie and Carlos — and the RCMP at a checkstop. Several drivers were detained and subjected to a breathalyzer that evening. I was shocked at the number stopped in so short a time. This is not a hypothetical problem. That night, I discovered that today, in spite of the widespread society effort to curb the crime of drinking and driving, far too many people are still driving under the influence of alcohol. It is never acceptable.

Every day, up to four Canadians are killed in alcohol-and/or drug-related vehicle crashes. The number of casualties is higher still. Statistics, however, don't really get to the heart of the matter. Numbers don't capture the true scale of the damage. Every one of these deaths is a tragedy in itself — the loss of a child, a wife, a husband, brother, sister, aunt, uncle, close friends whose hopes, dreams and aspirations will go unrealized because they were violently torn from this world.

The devastation doesn't end with the victim. Their loss also transforms the lives of those around them, as the person was unique and irreplaceable. People depended on them for support, for education, for advice, for compassion and for love. We depended on them. We had hopes and dreams inexorably bound up in their lives as I suspect most of us in this Chamber have been personally touched by this ongoing national tragedy.

More heartbreaking still, these tragedies are entirely without meaning — the crime is wholly preventable. No one should ever drive impaired, Mr. Speaker. There is no reason for the act. No reason is sufficient for you to endanger the lives of others and yourself. There are plenty of lame excuses: "It was only a few drinks." "It's too late to get a cab." "It's

only a few blocks to drive home." Not one holds water against the wholly preventable loss to the community — to our community, Mr. Speaker.

Our government supports the federal government's actions to crack down on impaired driving, including new laws to punish more severely those who drive while under the influence of drugs, including cannabis. Strengthening laws is a good start, and we are currently working on a complete rewrite and modernization of the *Motor Vehicles Act* that will bring the law into alignment with today's sentiment about drinking while impaired or distracted, among many other improvements.

But we can't just rely on the justice system and law enforcement. This is about individuals and about our actions. We all have a role to play. So don't drive if you are impaired. If you drink, don't drive. Don't let your family or friends drive if they are impaired. Don't participate in social media posts that warn impaired drivers of checkstop locations. If you do, you are only helping to put others in harm's way. If you see someone on the road you think may be impaired, call 911.

Be responsible, be alert and stay safe.

Applause

Mr. Cathers: As the Official Opposition critic for Justice, I rise to recognize that National Impaired Driving Prevention Week — the week of March 17 to 23 — marks a concerted national effort by government, law enforcement and organizations across Canada to raise awareness about the consequences of impaired driving due to alcohol, drugs, fatigue or distraction — and to remind people that it is 100-percent preventable. Through education and awareness, the goal is to lower the number of impaired driving-related injuries and deaths.

MADD Canada works to bring attention to the fact that crashes involving alcohol, cannabis or other drugs or a combination of those substances kill hundreds of Canadians and injure tens of thousands more every year. We can and must do better. Everyone needs to be proactive to keep our roads safe. Be a designated driver. Call cabs for yourself or others. Report suspected impaired drivers and talk to your children about the dangers of impaired driving. Education is key as we raise another generation of drivers. Let your kids know the effects of drinking and drugs. Both can reduce your reaction time, blur your vision, impair your reflexes and alter your attention span. Be the parent who makes sure that your kids are making the right choices and be available to help them so they can.

Impaired driving is 100-percent preventable. The penalties are high, and the consequences of causing bodily harm or death to yourself or someone else are even higher. Enforcement is important, but personal responsibility is absolutely key.

Applause

Speaker: Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Streicker: I have for tabling three legislative returns today — two for the Member for Lake Laberge and one for the Member of Takhini-Kopper King based on questions that came toward the tail end of the previous session.

Hon. Ms. Frost: I have a legislative return in response to a question asked by the Member for Takhini-Kopper King on Thursday, March 14.

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

Are there any reports of committees?

Are there any petitions to be introduced?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House endorses the *Yukon Tourism Development Strategy*.

Speaker: Are there any further notices of motions?

Is there a statement by a minister?

This then brings us to Question Period.

QUESTION PERIOD

Question re: Electoral reform

Mr. Hassard: Between the 2016 election and the 2021 election, the government will have released an additional 644 new housing lots in Whistle Bend. The Electoral District Boundaries Commission estimated that there could be a total of 1,550 voters in Whistle Bend by 2021. For the election after that, there could be close to 3,000 voters. That is why the commission recommended the creation of an electoral boundary made up of only Whistle Bend. This would ensure that the residents of Whistle Bend would receive equitable representation in this Assembly.

Unfortunately, the Liberals took the unprecedented step of voting down their own legislation and ignoring the advice of the independent panel of experts. The reason they did this was because the new boundaries would hurt their re-election chances.

So will the government rethink this partisan move to reject independent advice on our democracy?

Hon. Mr. Silver: I don't agree with the member opposite's characterization of what happened. In this particular case, we have been on the floor many times, whether it is myself or other ministers, explaining again that there were particular conversations about a 20th riding that were not had in earnest during the whole conversation from community to community until maybe the last couple. For those reasons, we believe that Yukoners did not want to see another seat.

The members opposite can characterize it any way they want, but that was the hard decision that we had to make. Again, by looking at the draft and then the final and seeing no real talk of a 20th riding until very, very late in this process — those are the reasons why we thought that Yukoners did not want to have an extra riding. We do understand that there is going to be a larger growth in one of the ridings in Whitehorse. I believe the Minister of Community Services has spoken on that particular point. That's what happens when we have a growing economy, and as we are making way with these housing initiatives, we will keep monitoring that situation. But again, we don't believe that another seat in the Legislative Assembly is the solution.

Mr. Hassard: At the time, the Premier claimed that he voted against the bill because Yukoners didn't want to pay for another politician. Meanwhile, he is using his majority to ram through a bill to give himself a pay raise. Further, over the past couple of years, he has increased the Cabinet office budget by some \$255,000 of taxpayers' money.

Mr. Speaker, he can save his crocodile tears because no one believes that he is concerned about saving taxpayers' money. The reason he voted against the new electoral boundaries is because it provided more representation for rural Yukon, but that's not where the majority of Liberal seats are. That's why they forced their MLAs to vote against giving places like Mayo and Pelly more influence.

Will the Premier admit that he shut this down because he was worried that an extra rural riding would hurt the Liberals' election chances?

Hon. Mr. Silver: Again, I take a lot of — let's just say that the preambles to these questions are always quite interesting. There has been a constant from the Official Opposition in this House, and that constant is a stream of incorrect information directed toward the Yukon public.

When we talk about a pay raise — again, the member opposite talks about this. The Leader of the Official Opposition did see his pay go up as well, as well as the Leader of the Third Party through the Members' Services Board. The budget that they speak about for the office went up last year. Again, this is us dealing with something that the previous government wouldn't deal with. The previous government saw themselves going over that budgetary allotment year after year. We did as well. We decided that we should probably account for that. It is not as if that increased; it's more the fact that this was something that always was spent. The Yukon Party just didn't account for it, so we are accounting for that.

Again, as the member opposite tries to string together some kind of a narrative, Yukoners really want to know the facts. Yukoners want to know the full story. Again, we do not believe that an extra seat in the Legislative Assembly is warranted at this time, especially and particularly because that conversation did not go community to community.

Mr. Hassard: I will remind the Premier that we voted against these increases in the Premier's raise. The Electoral District Boundaries Commission wanted to give rural Yukoners more of a voice in this Legislature, and the Liberals were worried that this would hurt their chances. They also

wanted to make Whistle Bend its own riding and give them equitable representation. The Liberals shut down this independent panel's recommendations for partisan reasons. As a result of the Liberals' political games, we are now left with some real structural issues with our electoral system here in the Yukon.

Another commission will not be appointed for two more general elections — so potentially not until 2026. By that point in time, there will be close to 3,000 voters in Whistle Bend, and they will still not have their own riding. Meanwhile, the Deputy Premier's riding has less than 900 voters — not very fair to the folks in Whistle Bend.

So what now? How will the government ensure that their politically motivated actions do not affect Yukoners' ability to have an adequate representation in this Legislature?

Hon. Mr. Silver: Again, we have heard from Yukoners who said that they don't want to see a 20th riding, so that is where we are taking our direction from — from Yukoners, not from the political diatribe that you hear from the Yukon Party. Maybe the Leader of the Official Opposition can explain his meetings that he had in Mayo and in Faro as the committee was doing their work. Maybe he can talk about the conversations that they had.

But again, we will continue with our narrative, which was that we do not believe that right now, at this time, a 20th riding is warranted. We believe that Yukoners agree with that statement. The voters in Whistle Bend — whether it's one or 1,000 or anywhere in between there — are fully within their rights to be voting for proper representation, and I imagine there will be great candidates from all parties going door to door in that riding as well. But again, Mr. Speaker, when you have a draft —

Some Hon. Member: (Inaudible)

Hon. Mr. Silver: Mr. Speaker, I can barely hear myself talk with all of the talk from the opposition here.

We believe that if there is a draft plan and none of these recommendations are in that draft plan, it is a serious thing to deal with, and so we took the due diligence and made the hard decision to make sure that Yukoners were well-represented in that process. We believe that the representation of a 20th riding was not a conversation that was had in most of those communities, except for maybe the last two.

Question re: Seniors housing

Ms. Van Bibber: The wait-list for social and seniors housing has skyrocketed under this Liberal government. It was 105 in 2016 under the previous government, and under the Liberals, that number has risen to 270. The Vimy Heritage Housing Society has been seeking support to build independent supportive housing for seniors. A project like this might see some seniors leave the ever-growing wait-list for seniors housing.

Last year, the government told us that they were putting funds in place to assist the Vimy society's plans. I believe the estimate for the full cost of the project is around \$25 million.

Can the minister tell us how much of this year's budget is provided to Vimy Heritage Housing Society to support their project?

Hon. Ms. Frost: What I can notify Yukoners on is the fact that we have a number of projects that we are considering and reviewing right now that address some of the challenges before us, specifically seniors housing. We just completed a comprehensive engagement session with seniors across the Yukon to look at some of the key priorities that they see as concerns that they want to address with us specific to initiatives that might better align with their service needs.

With that, we have looked at rural Yukon communities for seniors housing and we've looked at our current housing stocks, but we have also looked at the over 700 housing units that we have to better align to meet the needs of Yukoners.

At this point in time, we are going through the housing initiative fund review — of which we have \$88 million in projects — and we have \$3.6 million for that initiative. We are looking at a number of projects so that we can assist the projects — including Vimy with their project — to be successful.

We are looking at all of the options and will continue to work with our partners to address the various projects that we have before us.

Ms. Van Bibber: Previously, land at 5th Avenue and Rogers Street was proposed for this project. Unfortunately, contamination of the site and required remediation has since made it an undesirable location.

The last we heard was that the Vimy Heritage Housing Society was working with the government to determine a new site for the project.

Would the minister be able to update this House on this work? Has a new location been selected, and where is it?

Hon. Ms. Frost: We do appreciate the work of the Vimy Heritage Housing Society in developing its vision for supportive independent seniors housing. It's important to note that this government is supportive of all of the options that we have before us.

So we are looking at working with the Vimy Heritage Housing Society. We have worked with our partners in Economic Development to secure the land to ensure that they have a viable project going forward. It will take some time, as noted by the member opposite. A \$25.6-million initiative is not something that we can fund at this moment.

We have a number of initiatives — in particular, in rural Yukon communities. We are working on the priorities that we have right now, and we are working through our seniors action group. We are working through the results of the aging-in-place summits to better align with service models that we have available to us.

To say that we are going to help to look and explore additional resources and funding to support this project so that it is financially viable going forward — at the moment, they have a very good project, and I want to commend them for the great work that they have done to get it to this place — in terms of exploring numerous options on how we can ensure Yukoners are supported in all of our communities.

Ms. Van Bibber: I didn't hear an answer to my question.

As I mentioned previously, the proposal by the Vimy society for seniors housing, I believe, was estimated to cost roughly \$25 million and could house potentially 100 people. This project would provide seniors with the opportunity to live independently while enjoying certain supports like housekeeping and meals. It does sound like a project that would benefit many Yukoners.

One of the things that the Vimy Heritage Housing Society was hoping for was for the Yukon government to provide the land for the project free of charge because of all the benefits that it would provide to Yukon seniors and through reductions of those wait-lists.

Can the minister confirm if they are considering buying land for this project?

Hon. Mr. Silver: It's interesting that the Yukon Party has a lot of energy for Vimy now. This isn't a new issue. There have been many annual general meetings with the Vimy Heritage Housing Society that I have attended as the Third Party where the Yukon Party was aware of this pressure and aware of the society wanting to move forward. I believe that no lot was necessary — well, a few different projects were given to 5th and Rogers I believe at that time.

To answer the member opposite's question: Yes, land is available in Whistle Bend for the project. In March of 2018, Economic Development provided funding to Vimy to support a comparative site analysis. Economic Development has provided funding to Vimy for the project for the development of a business plan by a consultant that was tendered through an RFP. This plan has been completed and will be an important consideration for those future proposals.

Again, Mr. Speaker, we didn't see this in the "didn't get 'er done" pile from the Yukon Party, again sitting on millions of dollars of federal money for social housing as well — not a way to plan for the future. I am proud of the work that the minister is doing, whether it's affordable housing, social housing or working with other organizations to provide housing for Yukoners.

Question re: Health and social services programs and services review

Ms. White: Last fall, the government announced a comprehensive review of health and social services. The minister spoke of collaboration and partnerships and stakeholders. She talked about the significant cost drivers in health and program efficiencies. What the minister failed to talk about was the terms of reference. This is important because the terms of reference are the road map. It outlines clear objectives. Why are we doing this? Who is the team? What are their responsibilities, and who do they report to? The terms of reference provide clear goals and deliverables. They also include costs and timelines, including progress reports, drafts and of course a completion date.

Mr. Speaker, we have asked more than once for these terms of reference and have only been pointed to the terms of reference for the expert panel.

When will the minister publicly share the complete terms of reference for this important review that is an opportunity to shift how health care is delivered in Yukon?

Hon. Ms. Frost: To pick up on the last point that the Member for Takhini-Kopper King noted, the fundamental shift in health is where we're going to start with respect to the comprehensive health review. The health review is seeking ways to manage historical expenditure growth in order to provide sustainable health care and social supports to meet the needs of Yukoners.

The review isn't about immediate cost-savings, nor is it about cutting programs; it's really about identifying a plan to look at our biggest cost-driver in government. Just last week, the expert panel met in Whitehorse to finalize the priorities. Once that is done, we will be happy to share the terms of reference and the clear mandate. That work is now being concluded. The review will be completed by the end of 2019, and we would be happy to share it with Yukoners at that point — and in time, the results of the program services review funded within the Department of Health and Social Services.

With the terms of reference, with the parameters around the comprehensive health review, I provided some detailed information already. I would be happy to provide more once the panel has concluded its work. I will let them do their good work without interference from myself or from this government in an independent fashion.

Ms. White: Mr. Speaker, the terms of reference that were shared in the government news release linked directly to the independent expert panel terms of reference — great. We know what the panel is supposed to be doing and how long they will be around. The document refers to meetings and participating in public engagements or events.

What I find most interesting though is that on page 5, the terms of reference — where it states that each panel member agrees to — and I quote: "Becoming familiar with and agreeing to be bound by the attached Terms of Reference..."

It shouldn't be a surprise to anyone that in the documents the public could access — namely the expert panel terms of reference — there was no attached terms of reference.

Why is it so difficult for this minister to share the terms of reference for this important review that they have been talking about for six months now?

Hon. Ms. Frost: I will just reiterate what I said. Perhaps the member opposite is not hearing. We will work through the expert panel and let them do their independent work. They will provide Yukoners with a path forward to look at the biggest cost-driver in this government. We will look at working with our partners to address that concern. Now the independent panel is providing feedback and strategic advice. They are doing that on ways to improve effectiveness and enhance outcomes for better ways and better value for our money. That means that we need to do that in collaboration with Yukoners, and we will do it in good-faith discussions with Yukoners. We will not be driven or forced to do something that is outside of the parameters of that independent model.

Ms. White: Mr. Speaker, I have been listening for over six months now, and I still haven't heard the answer.

This government is quick to talk about being open and accountable, yet every time we have asked questions or had debates about social assistance rates, medical travel, pharmacare, NGO funding or anything to do with health and social services, we have heard over and over again that this will all be captured under the review and therefore no decisions, no changes and no answers until it is complete.

We have not been given the terms of reference. We haven't been told what the objectives and milestones are. We haven't been told what, if any, progress or milestones have been reached. What we hear from the Premier is that Yukoners want to know the facts. It is true, Mr. Speaker, that from the answers we have received — not just today, but every time we have asked this question — we are really left with only one question: Is it possible that this government has still not been able to pull together a clear road map for this review?

Is there an overall terms of reference at this moment for the comprehensive health and social services review?

Hon. Ms. Frost: Let us go back in time. We started this process — the Official Opposition started this process in 2008 and 2014 with no results in terms of efficiencies. We continue to have cost-drivers in government around social income supports — say, medical travel for an example that they keep bringing up. Social housing — no concerns, no plans around how we are going to address that to meet the needs of rural Yukon communities and provide appropriate health care so that Yukoners can live happy and healthy lives in Yukon outside of Whitehorse.

We need to also look at all of Yukon as we come away with a plan — a comprehensive plan. A comprehensive plan will allow us to do that, and we will allow the expert panel to do its good work on behalf of Yukoners and do it in a way that has no interference from this government or from any other parties, for that matter. We will allow the good work to happen that will give Yukoners faith in ensuring that the services they are receiving are appropriate and effective in meeting their health care needs in all of our communities.

The terms of reference will come out once the expert panel has defined its priorities as they work to get to this place. They needed to take the time. They needed the flexibility, and we allowed them to do that and we will continue to support that work.

Question re: Capital project expenditures

Mr. Cathers: In the latest version of the Liberals' five-year capital concept, they have identified five years of projects in the Whitehorse corridor of the Alaska Highway to improve intersection safety. We understand that this year's work will focus on improvements near Two Mile Hill on the south side heading toward the airport. Can the minister tell us what projects will be undertaken in years 2 to 5 of the capital concept?

Hon. Mr. Mostyn: I thank the member opposite for his question this afternoon on the Alaska Highway. I can tell him

this afternoon on the floor of the Legislative Assembly that we have done extensive assessment and preliminary planning along the Alaska Highway through Whitehorse, with a focus on intersection safety improvements for vehicles and pedestrians.

Highways and Public Works will continue to assess the requirements for improved intersection safety. As our plans develop, we will seek input from stakeholders.

Mr. Cathers: That really wasn't an answer. Again, people who have intersection concerns are looking for information about what projects in the Liberals' supposed capital plan are actually being targeted, and we got a non-answer from the minister in answer to that question.

We have heard that the Alaska Highway Corridor Business Association — which has dozens of members and hundreds of employees of those members, comprised mainly of companies operating on or near the Whitehorse corridor — was not consulted on the current project announced for this year.

Can the minister please tell us which stakeholders, if any, were consulted and why this important organization of business owners was ignored?

Hon. Mr. Mostyn: I know the members opposite — all of the Official Opposition — takes exception to a five-year capital plan that they don't understand. They don't seem to understand a plan. They don't understand planning. So I understand that we will continue to explain what we're doing with this planning exercise, which lays out methodically a number of projects over the next five years that this government will be dealing with as far as land development, housing investments, transportation infrastructure investments, community infrastructure investments, energy-efficiency investments, information technology investments — a whole host of things that are laid out in the five-year capital plan that allow communities and businesses to actually look ahead and see what's coming so that they can plan, start to ramp up their business and prepare their communities for the future.

Anyway, as far as the member opposite's question as to consultation — we are currently in the midst of consulting with stakeholders on the project that abuts Valleyview. That consultation will continue.

Mr. Cathers: First of all, I do have to point out again that the so-called five-year capital plan is pretty weak, and it is, at best, more of a concept, not a real plan.

But the minister didn't really answer the question that I asked. The minister has already announced that this project is proceeding, and he says now that they're currently consulting with stakeholders about the project. Once the project has already been announced and is virtually out the door — to begin consultations at the eleventh hour with stakeholders, including the Alaska Highway Corridor Business Association, really does seem quite questionable as to whether that consultation is sincere.

So I would ask the minister again why he chose not to consult with the important stakeholder organization that I

mentioned — the Alaska Highway Corridor Business Association — before deciding to proceed with this project.

Hon. Mr. Mostyn: I appreciate the member opposite — the Member for Lake Laberge — recognizing that we have a plan. I take that as a compliment from the member opposite, and I thank him for that.

As for the Alaska Highway, we have announced the project, but we are working with the community on the final state of that project. It will be constructed this year, but there is still a lot of work to be done before it is finalized and we're still talking about that project. I don't know if the members opposite just launched projects into the wilds and couldn't call them back to know they were done. They were already baked by the time they went out.

We're not operating that way, Mr. Speaker. That's not the way we operate.

We are holding consultations. We just had an open house up at the Canada Games Centre. We heard lots of feedback on the project. We will continue to talk to residents and community groups. We know that this is a municipal priority for the City of Whitehorse. We know from Hillcrest residents that this area is a concern and that they want it dealt with, and we're going to deal with it. That's what we're doing, methodically and in conjunction with the community associations and with the communities at large, to make sure this highway section is safe for people travelling along it.

Question re: Porter Creek group home replacement

Ms. McLeod: At the beginning of 2018, the Liberals rushed through the purchase of 22 Wann Road to convert it into a group home. At the time, local residents in the neighbourhood expressed concern about not being consulted. The Liberal government, despite campaigning on the slogan "Be Heard", insisted that they didn't have time to consult. Time was of the essence. They had to rush this purchase through right away and ignore residents.

Here we are, almost 14 months later — after the CBC initially broke the story — and the government has still been unable to get the group home open. In fact, the departmental officials told the *Whitehorse Star* that it will still be months before occupancy can even begin — so much for urgency. It seems clear that urgency was never an issue.

Why did the Liberals not first consult residents before purchasing the property?

Hon. Ms. Frost: Transitioning youth in care to help their independence as they face life's challenges is critical for us. We want to ensure that the youth are supported and that they have the supports they need to be successful. We're taking the time — the time that's required through the tendering process.

Just for clarification, the Yukon government purchased the property at 22 Wann Road in April to replace two aging units to try to bring a better model together to better align with service needs of the youth who were aging out of our system — or the older youth. The tendering for the building renovations closed on December 6 — at that point, converting

the bed and breakfast into a building that meets the building code and safety standards for care and control of youth. We wanted to ensure that this was completed by April 2019.

I'm going to refer to my colleague in a minute, through the next question, to provide a little more clarity around the parameters of the procurement process and how that rolled out. I do know that we went ahead and ran into some challenges with the contractors and the bids that we received, and therefore we required a bit more time.

Ms. McLeod: Now, Mr. Speaker, as we've said, almost 14 months ago, the Liberals purchased 22 Wann Road to convert it to a group home. At the time, they said they needed to urgently open this facility. Since that time, the Liberals have shown anything but urgency, and they are still months away from opening.

In less than the amount of time that the Liberals have been unable to renovate a pre-existing building, we've seen a massive new 44-unit condo development get built along the waterfront, and it will be open this summer. So if it's possible to build a project of that magnitude so quickly, it's possible to renovate a pre-existing building in less than 14 months. It looks like the Liberals were more interested in purchasing the building than they were in actually using the building.

Can the minister explain why this allegedly urgent project is still not open?

Hon. Mr. Mostyn: I want to disagree with the preamble by the Member for Watson Lake just for a second — challenge it a little bit.

In fact, the Yukon government — as my colleague the Minister of Health and Social Services said just a few moments ago — purchased the property at 22 Wann Road for a new group home in April 2018. That is less than a year ago — not 14 months. A tender for the building renovations closed on December 6, 2018, and the contract has been awarded in the amount of \$989,770.

The renovations will convert the building from a bed and breakfast to a group home and bring it up to current building code and safety standards. The work is on schedule for substantial completion by April 30, 2019.

So Mr. Speaker, I want to take exception to the preamble by the member opposite. It is, quite frankly, incorrect.

Ms. McLeod: The minister may take all the exceptions he wishes. I don't think that changes the facts here.

Some Hon. Member: (Inaudible)

Ms. McLeod: Thank you, Premier.

So we have no answers on consultations. We have no answers as to why the sense of urgency has gone by the wayside.

According to the *Whitehorse Star*, the costs of the renovations of 22 Wann Road are now at above \$1 million. The original purchase price of the building was \$1.1 million. According to the contract registry, the government spent an additional \$140,000 on 22 Wann Road during 2018. So it looks like roughly \$2.3 million will be spent on this project.

Can the minister tell us what the total expenditures — including purchase, assessments, planning and renovations — for 22 Wann Road are expected to be?

Hon. Mr. Silver: I'm glad that I had my two ministers up today to clear the record and to talk about the actual facts and figures for these projects and the actual timelines, because Yukoners deserve to have an ethical, responsible and accountable government that serves all Yukoners.

I'm extremely proud of the work that this government has done to build healthy, vibrant and sustainable communities — whether or not it's the investment in infrastructure and recreational facilities in Yukon communities.

We updated the comprehensive municipal grant to provide predictable, sustainable funding for Yukon communities. We have opened mental wellness hubs in Carmacks, Haines Junction, Watson Lake and Dawson City. We have supportive housing projects in Yukon communities, including funding for First Nation housing providers to increase numbers of housing units as well, and we have repaired and reopened the Ross River bridge — a vital community asset there. We will continue to work on Wann Road and other extremely important social projects in all communities.

Speaker: The time for Question Period has now elapsed.

Government House Leader's report on length of Sitting

Hon. Ms. McPhee: Mr. Speaker, I rise pursuant to Standing Order 75(4) to inform the House that the House Leaders have met for the purpose of achieving agreement on the maximum number of sitting days for the current Sitting. The House Leaders have agreed that the current Sitting should be a maximum of 30 sitting days, with the 30th sitting day being Tuesday, April 30, 2019.

Speaker: Accordingly, I declare the current Sitting shall be a maximum of 30 sitting days, with the 30th sitting day being Tuesday, April 30, 2019.

Notice of government private members' business

Hon. Ms. McPhee: Pursuant to Standing Order 14.2(7), I would like to identify the items standing in the name of government private members to be called on Wednesday, March 20, 2019. They are Motion No. 326, standing in the name of the Member for Mayo-Tatchun, Motion No. 417, standing in the name of the Member for Copperbelt South, and Motion No. 410, standing in the name of the Member for Porter Creek Centre.

Speaker: Government House Leader, I require some clarification on the second motion — the name of the member in which the motion of the government private member is standing.

Hon. Ms. McPhee: Motion No. 417, standing in the name of the Member for Copperbelt North.

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

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 208: *Third Appropriation Act 2018-19* — Third Reading

Clerk: Third reading, Bill No. 208, standing in the name of the Hon. Mr. Silver.

Hon. Mr. Silver: I move that Bill No. 208, entitled *Third Appropriation Act 2018-19*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Premier that Bill No. 208, entitled *Third Appropriation Act 2018-19*, be now read a third time and do pass.

Hon. Mr. Silver: Our government has made a deliberate effort to establish a budget process that is more robust, thorough and eliminates the need for large supplementary estimates throughout the year. In closing discussion on the second supplementary estimates, I would like to take the opportunity to speak to some of the points raised by members during general debate. 2018-19 has been one of the strongest years on record for spending on infrastructure projects in the Yukon.

The members opposite raise questions about the need for a special warrant in January. I want to take a moment again to address this.

As the fiscal and economic outlook shows, we have a thriving economy at the moment. We are also facing increasing pressures as a result of Yukon's growing population and aging infrastructure. In this setting, we made the difficult yet necessary decision to issue a special warrant to keep working on important infrastructure and land development work that was proceeding faster than expected.

The special warrant maximized benefits to Yukon communities by allowing work to continue between January and March on dozens of infrastructure projects that are integral to our communities. I thank the members opposite for their scrutiny and for raising this issue in the Legislature. I do value the dialogue on this spending. Special warrants exist to meet unforeseeable and urgent needs, and this is exactly what it was used for.

In taking a balanced approach to fiscal management, we are continuing to increase efficiencies as we provide quality services to Yukoners. We are implementing recommendations of the Yukon Financial Advisory Panel, including a review of health and social services. We are providing more certainty to Yukon businesses with a continuation of a five-year capital plan, and we are responding to new priorities as they arise.

By increasing our forecasting capacity and accounting for anticipated costs at the beginning of the budget cycle, we are showing Yukoners that we have a realistic plan for Yukon. An annual deficit of \$4.5 million was projected in the mains. The deficit forecast in the supplementary estimates is \$7.1 million. Mr. Speaker, as has been our intention throughout this mandate, these supplementary estimates do not greatly differ from the main estimates.

Our government looks forward to working with all members and Yukoners as we continue developing budgets that account for a full year of spending rather than just getting us to the next budgeting period. This will help provide the certainty and stability that will contribute to more effective government.

Mr. Speaker, I would like to once again thank all members on both sides of the aisle for their contributions and debate for this bill. I now wish to close the debate, and again I will be looking forward to pass it through third reading.

Mr. Cathers: In rising to speak to this legislation as the Official Opposition Finance critic, I do have to note again that we do criticize the choice made by the government to use the special warrants earlier this year. Again, considering the Premier's very strong language prior to the election condemning the use of special warrants and the commitments he made to Yukoners — including, in April 2016, referring to the use of special warrants as showing a lack of respect for this Chamber and for democracy itself — for the Premier to then turn around and begin his first year in office by breaking the record for spending more money in special warrants in any single year than any Premier in history and then secondly, to follow it up with the casual use of special warrants here this year is simply not keeping the commitment that he made to Yukon citizens.

For a government that has talked a good line about allegedly improving how they're doing budgeting and projecting to suggest that they were unaware of these projects during the Fall Sitting and could not have let them wait until spring is simply very hard to believe.

Mr. Speaker, these projects that were handled through the use of \$20 million spent through a special warrant without scrutiny of this Chamber first would have been most appropriately addressed during the Fall Sitting for inclusion in the supplementary estimates then, or they could have waited until this piece of legislation here. Again, as I noted earlier in debate, we believe that — either through the supplementary estimate submitting the appropriations for the 2018-19 fiscal year or through interim supply — expediting debate on either one of those pieces of legislation would have allowed the passage early in this Sitting and would certainly not have meant that the project couldn't go out until sometime in the summer, as the Premier has previously suggested. That suggestion simply does not line up with the facts or the reality around government procurement.

Mr. Speaker, I should also note that the Premier talked about the Financial Advisory Panel. It is notable and should be pointed out that the Liberal government appears to be cherry-picking recommendations from the Financial Advisory Panel, taking recommendations it likes, like increasing fees and fines and to do a health care review, but has certainly not followed all of the recommendations contained within that — including the fact, for example, that the Financial Advisory Panel recommended that the government change the format of its budgets to be more transparent and to show fully consolidated budgets. In fact, they thought it was so

important, they made that recommendation twice, but the Premier has ignored that recommendation.

I would also note that the Financial Advisory Panel itself went substantially overbudget in its work. I would point out that seems to line up with this Liberal government's pattern around financial management, which has been very free with spending taxpayers' cash on things, including spending \$120,000 spraying water in the air hoping for ice at Dawson City and having a logo redesign that Yukoners were not asking for, spending a half-million dollars on a new logo website that was certainly not a priority for most Yukoners.

We've seen on the flip side that non-governmental organizations — some of whom are very key service providers to Yukoners — have had their funding frozen and are waiting for answers from government about if and when the government will provide them with increased resources. Those include, of course, the Yukon Women's Transition Home Society that was so concerned about its funding picture that they took the step of showing up at the Legislative Assembly to draw attention to the fact that they were facing a financial crisis.

Again, if government can spend — if the Premier can find \$308,000 for a Financial Advisory Panel and if they can find a half-million dollars for a logo and website redesign, then it simply is not believable that they can't find resources for NGOs such as the Yukon Women's Transition Home Society or the Child Development Centre — or a long list of other NGOs funded by Health and Social Services — that have seen their funding frozen and were informed of that last year by the Minister of Health and Social Services department through letters telling them this that was the case. We have heard concerns from a number of them that they're still being told that there's no new money. The minister recently indicated that they're perhaps reconsidering that for some, but again, we don't see the details on that.

The lack of appreciation by this government for the role of those non-governmental organizations that are funded by Health and Social Services is matched only by their lack of interest in the needs of the Yukon Hospital Corporation, where again we have seen the government — for the third year in a row, once you pull out the one-time increases and additional projects such as cataract surgery and increased costs for chemotherapy — it appears that yet again the rate of increase for the O&M base seems to be going up at less than the rate of inflation.

Again, this Liberal government is not reflecting in its budgets, or in its amendments to the budget, the priorities of Yukon citizens. That is one of the reasons why we will, of course, not be supporting this legislation here today.

I should also point out, just in contrast, that we saw in this fiscal year — and see in the next year coming — increases to the funding coming from Ottawa through the major federal transfers. There is certainly not a shortage of money coming through that area. When we see ever-increasing resources compared to the 2018-19 fiscal year, which we are finishing off, and the upcoming 2019-20 fiscal year — between those two years, we see an increase of some \$53.4 million to the

major federal transfers from Canada. This amounts to an increase of over \$1,000 for every man, woman and child in the territory.

With that, I will conclude my remarks here at third reading. I trust that I have outlined why the Official Opposition will not be supporting this budget.

Ms. Hanson: I will be brief. The Yukon New Democratic Party had indicated last year — and when the Minister of Finance, the Premier, gave his Budget Address and when he tabled the estimates for fiscal year 2018-19 — that we sincerely looked forward to working with the government with respect to what we understood was going to be a fresh approach to budgeting and to providing evidence to Yukon citizens — through the budgets and through the information provided through the budgetary process — that would provide greater transparency and accountability. What we found through the debate — as it became more and more evident and why we didn't support the 2018-19 budget — was that those performance indicators still don't exist. The ability to track and get that true accountability is not there yet, and this is, I guess, further evidence of that.

We will live in hope that we are on track to getting there, but this appropriation act doesn't support the words and the aspirations expressed by the Minister of Finance over the last three budgets.

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

Does any other member wish to be heard on third reading of Bill No. 208, *Third Appropriation Act 2018-19*?

Hon. Mr. Silver: Again, I will not be long here. As we decide as a government to be forward-thinking and to look forward, it is always an opportunity as well to make sure that the record is corrected and that the facts are presented as a whole. So when I hear some of the comments, from the Member for Lake Laberge, I definitely have to correct the record and bring the whole picture in.

The member opposite has had a narrative over the last several days about the first special warrant, fully knowing that we had to account for spending before the election for the Yukon Party. I don't know how they figured that they were going to just hire new people and not account for it, but these are the things that we would have to do. That's well-documented.

His narrative that we could wait on the special warrant this time around confirms his lack of understanding of how budgeting works. It would have been months that projects would have been delayed. I will ask him again which one of those projects he would have us delay or stop working on — very important infrastructure that each community needs and for communities all across the Yukon. I don't know if it would be the sewage lagoons or the work in Watson Lake that he would want us to pause on for months, but we took the very serious decision to do a special warrant.

I stick by my words — I'm not a big fan of special warrants — but I'm less of a fan of stopping progress in the Yukon for the private sector, which I guess is what the member opposite would have me do.

It's interesting when he speaks about cherry-picking. I do believe it was the Yukon Party with the Financial Advisory Panel that first started cherry-picking which things they figured we needed to do and did not need to do. We have had that debate already, but he keeps on bringing it up, so I feel obligated to tell our side.

I'm not going to necessarily take a lot of advice from a past government that spent way more than they earned and started that trend off — which we're trying to turn around — and also from a Yukon Party government that grew this government more so than any other political party in the history of the Yukon.

With the statements from the Member for Whitehorse Centre, I will respectfully disagree — as far as more information as far as less. We are moving through by having the fiscal plan being tabled with the budget. This is not something that happened in the past. The performance plans — again, an indicator and not necessarily a check box of “look how good we're doing”, but more of an analysis of how we exist compared to other jurisdictions in Canada. I want to thank the departments for working on this because this is the right direction to go in. We want to have a more fulsome look at what it means to be a Yukoner as far as success past the GDP consideration, and we believe that this will work.

The member opposite is still waiting for more on that, but the performance plans are out there. The performance indicators are expanding, and we committed to that. That work is ongoing, and it will continue to go on. I hope that, once the member opposite takes a look at that, she will have some specific comments about what we should and shouldn't add to those performance plans. I'm always willing to consider the input from the Leader of the Third Party.

With that, I would like to thank the members opposite for their comments and look forward to this passing in third reading.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Mr. Pillai: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hutton: Agree.

Mr. Hassard: Disagree.

Mr. Kent: Disagree.

Ms. Van Bibber: Disagree.

Mr. Cathers: Disagree.

Ms. McLeod: Disagree.

Mr. Istchenko: Disagree.

Ms. Hanson: Disagree.

Ms. White: Disagree.

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

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

Motion for third reading of Bill No. 208 agreed to

Speaker: I declare that Bill No. 208 has passed this House.

Bill No. 209: Interim Supply Appropriation Act 2019-20 — Third Reading

Clerk: Third reading, Bill No. 209, standing in the name of the Hon. Mr. Silver.

Hon. Mr. Silver: I move that Bill No. 209, entitled *Interim Supply Appropriation Act 2019-20*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Premier that Bill No. 209, entitled *Interim Supply Appropriation Act 2019-20*, be now read a third time and do pass.

Hon. Mr. Silver: I would like to begin by thanking all members who shared their comments and questions on this bill. I hope members are satisfied with the information provided in the interim supply bill.

In passing this bill, it will provide the spending authority for the first two months of the fiscal year. This appropriation act will allow the government to deliver the public services that Yukoners rely on as the Legislature completes debate for the full year of spending authority.

Mr. Speaker, our government's main estimates for 2019-20 outline a full year of spending in order to provide certainty and transparency for all Yukoners. Our government made every effort to limit the value of this interim supply bill to funding only the time necessary to adequately debate this year's budget. We have explained why spending in April and May 2019 will represent more than one-sixth of the annual spending in which projects will be part of this funding.

Like all members, I look forward to moving on to the important work of providing spending authority for the full year and continuing the work of building a strong and sustainable future for all Yukoners.

Mr. Cathers: We have still not received a full detail on the capital and operation and maintenance amounts, including interim supply, which we did ask for earlier. It is disappointing that the Premier has not seen fit to provide that information, so we are not satisfied with the level of detail provided.

I do also have to remind the Premier of the fact that in the choice that the government made in terms of the way they have shown their budget — that by shrinking down the budget highlights to a mere four pages from the previous practice of 10 to 12 pages — there is much less readily available information about the contents of the government's capital and O&M spending plans than used to be the case in previous years.

We have criticized that every year now since this government has taken office. Despite the fact that we have done that, and despite the fact that even the Premier's own Financial Advisory Panel recommended changes to the budget format to be more transparent about public finances and to present them in a clear fashion, the government has rejected both of those requests — both ours and the request of the Financial Advisory Panel.

I would note, again, that the budgets are about choices and they are about priorities and that includes what is put in the interim supply bill. We don't have the detail yet on the funding that is being made available to non-governmental organizations. Now that the government is backing away from its hard line on freezing funding for NGOs — especially those funded by Health and Social Services — there have been indications that they may be considering increasing funding to address the needs that exist. But again, we don't know what, if anything, might be contained within the interim supply bill for that, which certainly gives the strong sense that the government has not actually followed through — they're simply realizing that their hard line on funding NGOs is not supported by Yukoners, because Yukoners do value the service of NGO service providers, including the Yukon Women's Transition Home Society. Yukoners do value the services provided by the Child Development Centre — and a long list of other non-governmental organizations that are funded by the Department of Health and Social Services.

So Mr. Speaker, we have seen that it does seem that the Liberal government either doesn't seem to understand the services that NGO partners provide and doesn't seem to believe that those NGOs operate efficiently, based on the Minister of Health and Social Services' comments in this House.

We've seen in the fiscal year that has just been completed that the government is demonstrating and included resources in the current budget as well as presumably within interim supply — though we haven't seen the fine print on that — for their takeover of the former Centre of Hope. That is a good demonstration of this Liberal government's attitude toward NGOs. They have shown that they would quite literally rather hire 40 new government employees than find a way to work with and support an NGO.

It does leave us with a concern — when it appears that NGOs are being set up to fail — of whether, later on this fiscal year or next year, we'll be seeing requests from the government to add more government employees to replace an NGO that failed because the government was not willing to work with them.

We have also seen some of the questions that organizations such as Kaushee's Place are being asked by Health and Social Services to justify their funding and prove their need for services. Some of the questions are patently ridiculous and demonstrate a lack of understanding of the services that they provide on the part of government.

Again, budgets, including interim supply, are about choices. Mr. Speaker, we have heard from the Premier that they plan to increase the size of government by 160 new full-time equivalent positions this year, many of them in areas that are certainly not essential services.

The 22 new employees the Premier says they are adding to Highways and Public Works, additional employees in Department of Finance, and the list goes on of where the government did have options other than simply growing the size of the government. Again, based on the numbers the Premier told us last fall and the numbers he announced this Sitting, the combined total FTEs based on the Premier's words would be an increase of some 659 new FTEs. This is an increase of almost 15 percent in the total number of government employees since the Liberals took office.

Now the Premier has contradicted his words from last fall, but he hasn't given us an explanation yet of where he was incorrect last fall or explained the breakdown of that.

Some Hon. Member: (Inaudible)

Point of order

Speaker: The Hon. Premier, on a point of order.

Hon. Mr. Silver: Whether it is repeating himself over and over again or not speaking to anything in the interim supply bill, I would ask the member opposite to keep his third reading comments to the actual items inside the interim supply. The member opposite has ample opportunity to continue on this path when we talk about the mains but there is no money in the budget for the items he is speaking about.

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

Mr. Cathers: In my opinion, it's a dispute between members. The interim supply bill itself contains very little detail — just line items for departments — so we are left, to some extent, having to guess at what is contained within those line items. I am speaking to the budget areas identified within interim supply, so again, my opinion, the Premier just doesn't like what I am saying. I believe my questions are perfectly legitimate.

Speaker's ruling

Speaker: It seems to me that in the *Interim Supply Appropriation Act 2019-20*, the government is seeking authority to spend roughly one-sixth of its budget while we sit in the spring and that some of that spending necessarily has to be with respect to what the Member for Lake Laberge is speaking about with respect to additional FTEs or whatever he is speaking about with respect to spending, in my view. I will allow the Member for Lake Laberge to continue at this time.

Mr. Cathers: Thank you, Mr. Speaker. In speaking to the interim supply bill, I would just note for Yukoners who are not familiar with looking at the legislation that it does approve a substantial amount of money, but in the interim supply bill itself, there is very little actual detail provided. That is one of the reasons why I am asking questions on behalf of the Official Opposition about the funding.

I am sure we are not going to get more details from the Premier here at this point in time since he doesn't seem to be willing to provide them, but we are interested in what is available in the interim supply for NGOs. How many of the 160 new full-time equivalent positions that the Premier has told us he is adding this year are funded within interim supply — whether some of them may be commencing after the conclusion of the 60-day period? Again, that is just an area where we are left asking the questions, because the government has not seen fit to provide the information at this point in time.

There are choices made in government, and a choice to grow government's number of employees by almost 15 percent is a choice that this Premier and his colleagues have made. We remain concerned that they are focused on their own priorities, and we believe they are, in many areas, out of touch with the priorities of Yukoners, including supporting non-governmental organizations.

I have expressed concern on numerous occasions about funding for the Yukon Hospital Corporation, going back to the very first Sitting, where I rose to speak to a budget bill presented by the Premier. At that point in time, the increase provided to the Yukon Hospital Corporation was substantially less than we were anticipating, based on the request previously.

Again, in this current interim supply bill, we would like to see more detail on what is provided for the Hospital Corporation.

I won't speak much more to interim supply. We will look forward to more debate on the budget bill itself. I would be remiss if I did not make those points and remind Yukoners that, with the increase provided by the federal government for this fiscal year, there has been an increase in the major transfers alone of \$53.4 million, which works out to an increase of over \$1,000 for every man, woman and child. Yet despite that, the government has not seen fit to provide appropriate resources for NGO partners funded by Health and Social Services, including the Yukon Women's Transition Home Society, the Child Development Centre — and the list goes on. They have not provided appropriate resources, in my opinion, for the Yukon Hospital Corporation, but of course, the legislation, including interim supply, does include money for the Premier's raise and the \$255,000 increase to the Cabinet office budget which has been made under this government's watch.

With that, I will wrap up my comments on interim supply and look forward to more debate on the budget. Ultimately, the message here today that should be left with all members is that budgets are about priorities. If budgets are not funding

Yukoners' priorities, then Yukoners will be asking whose priorities are being addressed.

Ms. Hanson: In speaking to Bill No. 209, entitled *Interim Supply Appropriation Act 2019-20*, I do so without prejudice to our views with respect to the budget for 2018-19. We understand fully the importance of not grinding government to a halt, nor seeing funding that is essential to ongoing projects and projects that are shovel-ready are not delayed or further delayed.

I do indicate our willingness to support the *Interim Supply Appropriation Act 2019-20*, which will make sure that roughly \$315 million, which is no insignificant amount, flows. But I want to signal a concern I have and that is, as a result of our debate and discussion with respect to what is covered in here — and it was identified that there was roughly \$12 million that would be going to fund an array of non-governmental organizations. When I pushed a little bit on that, I was given assurances that this meant that those non-governmental organizations, not limited to Health and Social Services' non-governmental organizations, would be in receipt of funding beginning April 1. I can confirm this morning — as of a result of a briefing of another non-Health and Social Services part of the government — that this is not the case.

I would ask the Minister of Finance to ensure that if those messages are being delivered here on behalf of the Government of Yukon, they are actually accurate. It is one thing to say that the non-governmental organizations — and I believe I indicated yesterday when we were going through this — that I pointed out a range of examples just to ensure that I wasn't focusing solely on the Health and Social Services non-governmental organizations, but there were an array of them. I will leave it at that, but I do want to be able to take the members opposite at their word. I raised the question particularly because I know from my past experience working in government that it's very unusual, so I was going to be very happy to be able to say, "Congratulations; it's good to see a government actually getting non-governmental funding out into the hands of non-governmental entities for April 1." Because as I said yesterday, most non-governmental organizations lurch from one reporting period to the next — one pay period to the next. To know they could start their next fiscal year with money in the bank or assurances that money is in the bank on April 1 is a good accomplishment. The reality is that's not what is happening this year. We need to make sure that we just get our lines straight so that we can operate from a better base. I will leave it at that, Mr. Speaker.

Speaker: If the member now speaks, he will close debate on third reading of Bill No. 209.

Does any other member wish to be heard at this time?

Hon. Mr. Silver: Mr. Speaker, I will be brief here. If the Leader of the Third Party knows of something or somebody specific, then she can mention who that is.

The Member for Lake Laberge would have you believe that we are saying that we're not going to or that we don't

want to debate the line items of the budget. Absolutely not. The member opposite knows the best place to have those conversation is in Committee of the Whole with the ministers who are responsible for the funding to the NGOs based upon their departments. We will have not only the ministers at that time but also the support staff from the departments to make sure that the information given to the opposition is open and transparent.

We have also offered briefings to the member opposite on the interim supply bill. We have had debate in the Legislative Assembly on it. If he is still left to guess, then that's more on him than it is on the process. I believe that we've been more open and more accountable. Every year, I think we get more and more accountable as well and more open. We are fine-tuning the process. The Department of Finance is working very, very hard, and to be honest, the approach they're using with the whole-of-government approach invoking the expertise of departments like Highways and Public Works or as they call it, "finance lite" — Community Services, which has an amazing finance branch in it as well — it's really impressive to watch these departments work together to provide more open, accountable and transparent budgeting processes than ever before. I remain committed to continuing down that road of providing more and not less information.

The members opposite didn't like that there was a certain budget highlight that they put in before. We don't think that the budget highlight is what people are looking for. I think what people are looking for is performance plans. I think what people are looking for is an economic outlook that comes every year at the same time as opposed to: maybe it's going to come out this year or maybe it's not going to come out — which was the approach from the last government.

I'm always happy to talk with both leaders of the opposition parties as far as how we can get more information into the hands of the members opposite, but again this narrative that somehow, through the way that the interim supply bill is being put out — that somehow there are some NGOs that are not getting their funding — unless the member opposite can tell me specifically who she's talking about, I'm going to say that this funding is here to make sure that there is funding flowing in these months as we deliberate on the main budget.

We fund hundreds of NGOs. In my work in opposition, I know that there have been a lot of organizations that have not had increases to their funding for a year under the Yukon Party government as far the consumer price index goes. But again, we're working to make sure that the programs and services are being offered to Yukoners through either government organizations or through the good work that the NGOs are doing. That funding is flowing. Mr. Speaker, that funding is flowing right now, and it will continue to flow into the next fiscal year as well.

If there are any questions that the members opposite have on any specific department or any specific NGO, there will be an opportunity again in Committee of the Whole to have that debate. We look forward to that conversation, because we want to make sure that we are maximizing the programs and

services to Yukoners and doing it in the most effective way — making sure that we're not spending overly on administrative costs, but making sure that every dollar goes to these services and programs.

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. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Mr. Pillai: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hutton: Agree.

Mr. Hassard: Disagree.

Mr. Kent: Disagree.

Ms. Van Bibber: Disagree.

Mr. Cathers: Disagree.

Ms. McLeod: Disagree.

Mr. Istchenko: Disagree.

Ms. Hanson: Agree.

Ms. White: Agree.

Clerk: Mr. Speaker, the results are 12 yeas, six nays.

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

Motion for third reading of Bill No. 209 agreed to

Speaker: I declare that Bill No. 209 has passed this House.

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

Commissioner Bernard enters the Chamber announced by her Aide-de-Camp

ASSENT TO BILLS

Commissioner: Please be seated.

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

Clerk: *Third Appropriation Act 2018-19 and Interim Supply Appropriation Act 2019-20.*

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

I hope you will be able to enjoy the nice sunny weather we have been having. Keep working hard.

Thank you.

Commissioner leaves the Chamber

Speaker: I will now call the House to order.

Bill No. 210: *First Appropriation Act 2019-20* — Second Reading — *adjourned debate*

Clerk: Second reading, Bill No. 210, standing in the name of the Hon. Mr. Silver; adjourned debate, the Hon. Ms. McPhee.

Speaker: The Minister of Justice, you have 15 minutes and 37 seconds remaining.

Hon. Ms. McPhee: When I ended yesterday, I was speaking to the Legislative Assembly as part of the debate of second reading of the main budget about the Department of Justice and some of the highlights of the work that the Department of Justice has been doing and will continue to do pursuant to our mandate and pursuant to the priorities set and to the funding requested in this budget.

I noted that there were a number of projects underway, including working with our partners and communities to complete the condo regulations. Yukoners will recall that the *Condominium Act, 2015* was passed in 2015, but no regulations were completed at that time. It is a situation that requires us to work with our partners — and properly so — in determining what has changed since that period of time — now almost four years — and to have the opportunity to have regulations brought forward under that legislation. There may be some required changes to that legislation as a result of the passage of time, and we're working on that project now. That project is to be addressed in partnership with stakeholders, developers, condominium owners and legal advisors — important work indeed.

The other things that are happening in Justice — the Gladue report-writing project continues in consultation with CYFN and managed by Yukon Legal Aid — which is a successful program indeed — and is finishing work on the sexual assault response team.

Every year, the department works with the Police Council that travels around the territory in a process to set policing priorities. We work endlessly with our partnership with the RCMP. They now have up and running the historical cases unit, which is fully functioning now and working on historical cases outstanding here in the territory. Members of the House and Yukoners will know of the work that has been previously announced and the importance of that work for families in the Yukon.

We are, of course, working on the FASD action plan in partnership with Health and Social Services, the Yukon Human Rights Commission and supported through the Department of Justice and their very important work in behalf of Yukoners.

Legal aid services that are provided to Yukoners in need — funding has been increased, as in the past, to both of those

organizations that play such a vital role in human and individual rights here in the territory.

I will turn somewhat briefly to the accomplishments in education and what members will see in this budget as a result of the priorities set through the department and through our mandate. My guiding principle as the Minister of Education has been to take a student-centred approach to support children in our schools, always asking ourselves questions about what is in the best interests of the children when we are trying to determine and make decisions going forward. I don't think this is a new method or a new priority-setting approach, but I do think it is very important to articulate it, because when we go astray — when individuals working in the system have questions or get buried in their work — it's always important for us to lift our heads up and ask ourselves what is in the best interests of these children when we are making such important decisions on their behalf that will affect them.

Lifelong learners should be supported at every step. We have developed a new student-centred curriculum designed around a focus on First Nation ways of knowing and doing here in the territory — very unique to the Yukon and the leader, again, in this area. We have developed a four-year school calendar to allow students and families to plan their lives going forward — not an easy task when a PD day might be in a few years, but it is a process where the main dates are set four years out, and then school communities look at the calendar each year to plan specific PD dates and other details.

We are working on capital planning for school facilities to ensure that they continue to meet the needs of our students for years to come. This plan will consider the future of learning environments — they are changing, Mr. Speaker — facilities and school needs for Yukon students so they can have access to modern experiential student-centred learning right here in the territory.

We have also recently reached a new collective agreement with the Yukon Teachers' Association that supports our teachers, our school staff and substitute staff in our effort to ensure Yukon learners have the skills and the knowledge that they need to live happy and healthy lives.

With this budget, the Government of Yukon will continue to provide consistent funding for education to effectively support the learning needs of Yukoners from kindergarten to adult learning and beyond — elementary and high school to post-secondary and into adult learning. Education is essential to the prosperity of our communities and the Yukon's economy. The world continues to change at a very rapid pace, with evolutions in technology and culture, and Yukon children and citizens need to keep pace with these changes to be able to navigate and respond to new opportunities and new challenges. The school system of today is very different from the experience many of us here would have had when we were in school. Modern instructional and assessment practices are being brought into our schools to deepen student learning as we continue the implementation of the new curriculum.

The Yukon's modernized curriculum is more student-centred, as I've noted, has more local connections and hands-

on learning opportunities, more career and finance education, Mr. Speaker, and integrates technology throughout learning.

Students are learning in a variety of ways. Just by way of examples: they learn in a classroom, from an elder or a knowledge-keeper; they can learn in the lab from an experiment; they can learn in a commons from a study group or with friends; they can learn in their classroom on an iPad or from a book; and they learn out on the land from the world around them — and everything in between.

Mr. Speaker, I'm very happy and excited to be part of the modernization of education as we recognize that every opportunity for learning is important for our students. We probably spent all day in a classroom, maybe in a row of desks, sometimes at a table with some group work, but we have surpassed that in our knowledge about education and how important it is for every experience to teach and to be recognized as such.

An important part of modernizing education and the new curriculum has to do with reconciliation — how we work with Yukon First Nations to teach all Yukon students about Yukon First Nation languages, history, culture and ways of knowing and doing.

As we think about the future, Mr. Speaker, we will also work to modernize Yukon schools and their learning spaces. The government's five-year capital plan identifies the next major projects to ensure that school buildings continue to provide safe, modern learning spaces for Yukon students for years to come.

Mr. Speaker, I look forward to the debate on the 2019-20 budget for Justice and Education and the opportunity to answer questions and provide Yukoners with more details and more information as we proceed through this Sitting of the Legislative Assembly. Thank you for the opportunity to speak today and to finish what I started yesterday.

Ms. Hanson: Mr. Speaker, you know it's an honour to stand in this House on behalf of the constituents of Whitehorse Centre and, more broadly, citizens across the Yukon who expect the elected opposition members of the Legislative Assembly to hold government to account — it's the essence of democracy.

This Spring Sitting marks the ninth time that I have had the privilege to speak to and raise questions about the budgetary intentions of the Yukon government. It is also marking the last time that I will do so as Leader of the Yukon New Democratic Party. I still believe, after almost 10 years, that a key element of our work as Members of the Legislative Assembly is to work with government, where and when possible, to amplify the voices of citizens regarding issues and opportunities that may be overlooked, that may present challenges that government would prefer not to address or that government is not aware of. I really do believe that none of us can lay claim to knowing all there is to know about the diverse issues, challenges and opportunities that we as a territory face.

Before I make a few comments with respect to my own riding in Whitehorse Centre, I want to again thank the citizens here for placing their trust in me to represent them. It is a duty

I take seriously. The citizens in downtown Whitehorse, as well as the Marwell area, are proud of the diverse and vibrant community that we call home.

Let's start with the 2019-20 budget announcement about the 4th Avenue and Jeckell Street housing development. As Linus from *Peanuts* put it: "There's no greater burden than a great potential." This is a classic case of potential and one, quite frankly, that south Whitehorse residents have seen before. The Premier noted the repeated references over the last number of years to 5th Avenue and Rogers Street. As the main landowner in Whitehorse Centre, the Yukon government needs to be mindful of the impact of decisions taken in isolation. It boils down to the importance of making sure that the Yukon government actually talks with the City of Whitehorse and the Downtown Residents Association before they actually launch any initiative, including this one.

As I have said in this House previously, there has been ongoing concern with the lack of coordination of planning between the City of Whitehorse and the Yukon government. To be clear, from my observation, it has not been a lack of planning or engagement by the City of Whitehorse. They worked hard over the years to engage with citizens of this riding on a range of options for the future of the downtown and Marwell industrial area, with a view to maintaining some of the unique features of our old town and the waterfront — all the while planning for more housing density and business development.

However, over the years, there has been a tendency of the Yukon government to simply announce various initiatives that on their own, may be a good idea, but which cumulatively have left the downtown area residents of the capital of Yukon wondering how the interests of all citizens are taken into consideration and how those considerations lend themselves to a balanced, diverse community. Absent of any whole-of-government assessment over the last few years, serial decisions by the Yukon government have had a significant impact on this riding. An example cited before but worth bearing in mind is the inadvertent consequences of the Yukon government arbitrarily, and with no consultation, dropping a new Yukon government facility at the end of Hoge Street. The facility is indeed lovely, but the impact on the local community had the unintended negative consequence of forcing the abandonment of long-anticipated playground improvements for the south area of Whitehorse.

In addition to the Hoge Street group home, the south-central area of Whitehorse Centre is also home to Kaushee's Place, Betty's Haven, Options for Independence Society's apartment building, Challenge's apartment building, the emergency youth shelter, two older group homes, the Sarah Steele alcohol and drug treatment facility, the new Challenge complex soon to be at the end of Main Street, the new emergency shelter — formerly the Salvation Army shelter — and transitional housing facility, the Blood Ties Four Directions' tiny homes, and the soon-to-be-completed Housing First complex for Wood Street and 5th Avenue. Add to this mix a large number of daycare centres operating out of

converted offices, former retail outlets and being in or adjacent to bars.

As I pointed out last year and the year before, the need for a coordinated approach among the Government of Yukon departments and the city to work cooperatively with area citizens to achieve a balance is long overdue.

To use another example — there are many — there is a serious lack of coordination between and among levels of government departments and agencies regarding the impact of making zoning or licensing decisions regarding extended hours of alcohol sales in an area densely populated with housing serving vulnerable people, schools, daycares, et cetera.

There are legitimate questions to be asked and to be answered about what creates a healthy balance in terms of addressing the array of housing and community social services needs in any area of any community.

It is vital that the Yukon government move from talking about a whole-of-government approach to breathing life into it — to demonstrate what that approach means in its work with Whitehorse Centre residents, service providers and businesses, along with the elected municipal leaders and officials.

As my colleague from Takhini-Kopper King said yesterday, missing from the Premier's address last week was fulfillment of a commitment made by this government to establish an electoral reform commission. This is disappointing.

The lack of investment in renewable energy is also unacceptable. This government campaigned on a promise to spend \$30 million new dollars each year on energy retrofits. To date, we see this government mirroring the behaviour of its predecessor by re-announcing existing or recurring programs — little or no new money. Now we have something the Finance minister referred to as an Arctic fund — not \$30 million a year, but \$5 million, sourced from a federal fund announced two years ago. Yukoners can be forgiven for being surprised that there is no serious new money for renewable energy. I'm not alone in this assessment. Even Keith Halliday — a.k.a. the Yukonomist and friend of this government — noted the absence of major investments in renewable energy. In a March column, he pointed out that if the Yukon wants to move more seriously to de-carbonize its economy and be able to offer low-cost renewable power to industry, much bigger government projects will be needed.

He also noted that the Yukon Energy Corporation kicked off a process to start planning for an additional 20 megawatts of capacity, and he said that some media reports indicate that Yukon Energy is talking about a project in the \$60-million range to add more diesel generators or LNG turbines to our system. As he said, LNG is plentiful and cheap, thanks to the fracking boom in Fort Nelson and beyond. He said that his guess would be that it is the cheapest and most attractive option if we didn't have to worry about climate change too.

In fact, Mr. Speaker, there is scant mention of the overarching issue affecting every aspect of life as we know it in the north. The words "climate change" are used five times in the last paragraphs of the Budget Address, with little

indication of what concrete measures this government is taking to factor climate change into all aspects of our future planning.

The blithe statement this government is "... developing a new strategy to address climate change, energy and the green economy..." does little to assuage fears expressed by many Yukoners that this government's commitment to measure and to address climate change are a mile wide and an inch deep. Yet again, it is sad to see the government acting as if there is no history in this territory with respect to strategies, research, consultations, et cetera, on addressing climate change and innovation around renewable energy.

I heard ministers opposite say that this government's investment was the largest single investment in Yukon history, but I again remind the Minister of Finance and ministers opposite that, last year, I pointed out a 2001 report prepared for the Yukon Development Corporation. A line that caught my eye in that report was that in 1998 the Yukon Development Corporation was made responsible for implementing major elements of the Yukon energy policy and action plan. This was supported by an appropriation by the Legislative Assembly of \$16 million for, among other things, energy efficiency, green power, wind research and other initiatives.

Keep in mind that the budget in 1998 was about one-quarter of what it is today.

There are times when I think that perhaps the Premier should ask his chief of staff how many studies, charrettes, et cetera were conducted to the tune of many millions of dollars, all with a view of avoiding, if not undermining, renewable energy options other than major hydro for Yukon's future.

The previous government's antipathy to non-fossil-fuel-generated energy is well-known, but we had hopes that this government would finally take serious actions to turn the page. Last year, there was a small amount of \$1.5 million for an innovative renewable energy initiative. This year, the question is still out there with a repeat of that amount along with new expenditures for fossil fuel energy generation. How does that jive with a green economy?

What does the long-awaited IPP policy actually do to encourage renewable energy sources given the government's direction to tie feed-in costs to those of LNG? As has been noted, the legislative agenda for the Spring Sitting as set out by the Premier is thin. I imagine the issues associated with carbon pricing, as notionally set out in the carbon price rebate implementation act, will generate an informed debate. I hope they will, and I hope that they will not be merely a drawing of lines in the sand.

We've heard repeated references by members opposite to the Yukon Financial Advisory Panel's recommendations. They seem to skip over many salient points raised by the panel in their singular focus on the ever-evolving Health and Social Services review. That exercise — whatever someone may have originally thought it would be — is truly an Alice in Wonderland exercise at this point. It is whatever you think it is, as long as it delivers cuts to programs and privatization of aspects of our public health care system.

In my Pollyanna moments, I hope the government will bring forward for debate some of the progressive ideas suggested by the Yukon Financial Advisory Panel — ideas that speak to opportunities for revenue generation. Yukoners are leery of continued and increasing dependence on Ottawa. As a government exercising provincial-like responsibilities, it is past time for us to begin to explore a fair rate of return for our resources and to find socially equitable means of generating revenue.

The panel offered a number of ideas worth exploring. Why has this government not engaged with Yukoners on any of the revenue-generation ideas that the panel put forward? The panel suggested, just as the Premier said last week when he indicated — and I quote: "We have embraced decisions not for the sake of political expediency, but rather with deep consideration and long-term focus." Just as the government has focused on efficiencies within government and lately NGOs, the Financial Advisory Panel suggested a need to do so on the resource sector side of the economy. They recommended that Yukon — and I quote: "Undertake a comprehensive review of resource-sector policies, with a particular emphasis on ensuring fair and efficient royalty rates, fee structures, permit and licensing costs, tax exemptions, and minimum work requirements." As the panel said — and I'm quoting: "Royalties are not taxes... they are how owners of a natural resource extract its value when extraction and production is done by another party." They said, "The current fee structure should be viewed less like a royalty and more as an administrative fee..."

The panel said, "The current system... is one with potentially questionable equity implications. With such a low royalty, there are two concerns: (1) over-extraction of the resource, where even inefficient producers may find it worthwhile to operate; and (2) the resource value is captured by producers rather than the resource owners (Yukoners as a whole)."

They went on to point out: "The current royalty system is equivalent to the government transferring the value of the extracted gold to producers. That is... the government optimally extracting some share of the resource value that Yukoners own and then providing a government transfer to miners on the order of potentially millions of dollars."

The panel offered a number of ideas and options as to how to achieve an equitable balance on a new non-renewable resources policy. I am curious as to the hesitancy of this government to embrace those recommendations as heartily as they did the health ones. What is to be feared about fostering a conversation without prejudice on these matters or, for example, other ones that the panel identified? On the fact that barely five percent of Yukon's total government spending is funded by user fees, the panel pointed out that this leaves the burden of providing public goods to taxpayers generally and limits the incentive of users to appropriately use the services being provided. They pointed out that low user fees are not generally a feature of the territories or across Canada, ranging from a low of 10 percent in the Northwest Territories to 17 percent in Nunavut, with a national average of 10 percent.

They point out that if Yukon used the 10-percent rate, it would raise over \$60 million more than the projected fiscal imbalance. Here we are cutting social services, and we will not look at other options that could raise, rather painlessly, money to fund the services that we want in this territory. On the more conservative end of the scale, the panel also suggested that the Yukon consider introducing a Yukon-wide hotel tax with a variety of examples that would garner millions of dollars.

Mr. Speaker, it is one thing to do 57 “public engagements” and talk about all of the online surveys and public meetings, but if you have your mind made up before you table the legislation or table your position, then citizens will soon begin to realize that there isn’t much value to that engagement, and that speaks to developing a real cynicism in civic society. We can’t afford that. Democracy can’t afford it.

While the government struggles to articulate the scope and the objectives, the terms of reference and the overall cost of its internal and external exercises regarding health and social services, the ad hoc implementation of the review of NGOs is evidence of what may have been a well-intended exercise gone awry.

I firmly believe that the first rubric in serving people is to do no harm. The communication to and about human services NGOs in Yukon has done much harm. What risk mitigation assessment has the government done to ascertain the fiscal impact should the key service-providing NGO volunteer boards simply say, “Stuff it. We are not going to continue to operate. We cannot continue to operate”?

The mixed messages this government has given about the intent, purposes and outcome of the health care review raise real concerns about its commitment to a publicly funded, patient-centred health care system or whether it is going to selectively act on some of the examples from elsewhere mentioned in the Financial Advisory Panel review regarding privatization of health care. If privatization and for-profit health care and social service delivery are an objective of this government, it should be stated up front as part of the terms of reference. Let’s have it up front.

Budget 2019-20 still leaves us looking to see specific commitments from this government on how it will work with Yukoners living with disabilities beyond the major funding for one NGO for a housing project. Nowhere in any government document that we have been able to access do we see an analysis of how this government is or is not living up to the obligation on the United Nations *Convention on the Rights of Persons with Disabilities*.

My colleague the Member for Takhini-Kopper King has spoken eloquently to the social equity gap that looms large in this budget. I want to highlight one huge disappointment. Again there is no real mention of daycare. It is 2019. Daycare should be universally affordable for all children and all families. It is time for the Yukon government to fundamentally rethink our early childhood learning and childcare system. Childcare in Yukon used to be cutting edge. Time and neglect by successive governments have left us behind.

As we move toward a more diversified economy, one of the realities facing many young parents is that much of the new work is project-based or contract-based. The current system of assessing eligibility for subsidies is both bureaucratically cumbersome and unnecessary. Childcare services in Yukon should draw from the best practices known to contribute to child development and well-being. We have experts in this territory. It is past time to make the transition to publicly funded and publicly managed daycares that take into account the families’ needs such as work schedules and ensure that staff are well-trained in early childhood education and receive wages and benefits that reflect the value of the work.

It is not enough to continue to say that children are our most precious resource. We need to show it in terms of not providing minimum wage for people who look after that valuable resource. Childcare programs should be housed in physical environments that enhance a child’s learning and well-being. Every child deserves to have daily access to fresh air, a safe-place base and natural light. It sounds so simple, but look around at the daycare centres, particularly in Whitehorse Centre.

This government could still take a leadership role and model an effective public daycare model by integrating a daycare into the Whistle Bend care facility to provide daycare for both the children of the staff who work at that facility — staff who would be working shifts — by providing an intergenerational mix and providing not only the residents of that facility, but also the Whistle Bend community, with a much-needed resource.

There are many more aspects of this budget that we will want to touch on. My timer has just gone off, so I do believe my time is up. I live in hope that we will get to a point where we will get budgets and information that will allow us to fully engage in debate.

Speaker: Just to clarify for the Leader of the Third Party — you have 40 minutes.

Is there more general debate on Bill No. 210?

Hon. Ms. Frost: It is an honour to rise today to speak as the Minister of Environment and of Health and Social Services and the Minister responsible for the Yukon Housing Corporation. I also rise as the MLA for the riding of Vuntut Gwitchin, representing the people who live in Old Crow, my home town.

It is a very exciting time for the people of my community. The Vuntut Gwitchin First Nation recent election resulted in possibly the youngest elected chief and council in the history of Vuntut Gwitchin.

In addition to Chief Dana Tizya-Tramm as the newly elected chief — the youngest in our history — we have three councillors who were acclaimed and are also very young members of our community who are very active and very involved in the well-being of our community. This is a growing example of how all our young people in Yukon are getting involved and engaged. It is not just the leaders in Old Crow — but the community of Old Crow is really thriving as

well, with some really great initiatives in the community. Underway in the community over the course of the last three years, we've worked really hard to look at the development and installation of a 940-kilowatt solar array project. The community-driven, grassroots project will reduce Old Crow's diesel consumption by 189,000 litres a year, and that's significant, given that the only way to provide electricity in the community is by way of diesel generators. The efforts of the young people and the vision of the community to initiate a project of this magnitude and to see it through to development and reduce greenhouse gas emissions are significant. It's an indication of the vision of the people.

It also provides employment opportunities for residents and a long-term revenue stream. I'm very happy to say that ATCO Electric committed to a multi-year purchase of renewable energy generated by the array, so the arrangement has been renegotiated and we'll see the partnership continue into the future. I'm very pleased and excited about that.

There is also new oil and gas exploration and development affecting the people who live in the riding of Vuntut Gwitchin. In 2017, the US *Tax Cut and Jobs Act* was passed in Washington. It requires at least two oil and gas leases in the coastal plain area of the Arctic National Wildlife Refuge by 2024. This decision goes directly against 40 years of productive management of this herd that has been guided by scientific, traditional and local knowledge.

This area is critical to the Porcupine caribou herd as well as the polar bears and the migratory birds in that area and, of course, the wetlands in that area — the significance of that to the calving of the Porcupine caribou but also to the denning of the polar bears. Scientific research indicates that development here could have a significant negative effect on the Porcupine caribou herd but also on the polar bears. The Porcupine caribou herd has strong cultural significance and food security and health implications for the Vuntut Gwitchin people.

I must take this moment to commend the hard work of Chief Tizya-Tramm and all our partners of the *Porcupine Caribou Management Agreement* who have undertaken the work to protect this important herd. We will continue to work alongside our partners to ensure that the Porcupine caribou herd will be around for generations to come.

I will go on to talk about some of the projects and other initiatives within my scope of responsibilities and my mandate.

The importance of collaborative care is something that I have spoken of at length in this Legislature. Collaborative care means looking at the entire continuum of an individual and their needs and ensuring that we provide a one-government approach to helping people.

We strive to provide accessible collaborative care to Yukoners every day through our health care systems. We are working to establish a collaborative and connected health system to Yukoners through an integrated system for electronic health and wellness.

We opened up four mental wellness and substance use hubs in Dawson City, Haines Junction, Carmacks and Watson Lake. We are looking at an expanded scope of health practices

within our health care systems. As well, the mental wellness hubs will provide specialized services in addition to supports provided by resident workers living within the community — so really focusing in on the well-being of our rural Yukon communities and ensuring that we provide comprehensive collaborative care, be it through the mental wellness hubs or through the health centres.

In April and November 2018, the hubs provided services to an average of 158 people per month, while Whitehorse served an average of 208 per month. As of January 18, 2019, we have 25 staff in the substance use positions in our communities, and we are actively in the process of recruiting five.

Using the collaborative care model, we are working with all of our communities, and with the Vuntut Gwitchin government as well, to design new health care and wellness centres for our communities. As we know, the community of Old Crow has a health care hub that is some 40 years old and in dire need of replacement. We are working with the community to ensure that we establish and secure the land that perhaps they can provide, as we don't have land available to us within the community, but we are working in partnership with the Vuntut Gwitchin government to identify and secure a place to build a community wellness centre.

Mr. Speaker, partnerships are another important topic that I have spoken about in the Legislative Assembly. Our partnerships with First Nations, municipal governments, non-profit organizations and the private sector allow us to provide flexible and responsive programs and services to address the unique health and social services needs and housing needs in all of our Yukon communities.

A good example is the construction — we are in the final stages of completing the 16-unit Housing First residence in Whitehorse, which is the first of its kind in Yukon. We recently released 80 lots in Whistle Bend, including townhouse, multi-family and residential lots, with hundreds more to come.

We completed a new sixplex in Ross River; we continue to work with our communities to provide critical services and identify critical needs in each one of the communities. That will be done through communications and collaboration on initiatives that we have.

I've noted that we have the housing initiative fund. We have some innovative approaches to address housing needs across the Yukon, and we certainly are working hard to reduce the wait-lists that we have before us in housing. We just completed a comprehensive discussion with our aging population to identify seniors' needs and to try to align better service needs not only with housing but health and to align that with where they reside — be it in Whitehorse, in one of our municipalities or in one of our indigenous communities. So we are really working hard to look at ensuring that we provide the wraparound supports for our aging population.

We also know that we have a population on the rise, and population being on the rise means that we need to be prepared for rising pressures in our health care systems and rising pressures in housing.

Those are things that we always have our eyes on. Not only do we look at a reduction in the wait times that we have now before us, but potentially looking at future pressures as well, always ensuring we have a continuum of options — not always on current pressures but what we see into the future as we look at social housing and market housing and at a continuum of housing in all of our communities. It's important to look at the new building requirements as well as we look at new building codes, retrofits and building standards — increasing and enhancing building envelopes to ensure that we better align with a reduction of greenhouse gas emissions. Building efficiencies are really important for the Yukon Housing Corporation and our partners.

Mr. Speaker, we look at the importance of partnerships on all subject matters and all of the files that I work on within the government — Health and Social Services, Yukon Housing Corporation and Environment — and ensuring that we have continued collaboration. We continue to look at our partnerships with First Nations, municipalities and our private sector. We also need to be responsive to the pressures and program service needs, yet looking very specifically at the unique circumstances in each one of our communities, because each one of our communities has unique situations. We have some that are non-governing and some that are defined under some other parameters — the *Indian Act*, for example — so we need to be flexible as we look at innovation in our partnerships.

We've looked at providing opportunities recently to fund the Challenge Disability Resource Group. We are certainly not suggesting, as noted, that this is the solution, because it isn't. We do need to look beyond the Challenge Disability Resource Group in that specific cornerstone project. We need to look at rural Yukon communities. We need to look at our partners, ensuring that we provide for all Yukoners with their diverse, unique needs, that we put the attention where it's needed and that we provide the services to our communities.

The housing initiative, the innovation fund, is really to allow us to look at that opportunity. We launched that a year ago. We provided \$3.6 million a year ago. We had \$26.5 million that resulted in partnerships. We have in excess of 200 new units on the market. We have now just completed that process. We anticipate that we will see another 110 units coming available, addressing housing needs and unique needs of Yukoners. We will allocate the necessary resources and look at the submissions that we have before us. As I noted, there is a growing population, and affordability is really a critical piece of this puzzle as well — ensuring that increased demand really meets the needs of the unique circumstances as we look at affordability.

Working hard to address the needs of Yukoners is a process that requires meticulousness, thoughtfulness and consideration to ensure that we take into account all of the interests and unique practices of each one of our communities as they endeavour to provide essential services.

Most recently, we've provided some resources for indigenous housing to assist with the communities. That has never happened in the history of the Government of Yukon,

where the self-governing First Nations have been provided resources to address their current and continuing pressures. The complexities around supportive housing for people with disabilities don't stop in Whitehorse. We have to look at what we provide and how we provide the critical supports for those who are challenged in our communities. The experience, I think, in terms of long-term options really needs to consider and encompass all of that.

Looking to the future, I want to just say that I, as the minister responsible for three departments of the Government of Yukon, have a very specific and clear mandate to ensure that Yukoners live happy, healthy lives. That means we need to ensure that they have the essential services they require within the communities to allow for that to happen. I have a clear mandate to do that, and I will endeavour to do my best to deliver for Yukoners, and in particular, to deliver for my community, which I'm awfully proud to represent.

In closing, I'm proud of the work that this government has been doing to improve the lives of Yukoners. I must say that, more importantly, I'm really proud to come from the community of Old Crow. I'm proud of the people there and of the vision to protect the Arctic refuge — the 40-plus years of work that they've done, the efforts they've made to protect the Peel, the efforts to design and deliver the first land use plan in the Yukon and their efforts to reduce greenhouse gas emissions. It is the only isolated community in the Yukon that relies 100 percent on diesel fuel — diesel that is flown in and diesel that is burned. They are looking toward the future to be role models for Yukon and other communities.

I would like to conclude by extending my thanks. I wouldn't be here without the support of my family — my husband and my two children — and of course, the constituency of Vuntut Gwitchin for being here for me and just being supportive and giving me the faith to go forward every day.

I spent the weekend with the community, working and spending time with my colleagues there in Old Crow, with the families of missing and murdered indigenous women and girls and hearing first-hand the stories about the intense trauma they've experienced over the history of time. That's our job. Our job is to protect those children and to eliminate the violence and pressures around the disparities they've experienced over the history of time. It's my job as the minister responsible to ensure equity, transparency and fairness for all Yukoners. I will endeavour to do that, Mr. Speaker. Thank you for this opportunity.

Hon. Mr. Streicker: Mr. Speaker, just last week, I received six letters from constituents. They were very thoughtful letters. They were from Golden Horn grade 6 students: Mason, Thayer, Owyn, Teagan, Max and Harmony. I wanted to start my comments to the budget speech by giving them a shout-out and to let them know that I would be very happy to meet with them to discuss school bus safety.

I wanted to start my comments on the budget speech by giving them a shout-out and to letting them know that I would be very happy to meet with them to discuss school bus safety.

I will try to come back to that theme — that notion of talking to Yukoners, engaging with them and trying to hear their concerns. I want to begin by acknowledging the words of the Leader of the Third Party and also acknowledging her comments that this is her last time — her ninth time addressing a budget speech here in the Legislature in her role as the leader. I want to thank her for her role as the Leader of the Third Party. I know she has contributed a great deal to her constituency, but also to the territory as a whole.

To think about that theme about how we are engaging with Yukoners — just before this Sitting, I happened to complete my fifth round of community visits in my role as Minister of Community Services. I went to Carmacks, and my last community was Faro several days before the session started. In between that, I had several other strong meetings with the City of Whitehorse. I was struck by the speeches that were given by all the members of this Legislature about how every community matters. It is so great to hear from all members of this Legislature and hear them talk about the important issues, hopes and activities in each and every one of our beautiful ridings. So let me start there.

Mr. Deputy Speaker, let me start by talking about Community Services in the 2019-20 budget. As we all know, Community Services is the kitchen sink department. It deals with many diverse facets of this territory, but at the heart of it, it's our communities. This budget details how the department is working with municipal and First Nation governments to build thriving communities, to protect people and property and to advance community well-being. The department's main estimates include more than \$71 million in capital expenditures and more than \$94 million in operation and maintenance expenditures. The reason I am highlighting this is that it is less than a two-percent increase for the department from last year. We are maintaining our services while managing our growth, just what the Financial Advisory Panel recommended. I will come back to that theme as well, but I just — overall, as a government and as a department, we are looking to manage our growth.

There were lots of concerns raised in this Legislature last session about some sort of cuts. What we said then and what we say today is that we are looking to manage our growth to make sure that the amount of spending is not outstripping the amount of increase in revenue.

Here are some highlights from this year's Community Services budget. Our ongoing partnerships with Canada, municipalities, First Nations and unincorporated Yukon are helping us to build healthy, vibrant, sustainable communities while we address core infrastructure priorities for roads, clean drinking water, green energy, waste-water management, public transit and — near and dear to my heart — solid waste.

We're working at the local level up to the territorial level and beyond to address the long-term needs for infrastructure.

There has been a deficit of investment in infrastructure over the past decade — maybe decades. It was clear when we arrived that we needed to continue the work the previous government had begun, to really reinvest in our communities and to increase that investment in our communities, whether it

is roads, core community infrastructure — like water and waste water and our landfills — or whether it is infrastructure that's needed for the well-being of our communities, such as seniors' homes or for sports and healthy living. It's all important, and I'm just very happy that we're able to invest significantly.

The Infrastructure Development branch is responsible for managing infrastructure projects built with federal infrastructure funds. Over the next 10 years, approximately \$600 million will be available through the Investing in Canada infrastructure plan to fund infrastructure projects across the territory. That's building on existing funds. These projects will be cost-shared between Canada and the Yukon on a 75/25 percent basis, so thank you to Canada.

By the way, I just got some indication of the federal budget today. What I think is one of the main highlights of that is increasing the amount of money that is being directly invested in our communities, in First Nations and municipalities. I'll highlight a couple of things I picked up right away. There's a lot to read in the budget, so I'm certainly not through it, but I was very happy from the perspective of communities.

First and foremost, infrastructure investments must respond to community needs, and they must be fiscally responsible not only when they're built but to operate over their life cycle as well. In this way, they address ongoing needs, they create jobs, and they improve well-being across all our communities and for the whole of the Yukon.

In the spring of last year, we began meeting regularly with municipalities to talk about the new funding envelopes. We met with municipalities, First Nations and communities to develop multi-year plans for their infrastructure priorities. In consultation with communities, these plans will be continually updated as priorities and needs change over time; thus, we will have a five-year capital plan with flexibility to address local community priorities as they change.

This year, we are budgeting \$22.8 million to build projects with the small communities fund. For instance, we're building the new Carmacks arena and the new F.H. Collins track and field with this fund. It is also providing funding for the next phase of downtown upgrades for Whitehorse and Dawson.

We're wrapping up the last of the clean water and waste-water fund projects this fiscal year. They should end by March 31, 2020. This year, we have budgeted \$6.8 million as Yukon's contribution for projects through this fund. The clean water and waste-water fund projects will include upgrades to several communities' buried water and sewer infrastructure in Faro, Mayo and others. We are also upgrading the sewage lagoon in Watson Lake. We will formally announce the remaining projects in the coming months. I am sure members here will know about those projects because I have shared that list for the members opposite with the clean water and waste-water fund projects.

Last year, we signed the integrated bilateral agreement with Canada for the Investing in Canada infrastructure plan or ICIP. It runs from 2018-19 to 2027-28. Over the next 10

years, ICIP will provide over \$594 million in new infrastructure money, again with Canada providing up to 75 percent of eligible expenditures.

This budget includes \$7.7 million for projects funded through ICIP that we will plan to announce and start work on this year. Just yesterday, we got our first approvals from the federal government. There are three projects. I am very happy that those projects are now here, so the ICIP dollars are now starting to flow. I am just reaching out to those municipalities that are getting those funds, and I am sure we will get to an announcement shortly. But overall, I am very happy to see that money start to flow. We are investing heavily in infrastructure. It is led by the communities setting their priorities, and we will continue to build this into our five-year plan.

With respect to land development, as the Minister of Finance noted in his budget speech, the Yukon is one of the best places in the country to live. I know all MLAs will agree with me on that.

As the demand for workers increases to fill the jobs that are fuelling our growing economy and as more people stay in the territory, so does the challenge of finding affordable, decent housing. Last July, the Rural Land Development branch was transferred to Community Services from Energy, Mines and Resources. As I stated through a ministerial statement just last week, we are working hard to increase the availability of residential, commercial and industrial lots to meet demand in all Yukon communities. Our goal is to rebuild to a two-year lot supply, and we are nearly there.

We recognize that municipalities, First Nations and the private sector would like to take on a greater role in developing lots in our communities. I should say that municipalities are very interested in setting the direction and doing the planning work around lot development. Right now, they are not wishing to do lot development, but they certainly want to be engaged in how lot development proceeds within their communities.

With respect to First Nations and the private sector, we want and intend to support this initiative. It will be over and above our efforts to rebuild the two-year lot supply, but we are looking forward to it. Building in the Yukon is challenging. Given our geography, our short construction season and limited resources, the high capital costs and the high risks associated with our market and the need to maintain an inventory of lots are the main reasons why the Government of Yukon continues to have a key role in land development.

As I have stated, we do aim to provide private sector opportunities in various stages of land development projects. I am looking forward to that because I think there is some opportunity there. With the government as the key land developer, we can invest the required capital costs to maintain and restore lot inventory in the territory. As the developer, we support the municipalities' important official community planning work and building on their vision for their municipality.

Our almost-\$20-million budget for land development includes approximately a half-million dollars for land

assessment and planning, roughly \$15 million for continued development of the Whistle Bend subdivision here in Whitehorse and \$4 million for development of rural lots in Yukon. I've already detailed how these investments will lead to lots and units across the territory.

We're working with all municipalities to confirm their short- to longer term priorities and working toward delivering on those short-term lot inventory needs where they exist. We plan to release approximately 20 rural lots later this summer in a number of communities.

I also want to mention that last year, we updated the comprehensive municipal grant which is so critical for all of our municipalities. We did this work in partnership with the Association of Yukon Communities, and if I wasn't speaking at this very moment, I would be on a call with the Association of Yukon Communities where we would be discussing how to begin review work on the next round of negotiations of the comprehensive municipal grant.

The result is that after many years where this grant had stalled — in the past five years, the grant had basically levelled off — it is now increasing each year, which is incredibly good news for Watson Lake, Whitehorse, Teslin, Dawson, Mayo, Carmacks and Haines Junction.

This year, the budget provides municipalities with — I'll have to get the number, Mr. Deputy Speaker, because I think I have the wrong number here — significant funding through the comprehensive municipal grant, helping them to deliver vital services to Yukoners. I think it is \$1.9 million — I will have to check on that number. The budget also includes \$8.8 million to municipalities — sorry, \$19 million — as grants in lieu of taxes for Yukon government properties within municipal boundaries.

Let me turn now to Protective Services, which houses emergency management coordination, first response and public safety agencies including Building Safety and Standards, Wildland Fire Management, the Fire Marshal's Office, Emergency Measures Organization and Emergency Medical Services.

Investments in personnel, equipment, training and infrastructure improve Yukon's ability to prevent and prepare for emergencies, to respond when they do occur and to reduce the loss of life and property. Accordingly, we have allocated \$31.7 million of the department's O&M budget and \$34.5 million of the capital budget for the Protective Services division.

We are budgeting \$1.7 million this year for operation and maintenance of the Fire Marshal's Office and approximately \$700,000 for capital expenses. This includes \$450,000 to operate the 16 community fire and rescue halls as well as honoraria, training and travel expenses for approximately 200 community volunteer firefighters across the Yukon.

Just for a second, I want to give a shout-out to our volunteer firefighters. It's quite something for people to step up and be willing put themselves in harm's way to protect others. It's honourable, and I want to thank them. We know how important they are for our communities.

We also support training, recruitment and retention of volunteers and promote gender diversity in the fire service, which is needed. So if there are any women out there who are interested in entering the fire service, please by all means let us know. We have a great program called the Ember Fire Academy, and we would love to get you involved.

It will also include the cost of a new fire truck, at approximately \$435,000, to sustain our volunteer fire and rescue halls across the Yukon. Each fire truck has a lifespan of about 20 years. I was just talking to one of our local community firefighters the other day about the potential of a new truck.

Next, the Yukon Emergency Measures Organization, or EMO, leads the coordination, collaboration and cooperation of all Government of Yukon departments and agencies in prevention, preparedness and response to disasters and emergencies. I heard the Member for Lake Laberge pose some questions about this with respect to the supplementary budget. I'm sure we'll get into a dialogue around it during the main budget debate. I look forward to that conversation and sharing, but what I will say is that it is so important that we get our Department of Community Services working with other departments like Highways and Public Works, because they deal with road emergencies; or the Department of Environment, which deals with environmental spills; or Energy, Mines and Resources, which deals with forestry. There are all sorts of ways in which we need to be coordinating ourselves. It's very important that, across government, we stay coordinated.

I have sat down with members of this group and talked about that critical need. As well, we need to be working in partnership with our other communities — with the City of Whitehorse, for example, which has such a large portion of our population and has risks. We need to be collaborating very closely.

I know we're collaborating with local communities, municipalities and First Nations and also with the federal government, industry and volunteers to support emergency management readiness.

For EMO, we have budgeted \$1.7 million in operation and maintenance funding. This includes \$815,000 under contract service expenses for a project to conduct field tests of wireless technologies regarding 911. This is supported by funding from Defence Research and Development Canada.

Living in a northern boreal forest means that we face the reality of natural wildfire on our landscape and near our communities. We're budgeting \$16.2 million in operation and maintenance funding this year for the Wildland Fire Management branch. I will say, though, that the amount of money that we spend on wildfire always depends on the wildfire year that we have, which is so hard to predict, so we always need to be preparing.

This budget includes the contracts for the 13 initial attack fire crews through our partnership with Yukon First Nations. These 13 crews are an important part of our operations, working alongside our Yukon government attack crews. This year's budget includes \$6.7 million for fire-suppression

activities, including the equipment needed to fight wildfires such as helicopters, fire retardant and other support, as required.

We have also budgeted \$850,000 to reduce forest fuel hazards in our neighbourhoods and communities through the FireSmart program.

Just for a second, I would like to commend the work of friends of FireSmart who have been organizing here in the territory to raise awareness to make sure that we're doing our best to prevent the risk of wildfire and also to address preparation work around if there is some sort of emergency — how we are ready to deal with it.

Under our capital expenditures, we're budgeting \$1 million to work on the Whitehorse air tanker base replacement project, which will allow for safer aircraft operations and builds on the work that the Minister of Highways and Public Works has been doing around improvements to the Whitehorse airport overall. It will allow for the accommodation of larger aircraft and ensure for a more effective and efficient response when fighting wildfires.

Let me move on, Mr. Deputy Speaker, to the Yukon Emergency Medical Services, or EMS. EMS is an essential partner in the community's health care system. EMS responders work with practitioners from Health and Social Services, from the Yukon Hospital Corporation and all other allied response agencies. We — and by "we", I mean all Members of the Legislature — place tremendous value on the contributions that these volunteers make when providing emergency services throughout the Yukon to keep our communities safe. We support community responders by supplying vehicles, medical equipment, safety equipment, uniforms, fleet management services, station maintenance, administration services, online education and responder training.

Last year, in 2018, Yukon EMS responded to nearly 8,000 ground calls, and EMS medevac and the territorial air ambulance service responded to 1,100 calls. Yukon EMS supports 17 ambulance stations, 15 of which are in our rural communities. We rely on them to provide safe, timely and medically appropriate patient care in conjunction with pre-hospital emergency patient transport. We are budgeting \$1.8 million to support these 15 ambulance stations. This includes over \$1.2 million in honoraria payments to over 100 active EMS community volunteers — again, our thanks as MLAs for the work that these folks do to keep our communities safe.

In all, we are budgeting just under \$10 million in O&M funding and just under \$500,000 in capital to support EMS services this year. This is how we're investing in community well-being through Community Services.

Let me move on and talk about the Yukon Liquor Corporation and the role that I have as minister responsible for that corporation and also responsible for cannabis here in the territory. We are doing ongoing work to modernize the Yukon *Liquor Act*. It is still my hope and intention to bring that act before us this coming fall, and we know how important that act is for all Yukoners.

Let me also talk about cannabis, as it is new to us. The legalization of cannabis in October 2018 represented a significant shift not only in our legal framework, but also in the societal norms of our country.

There has been a monumental amount of work done across the country. I would like to commend the folks throughout the Government of Yukon — including the Yukon Liquor Corporation, but also Health and Social Services and the Department of Justice — to prepare for being responsible for the distribution and retail sale of cannabis here in the Yukon. They did a great job, and they deserve our acknowledgement.

Some Yukoners were raising concerns about the legalization of cannabis. That can be understandable. Now, several months in, it seems that legalization is going fairly smoothly, both in Canada and the Yukon. The way I think of it is that it is a little bit like the year 2000. There were concerns because there were a lot of unknowns, and when we landed we found it was not as big a deal as we had in some of our imaginations. Now we see that it is actually fairly grounded, and I am quite happy about that.

The Yukon Party expressed concerns and voted against the legalization, and the reason I heard them state was that they didn't believe that we should open a government store and that, if we did, we would not get out of the business of selling cannabis. I am happy to say today that through this budget we are now shifting to a private retail model.

When introducing the legalization of cannabis, we were guided by three principles: to displace the illicit activity, to discourage young persons from accessing cannabis and to protect public health and safety. On October 17, 2018, when we opened the temporary Cannabis Yukon retail store in Whitehorse and the cannabis Yukon e-commerce website, these were our three priorities. As we move to licensed private retail cannabis, these will still be our three priorities. Private retail stores will offer people the option to purchase safe cannabis from trained staff. Yukoners who choose to consume non-medical cannabis have access to a product that is safe, tested and regulated. It is also a little too heavily packaged, and we are working with our federal counterparts to try to address that, but what I can say is that the government store has been successful. Now I fully hope and anticipate that the private sector will be successful, and I look forward to the opening of the first stores.

By the way, Mr. Deputy Speaker, I heard back from the corporation yesterday. I believe that just under \$1.9 million of sales have happened to date, which effectively is \$1.9 million that didn't go to the black market. So not only did we take that money away — the other thing that has happened with the black market is that their price point has driven down, which obviously is a competitive move on their part. However, I am happy to say that means that they get less profit. I just want to encourage Yukoners to please buy cannabis through a legal outlet. I am looking forward to options of private retail here in the territory for all Yukoners.

As the legal cannabis market evolves, we will continue to review product selection pricing and revenue forecasts. The

anticipated 2019-20 net revenue for cannabis distribution is zero dollars. Our goal is to support the introduction of private retail and to keep prices in the marketplace as low as possible. Again, that goal is to work to displace the black market and to support private retail coming on board.

This past January, an independent cannabis licensing board responsible for licensing private retail stores was appointed. The cannabis licensing board is at arm's length from the Government of Yukon in its decision-making and authority and consists of five members. Thanks to them for the work they have begun. In January, the Yukon Liquor Corporation hosted information sessions for interested businesses, First Nation governments, municipalities and development corporations to provide details about the application and licensing rules, the legislative framework and social responsibility initiatives and materials. The corporation is now accepting application packages for private retail. Once the private retail stores are established, the corporation will shift its focus to being a wholesale distributor with the retail e-commerce portal and the regulator of cannabis.

The Yukon Liquor Corporation will also continue to work with its partners to ensure consumers are informed of the health impacts if they choose to consume cannabis in a socially responsible manner. Like other jurisdictions across Canada, we are facing challenges concerning supply shortages and high supplier prices as well as excessive packaging, as I mentioned. I will say that I was very thankful to the corporation for its diligence in prepping for the supply. We got out in front of many other jurisdictions and we were able to maintain a supply here — knock on wood. I will say that it doesn't mean there aren't challenges around the supply, but at least we are not one of the jurisdictions that ran out of supply and had to close their stores.

Together, we're exploring ways to address these mutual concerns. Legalization of cannabis represents a new era for the Yukon and for Canada. It's time we all worked together to provide safe and legal access to cannabis, while simultaneously working to displace the illicit trade.

I will leave it now from my department, but let me turn for a moment to provide some thoughts in response to comments I heard from members of the opposition during this debate on the mains.

I would like to thank the members of the Yukon Party for letting us know that they strongly support engagement. That has been a clear message I have heard from them over the past two and a half years. I think that's great, and I look forward to that ongoing. I have also heard them criticize special warrants. I hope that means that's not what they will do in the future. I think that's terrific if that's what they're saying.

I would also like to thank them, especially the Leader of the Official Opposition, for his offer to have an open-door policy for sharing their ideas about their vision about where we can go as a territory. I think that's excellent. The more we work together as parties, the more we will be able to create a better Yukon.

Something the Leader of the Third Party just said when she stood up to speak moments ago — she talked about

amplifying the voices of Yukoners here in this Legislature and that it is important that we work together.

I would like to thank the members of the Official Opposition also for supporting non-governmental organizations. I think that's terrific that they are saying that, and I am happy that the Official Opposition would increase NGO funding. I am a little concerned that the way they have been saying it — or at least how they are asking us to do it — is to do it without sitting down and working with those NGOs. I think it's important that we sit down and work with all those non-governmental organizations, but overall, this notion that they believe that the funding should go up is good news.

I would also like to comment on the Financial Advisory Panel. I heard the Leader of the Third Party talking about selecting elements of the financial panel's recommendations. We are. I think it's fair to say that we grabbed some of the most critical and largest of those recommendations and we began work on them right away. One of them, for example, was a review of our biggest cost drivers — for example, Health and Social Services. The other one is about how to make sure that we manage our growth, which is exactly what we have done in this budget. I heard some criticism that it's not a strong vision, but I want to tell you that I think it is. The vision of making sure that our spending is in line with our revenues is incredibly important. Going the other way is certainly not what I would like to see.

The idea that we should extend that across all departments to manage our growth is exactly what we have done in this budget. I have just recounted how we have done it within Community Services, continuing to provide the services that have become expected and cherished by Yukoners while, at the same time, getting our spending in check. We have done that belt-tightening, and I think it has been important.

One other side that the Leader of the Third Party mentioned was about revenue generation, and I thank her for raising those questions. I think we have said all along that the Financial Advisory Panel — that we would be working overtime to carry out that work. We weren't trying to do it all in one go. It should be meted out. That is what we are doing, and I look forward to more work based on that review.

One of the questions that I want to address is there was a question raised about how this budget represents Yukoners: How did we do it? I said when I began that I had been on community visits. I am going to talk about that in a second, but what I want to talk about for a moment is the performance plan. I took a look through the performance plan to see if there are elements of evidence in there that we can use that help to shape how we form this budget. So here is a list that I just came up with quickly. It's certainly not an exhaustive list, but I just glanced through it very quickly.

We have indicators on mental health, on physical activity, on campground usage, on levels of self-harm, on high school graduation, on literacy and numeracy, on crime rates and crime severity, on the vacancy rate, on how much home insulation is going into new builds, on unemployment levels, on income, on greenhouse gases, on protected areas, on voter

turnout and on public engagement — so it's a public engagement on public engagement.

Anyway, what I want to say is that I think there can always be more evidence that can be gathered and more information, but I think that is an example of evidence that is being prepared. There is a lot in the performance plan that tries to show things in a positive light for us as a territory, but those indicators are just pure statistics about what is going on. Can there be more? Sure. But is it more than it was? Absolutely, it is. This is an example of going out there, gathering evidence and presenting that evidence publicly to show Yukoners, "Here's where we are as a territory." That allows everyone to judge for themselves about what the situation is and how we are performing as a government in our role.

So we have a vision of responsible government, and that is what we are working toward. I think responsible government means listening to our communities. So as Cabinet ministers — I went back and I counted how many visits we have made to the communities — outside of Whitehorse is what I'm referring to here. I noted that since we've been in office and since we were given our mandate letters by the Premier, there have been 260 times that Cabinet ministers have travelled to engage directly — I'm not talking about the departments; I mean the ministers themselves — within those communities. I have made 80 visits since becoming Minister of Community Services. I'm not counting the number of times that — I'm not talking about as an MLA; I'm talking about in my role as minister. So this is talking with communities.

We're listening to all our communities and responding with much-needed new projects and infrastructure. We're listening through territory engagements on a wide range of areas important to Yukoners — areas like waste, like motor vehicle safety, like the Yukon *Liquor Act*, like the cannabis act — and on engagement itself, which I loved. There was one that I walked into down at the Old Fire Hall where we asked Yukoners and citizens of Whitehorse how they wanted to be engaged. The number one way was surveys. Even though it's a little impersonal, that's what they said.

So we're interested in sharing ideas and listening to our colleagues across the room. I believe we try to answer their questions and their constituent concerns — as they said, to amplify the voices of all citizens — with the same attention with which we respond to our own.

Let me move, finally, Mr. Speaker, to wrap it up and to bring it back to my own riding. Responsible government means working with my colleague the Minister of Education on getting a new portable for Golden Horn Elementary School. It means supporting aging in place across all of the communities in my riding, the beautiful Mount Lorne-Southern Lakes. It means support for mental health and wellness in Carcross. It means working with my colleagues the Minister of Education and the Minister of Highways and Public Works to improve school bus safety. I look forward to getting back to Mason, Thayer, Owyn, Teagan, Max and Harmony.

Speaker: The Hon. Premier, closing debate on second reading of Bill No. 210.

Hon. Mr. Silver: I want to thank all of my colleagues for their words here in the Legislative Assembly on the second reading of the main estimates for 2019-20. I am pleased to rise to close the second reading debate here in the Legislature.

As I said last week, Yukon is in an enviable position of enjoying a robust economy. Unemployment rates are at a historic low. Tourism is continuing to grow, and we are seeing strong performance in the mining sector as well. Incomes are increasing and so too is our population.

Challenges also come with a growing territory. This budget squarely addresses these with investments in affordable housing, investments in effective health and social services, quality education and reliable community infrastructure.

I will touch on a few of those points — affordable housing, for example. Our government is investing \$25 million in the coming year to address the demand for housing and residential lots. In fact, we are planning to invest \$19 million to develop lots in Whitehorse and rural communities in each of the next five years. We are allocating \$3.5 million to the housing initiative fund this year — this is the second year of a five-year program. Ten projects are currently underway with last year's funding, with 110 new affordable housing units being created between Whitehorse, Carcross, Pelly Crossing, Haines Junction, Teslin and Carmacks.

Other funding for housing this coming year includes \$4 million to the Challenge Disability Resource Group toward its cornerstone housing project, planning funds for community housing in Old Crow, two new housing complexes in Whitehorse, \$800,000 to complete the territory's first Housing First project and \$1.4 million to convert single-unit Yukon Housing Corporation facilities into duplexes.

Moving to reliable health care, our investment in health care — Health and Social Services — is the largest expenditure in our budget. We want to ensure that these investments deliver improved services and improve service delivery and outcomes for Yukoners, while getting the best value for our money. The comprehensive review of health and social services programs is now underway, which will help us to achieve that goal. We are launching a broad engagement with Yukoners this spring on how to improve Yukon's health and social services. We look forward to ideas and insight that people around the territory will bring to a discussion on strengthening our health and social services.

Investments in the health and social services area this year include \$1 million for a large secure medical unit at Whitehorse General Hospital, \$700,000 to begin planning work to replace the Old Crow health centre, \$2.6 million in renovations at Copper Ridge Place and \$2.7 million to complete work on Whistle Bend Place.

Our government is making significant investments in meeting the needs of Yukon's growing student population. To

support growth in the Whistle Bend neighbourhood, we have allocated \$1.6 million to begin planning a new school.

This will also provide capacity for future school replacements in Whitehorse. Construction of the new French first language secondary school in Whitehorse will also get underway this spring. We are continuing our planning with the Kluane First Nation to relocate the Kluane Lake School from Destruction Bay to Burwash Landing. We are finding ways to give rural students more opportunities through additional course options, trades training, improved bandwidth for our digital learning and local hands-on learning.

Our work with Yukon College, as it transitions to a Yukon university, is designed to ensure post-secondary students have more opportunities to study and build careers closer to home.

With our growing population, long-term planning is more important now than ever. This is why our budget once again includes a five-year capital plan. It allows us to be transparent with Yukoners about what capital projects will take place in the coming years, and the private sector can better plan their activities well in advance of our short construction season.

The capital budget for this coming year totals \$288 million. That spending will roll out under our new procurement policy that comes into effect on April 1. Our communities will benefit from the new procurement policy. This is because our value-based process includes a requirement for First Nation participation and northern experience and knowledge. It revises the definition of a Yukon business, giving local firms more clarity.

Our investments in infrastructure are fundamental to building healthy, vibrant and sustainable communities. We are working with our partners — First Nations and municipal governments — to ensure that investments in infrastructure projects reflect their priorities. We are considering the future as well. The impact of climate change must be factored into our procurement and into our planning. That is why we are building risk assessments into our government development projects.

The new Arctic energy fund will be dedicated to renewable energy projects, building on the work that we already have underway to reduce our reliance on fossil fuels.

This budget shows that we are listening to Yukoners, that we acknowledge their needs and that we are building toward their aspirations. It shows confidence without extravagance; it shows singular vision and purpose. This is a methodical budget that builds a thoughtful way forward for Yukoners, one that secures the best future that we can offer for all Yukoners. Most importantly, it's a clear vision, a clear-eyed plan, and it will help us to grow into our future potential: a prosperous territory that offers incredible opportunities and supports its residents.

Listening to some of the debate back and forth over the last few days here in the Legislative Assembly, we do have concerns from the opposition on the five-year capital plan. On this side of the House, we have a commitment to that five-year capital plan. We believe that this planning process will improve the government's planning for construction and

infrastructure projects — full stop. It will help bring more transparency to Yukoners and assist with business opportunities from those in the private sector. The five-year capital plan informs the industry what government priorities are and will help Yukon businesses prepare for those upcoming projects.

The capital plan will routinely change as capital project priorities and requirements change. This will happen. We have said that from the beginning. We will continue to provide Yukoners with updated information on government's planned capital investments over the next five years.

This is long-term capital planning that will help us better address the planning, the forecasting and the timing of procurement. Opposition members are quite rightly asking for more information. This is an example of us giving more information.

We will put tenders out earlier so that vendors are better able to prepare and make plans for seasonal projects and so that Yukon government is able as well to leverage the best times of the year for construction, working in partnership with the private sector.

As capital plans change and mature, we will work to meet both project and vendor needs. For example, this would mean that we will spread out bridge projects rather than tendering them all together. I want to give a shout-out to the Department of Highways and Public Works for their vision on this project and on working with the private sector. I believe that they are creating partnerships that have never been created in the past, and this is good work. This is very good work that's happening.

We heard some conversations about mining. We heard from the Leader of the Official Opposition that he was talking to somebody in Vancouver and things look bad. I would have to disagree. I would say that we're doing a lot to promote the mining industry. The Minister of Energy, Mines and Resources, the Minister of Economic Development and I — there's a heavy presence, whether it is at Roundup or at PDAC. We're at international conferences and national conferences. I have the ability to speak directly to the financial institutions. We have made some trips down to Toronto to drum up investment. On this side of the House, we're cheering for mining. We're not looking to create any discrepancies. We just want to make sure that we're all working together, because that's really important. What's even more important than all of that work is that we're building equity in First Nation governments and First Nation communities in the resource industry. That is paramount to what we're doing here — having the Yukon Forum meeting four times a year and having these conversations advance with 16 different working groups.

The work that's probably the most important to the long-term visioning of a resource industry in the Yukon is making sure that First Nations are finally at the table as the modern treaties that were signed and the modern self-government agreements that were signed decades ago guaranteed.

Again, that is the most important work we can do to ensure that we have an economy moving forward, not just for First Nations but for all Yukoners.

How do we develop that equity stake? We would like to hear some options from everybody on that, because this is the way that we're moving forward, hand-in-hand with First Nation governments, when it comes to the mining industry. I believe that it is paying off huge dividends for all Yukoners.

I believe that our Minister of Energy, Mines and Resources is at the forefront of those efforts. His efforts are with a whole-of-government approach, whether it's working on land issues with the Minister of Environment, working on roads to resources with the Minister of Highways and Public Works, working with the Department of Finance or working with the Department of Community Services. We have a whole-of-government approach — making sure that we're firing on all cylinders as our economy is booming here. This is the opportunity for us to actually recreate that table where First Nations are with us as we look at mining projects into the near and distant future.

We did see record exploration numbers in 2018. We saw the new independent power policy — an extremely important part of building up equity with First Nations — finally getting across the line. We are also seeing, like I mentioned, the Yukon Resource Gateway project and the Peel land use planning process proceeding. All of these are happening under the leadership of the MLA for Porter Creek South and his team and a whole-of-government approach with the other ministers as well, all focused on results.

Credit to the departments in which the ministers serve, to their recognition of a whole-of-government approach, to Aboriginal Relations in my department — with all of the working groups and the executive committees, with all of our deputy ministers meeting with all of the CAOs, the CEOs, the executive directors of the First Nation governments. This is where the good work is happening. It's pretty exciting work to see, and it's a real privilege to be the Premier of a government that has such a positive relationship with all governments. We believe — whether it's from the announcements that we're hearing on the federal government side right now or if it's looking at the work of First Nation governments at the table of the Yukon Forum, our conversations through the lead, through the Minister of Community Services for municipalities — that working together, you can get a lot more accomplished than the alternative.

Mr. Speaker, we do have a hot economy right now, and we are still running a deficit; that is obvious. We have a government right now that does currently spend more on services and capital spending than what it receives and recovers in order to meet the needs of Yukoners. This is what has contributed to deficits in recent years. We do have a forecast that the economy is going to continue to grow in the short term — and hopefully into the long term — at 3.3 percent. That is extremely strong for any jurisdiction. As the Financial Advisory Panel said — and we've heard different comments from individuals over the last couple of days about the importance of that panel and the recommendations — they

stated that over a period from 2007 to 2016, our real per capita spending grew at a rate that was 50 percent higher than the growth of rate of revenues. This is simply just not fiscally sustainable, and it has resulted in our current deficit position.

Additionally, we need to meet the needs of a growing population and a growing economy. So that's what we're doing. The Yukon has a fiscal strategy that we're using to meet this challenge. This strategy is based on solutions raised by the Yukon Financial Advisory Panel and endorsed by Yukoners.

I will agree with the Minister of Community Services that we are prioritizing and picking recommendations that we believe are important. We don't want programs and services to suffer. We want to work on maximizing the dollars that go to programs and services and to try our best, inside of our government and as we work with other stakeholders, to make sure that we are putting those revenues toward the programs and services as much as we possibly can and looking for those efficiencies. We want to close the gap between growing needs for services and our revenues.

Our government is working to find operational efficiencies and improve effectiveness as well — getting out of the business of doing business — and undertaking a Health and Social Services review. We are reviewing our fees and fines.

As a government, we cannot just solely rely on the growth of the federal transfers or the growth in taxation revenue. Even during a hot economy, significant growth in these areas typically lags any of the positive economic activities by about five years, so that model is just not the correct way to move forward. Long after those funds are required — those funds are gone once those services are needed — so we are acting. We are acting on a wide range of those options that were given by the Yukon Financial Advisory Panel, and we will have the government back to a balanced budget by 2020-21. We are going to get the government back on that financial sustainable path.

It is worth noting that in 2017-18, the Yukon government ended the fiscal year with a \$18.7-million surplus. The difference from the forecast surplus of \$6.5 million at the mains was higher revenues of \$1 million, and the remainder being lower expenses. So again, those efficiencies are happening. A small deficit is definitely expected this year, but the target is to return to those surpluses very soon. Again, we are not in a recession. We were in a recession in previous years. We are not now. That hot economy will increase costs to government for infrastructure projects — it is worth noting that at this time.

Picking up on my notes here from different speakers, we had some different conversations about public engagement. We had the Minister of Community Services talk again about us moving forward on what we were told by Yukoners and what they want as far as engagement. We are very much committed to getting better every year at the engagement process. That means more meaningful public engagement, because we believe that it's the perspectives and the inputs of the citizens that can best inform the decision in the Yukon.

We have made lots of efforts to find out what meaningful public engagement looks like to Yukoners, and we are working to make that a reality. We know that some groups and stakeholders have felt in the past that they have not been adequately engaged on important issues. We want to get better at this. We are extremely committed to continuous improvement and learning from past mistakes as we move forward, and we are very proud of those efforts. Those efforts that we have taken in public engagement include the tourism development strategy, for example, or talking Yukon Parks, cannabis legalization — just to name a few. Since 2007 we had hosted 53, I believe — and the number is growing — engagements on engageyukon.ca. We have been asking Yukoners to rate their experiences participating in public engagement activities by filling out evaluation forms at public events. Their feedback will help our committees and our commitments to that continuous improvement.

I just want to reiterate some of the comments of my colleagues on this side of the Legislative Assembly. We believe we're giving more information than was given in the past and have a commitment for the fiscal and economic outlook to come out at the same time as our budget every year — not every second year or whenever it fits or suits the government, but every year. That's an extremely important part of giving the people an open and transparent government.

The 2019-20 fiscal and economic outlook presents a discussion of current expectations for the Yukon's finances and for the economy. The fiscal picture has not changed significantly from what was presented in last year's budget. The government remains on track to return again to the surplus position in 2020-21, while ensuring that it adequately addresses the needs of all Yukoners.

The local economy continues to outperform, with extremely low levels of unemployment and high earnings as well. We have strong retail sales; we have robust construction activities and a growing population — very reflective of a positive economic climate. I urge anybody, if they haven't already, to get on the Internet and check out the fiscal and economic outlook on our website. All that information is there. We have gone over this in the past already, with our unemployment rate being 2.7 percent, which is the lowest in Canada. There is fiscal update information here that includes information about the changes between fiscal forecasting and the mains and then information online for our Public Accounts. Changes to that fiscal forecast for 2018-19 included \$10 million in additional revenue, a \$3-million reduction in O&M expenditures, along with a 4.2-percent reduction in O&M recoveries, a reduction in capital expenditures of \$1 million and a reduction in capital recoveries of \$1 million.

It's interesting to note a couple of different points here. The annual deficit of \$4.5 million that was tabled in the spring session 2018-19 main estimates is now forecast to be \$7.1 million, and the net debt forecast for the end of the year went from \$21 million forecasted in the main estimates to \$11.2 million. So the decrease in that net debt of nearly \$10 million is due to positive net changes resulting from the 2017-18 Public Accounts of \$7.1 million and to changes in

investments and in tangible capital assets that support and improve services to Yukoners.

I won't go on too much more — suffice it to say that Yukon's positive economic climate definitely does lead to rising incomes and consumer spending. We have talked about the average annual weekly earnings in the Yukon — being fourth best in Canada, only behind Northwest Territories, Nunavut and Alberta. Our Yukon average weekly earnings achieved a new record of over \$1,148 in October.

Our population is growing, which is always good to see. We have a forecast by 2023 to being over 44,000 in the Yukon. Population and unemployment gains are definitely prominent drivers of our housing market. We have all seen the newspaper ads as of late. The value of real estate transactions is up almost 13 percent in the first three-quarters of 2018, with an annual figure on track to grow for the fourth consecutive year, eclipsing the record level of \$309 million in 2017.

Following gains every year since 2013, Whitehorse housing prices were particularly strong in 2018, with the average sale price being increased in the first three-quarters of the year, growing at eight percent to nearly — at that time — \$474,000. We know that there are some new numbers in there that go over the \$500,000 point.

I had some other comments that I was going to add, but I see a lot of my colleagues have already addressed some of the comments from the members opposite — other than to say that I do agree with the Leader of the Third Party that it is always a good idea for me to listen to my chief of staff. He does definitely give me some good advice.

With that, I want to thank the members opposite for their comments. I want to thank my colleagues on this side of the House as well for the commendable work that they do for all Yukoners from all different sectors of the Yukon, and with that, I will take my seat and we can start getting into some more debate.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Mr. Pillai: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hutton: Agree.

Mr. Hassard: Disagree.

Mr. Kent: Disagree.

Ms. Van Bibber: Disagree.

Mr. Cathers: Disagree.

Ms. McLeod: Disagree.

Mr. Istchenko: Disagree.

Ms. Hanson: Disagree.

Ms. White: Disagree.

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

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

Motion for second reading of Bill No. 210 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Mr. Hutton): Committee of the Whole will now come to order. The matter before the Committee is Bill No. 210, entitled *First Appropriation Act 2019-20*.

Do members wish to take a 10-minute recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 210: First Appropriation Act 2019-20

Chair: The matter before the Committee is Bill No. 210, entitled *First Appropriation Act 2019-20*.

Is there any general debate?

Hon. Mr. Silver: I'm just perusing my notes here. A lot of the presentation has already been said in my closing for second reading, except for one part that I wouldn't mind going over. I will be very brief and we will get into some general debate conversations.

I was remiss in not talking a little bit about community infrastructure, working collaboratively with First Nations and municipal governments — \$40 million being allocated to projects under the Carmacks arena, Na Cho Nyäk Dun water treatment controls upgrade, Dawson water and waste-water upgrades, and again, very specifically working on the Yukon Resource Gateway project beginning this year with an \$8.6-million investment. Mayo is going to see a \$5-million investment in their aerodrome, and also \$12 million is going to the airport in Dawson, including \$6.3 million to have the runway paved. We are very proud of the introduction of a \$50-million Arctic energy fund spread over 10 years. Again, all of my other notes — whether it be talking about population, housing, our capital spend, education and health

care — these notes have already been gone over today in second reading.

So that we can support more time for debate, I will just conclude by saying — and I said this in my second reading speech as well, but I wanted to say this again — recognizing the staff of Yukon government. It is so important to recognize the hard work that they do, and I would like to say it again because none of this would have been possible without their hard work. They have worked very diligently across all of the departments in preparing the initiatives and presenting their ideas. The collaboration among the departments has never been more powerful, and I want to thank them for all of their long hours, late nights and weekends. We have a truly dedicated public service, and it is a pleasure to be the Premier in the Yukon.

Again, we are looking forward for Yukoners and we are looking forward to a future that benefits all Yukoners. With that, I will cede the floor to members opposite.

Mr. Cathers: In rising to speak on this budget as Official Opposition Finance critic, I am going to begin by just asking the Premier a few relatively simple questions. As the Premier knows, they have changed some of the format of the budget book, which makes it — for a few areas — less easy to compare to previous fiscal years.

I would just ask the Premier, to begin with, what the allotment for personnel anticipated to be currently for the 2018-19 fiscal year. We know what the starting position was — the estimate at the beginning of the year — but just what is that actual expenditure anticipated to be? As well, what is the total in personnel is anticipated to be for the 2019-20 fiscal year, as reflected in the government budget?

Hon. Mr. Silver: Mr. Chair, again, Yukon government is providing the services that are needed for Yukoners and the demands for those services are absolutely increasing, especially as our population is growing. At present, there are no private sector alternatives for a lot of these services, and so there is a growth to FTEs this year. We've mentioned 160 FTEs were added in the 2019-20 main estimates to support a variety of programs. The majority of the increases were in Health and Social Services, with the addition of 121 FTEs, and Highways and Public Works also added 22. The remaining 17 FTEs were distributed across other departments to support programming for students within schools, animal health and French language services as well.

Some of these new FTEs are providing supports directly to Yukoners. Much of the new positions are short term or are recoverable from other governments as well — important to note. The largest increase related to short-term needs is for the old Centre of Hope building, which accounts for 40 of those FTEs.

I do have a breakdown per department. If the member opposite would like, I could send that his way. It shows the 2019-20 summary of O&M FTEs by department, the 2018-19 numbers as well, and there is a column as well that tells the changes that bring us to the 160.4 FTEs. The total this year, in 2019-20, of FTEs is 5,073.9.

Again, suffice to say, Mr. Chair, monitoring the FTE numbers by themselves may not be the best measure of the appropriate size of a government. With the introduction of a new budget system, the Government of Yukon will reassess how it accounts for personnel who provide those services. These changes will further government transparency and accountability.

Mr. Cathers: Mr. Chair, I appreciate the answer from the Premier. Could he clarify about those FTEs — the other piece of information I was asking? I may just not have framed the question clearly enough, but I'm talking about the cost of personnel across government.

We have the number for what it was anticipated to be in the 2018-19 fiscal year, so I am just wondering what the current expectation is for that amount, whether that amount has gone up or gone down and whether we're in comparison to the starting total for the fiscal year contained in last year's budget — what that current total estimated cost for the 2018-19 fiscal year is estimated to be in the total cost of personnel across government and then, secondly, what the total budgeted cost is for the 2019-20 fiscal year of personnel across departments.

Hon. Mr. Silver: I could direct the member opposite's attention to the operation and maintenance and capital estimates for 2019-20, page S-19, where we have vote department and corporation total allotments, personnel, and it's \$557,553,000.

Mr. Cathers: I do appreciate that answer and the information from the Premier. I am going to ask a question that also relates to the FTE question and the number of staff hired by government. We have heard a commitment by the government to exit the sale of cannabis and that they would shut down the government retail store. What we have not heard is a timeline for that. We know that currently there are no private retail options. There is one licensee in the process of going through the application process — I should say one potential licensee going through the application process.

Is the government looking at exiting the private retail of cannabis later this fiscal year, assuming that the private sector sale is up and running, or is the government planning to continue operating the cannabis retail store for the entire 2019-20 fiscal year? Or option 3, is this something that the government is going to be assessing during the 2019-20 fiscal year? Simplifying the multiple choice question down to its key point is: Does the government know what the timeline is for shutting down the private cannabis store and exiting the retail sale of cannabis?

Hon. Mr. Streicker: I will try to provide an answer here. The Premier asked me to pop up. We have always said and continue to say that, once the private sector is established, we would close down the government store. What we are looking for is that the private sector is established. What does that look like from our perspective? I think it's once there are a few stores here in the territory. I am just concerned that they are up on their feet. We don't want to close the day the first store opens. We don't want to hang around for years. I am

hopeful that will happen this year, but it is dependent on how the private sector does.

So I will just say that we don't have a hard line that we're talking about, but we have anticipated that our government store could shut down, for example, this fall sometime. If private retail is coming on board somewhere this spring and we get a few private retailers, we're happy to step aside.

The other thing I'll just clarify for all members of the House is that, at this point, we will keep the e-commerce site going, because it serves all of our communities. We don't expect every community to have a private retail starting up. E-commerce will stay there. We can review that decision down the road — again, once the private sector is established. We can just see how that works, if they were to take over that aspect as well. For now, we're just looking for them to come on board in the bricks-and-mortar sense.

Mr. Cathers: I do appreciate that information, and we look forward to hearing more details about that. I just do feel obliged, as the Official Opposition Finance critic, to point to the fact that when you look at the growth and expenditures on personnel compared to the information that we received for the 2017-18 fiscal year, which had an estimated planned expenditure of \$516.5 million — that has grown from \$516.5 million to \$557.5 million this upcoming fiscal year on personnel expenditures, and that is a notable growth in government.

We do agree that some parts of the growth in areas such as continuing care are unavoidable if government is going to respond to the needs of Yukon citizens, but again, we have been and will continue to be critical of those expenditures that we see as unnecessary spending that would be better directed toward other priorities.

I am pleased to hear that government is still committed to exiting the retail of cannabis. As the Premier and his ministers will be well aware, we proposed an alternative approach and suggested that it was not necessary to enter that area in the first place, but we are pleased to hear that they are committed to exiting it.

I am going to move on to another area, because it relates so much to the government's financial picture, and that's the area of the health review. We've seen the situation where government appears to be growing across departments, with some exceptions in Health and Social Services, and it seems a bit odd how those exceptions are chosen — certain areas within the department are growing. We see the significant growth of employees due to the government's decision to take over the Centre of Hope from the Salvation Army instead of finding a way to support that NGO and to make the operational model work better. I do recognize, as everyone does, that clearly there were some operational issues with how that building was being managed, and I don't disagree that something needed to change. It just seems to me that the choice made by government was not the best approach and certainly not the most fiscally responsible approach to handling the situation.

Again, moving back to the area of the health review, where it seems that there are exceptions of where government

is making — in certain areas, NGOs and others are being told that there is no new money until the health review is done, while government grows other areas under the umbrella of Health and Social Services.

The question that I would like to note was asked — I believe we have asked in the past — and the Member for Takhini-Kopper King also asked the question earlier today and we have yet to get an answer from government is: What are the terms of reference and the objectives for the health review? What areas are being considered? This is an area that is of great importance to Yukoners. It is of concern to Yukoners when they see the current government looking at this area and they wonder if there are going to be cuts to NGOs or cuts to health services or increases to fees for certain procedures or increases to co-pays in the area of pharmacare, for example.

What we are asking about is the fact that government has not been clear about what it is looking at, what the objectives are, and what the terms of reference are, since the Minister of Health and Social Services has not provided that information when asked repeatedly, I would ask the Premier if he could provide that — wearing both the hat of Premier and the hat of Finance minister.

Hon. Mr. Silver: I believe that the Minister of Health and Social Services provided an answer today with respect to the terms of reference. As far as the comprehensive health review, the goal is very simple: It is to take a solid look at where we are, what we have to do and how we can do things better to provide better services to Yukoners. The member opposite is talking about a lack of growth, and yet we have a Department of Health and Social Services that has grown by 6.2 percent this year in operation and maintenance, which really is a testament to the minister, the deputy minister and their team — finding better ways to provide programs and services and trying to curtail some of the growth that historically, from that department, has been unsustainable. I believe it was, over a 20-year average, around 14 percent. I will clarify that number, but I believe that is true.

Once again, it is pertinent to say this is not about cutting. This is not about cutting costs. It is about enhancing what we do while managing growing costs. It is about investments — investing our dollars wisely to ensure that our programs and services are meeting the needs of Yukoners. What better time to do this — you have a minister and a Liberal government here that are committed to collaborative care. In that commitment is a whole-of-government approach. We think that this is going to provide better up-front services for Yukoners, as opposed to waiting for ailments. This is good work, and it is a good time for us to make sure that the Health and Social Services department has a great understanding of what they can do to maximize those programs and services that Yukoners have come to rely on.

Again, as part of this review, the Department of Health and Social Services has completed a thorough review of programs and services that it offers and has begun to implement some early administration changes that will ultimately provide a better service.

We also want to explore the opportunities we have as a smaller jurisdiction to do things differently and to enable innovation in programs and in service delivery. The costs for our services won't go down, but the current cost growth is unsustainable. So this is why it's very important to take action to manage the growth through better use of our dollars in ways that shift the funding to ensure supports that enhance the overall health and wellness of Yukoners.

Mr. Cathers: I heard a partial answer, but still not the level of detail that Yukoners have been asking for and that we have asked for — and I also recognize that the Member for Takhini-Kopper King has been asking questions as well in this area.

I do have to point out before moving on to other areas that we of course recognize that the growth of health care costs is a challenge. That is a challenge being faced across the country, but the solution to it isn't to just cap the funding or to freeze it when you have areas of cost pressure.

For example, as we have seen in the reports from the chief medical officer of the Yukon Hospital Corporation, we've seen outlined the unprecedented bed pressure that they've been facing due in large part to the number of beds that have been taken up with patients who would better be served in continuing care, but due to the shortage of capacity of beds there and the delays in Whistle Bend, were not able to move as early as would have been preferable from a hospital perspective.

We also have seen, both in the reports of the chief medical officer and hearing the testimony from the chair and CEO when they appeared before this Assembly — I would just note that when we heard from the Hospital Corporation about the pressures, the costs, the increases in both the volume and the cost of chemotherapy drugs, the increase in medical imaging and lab departments — and so on and so on — that they are facing, we are concerned about the funding that's available in this area. Government seems to be seeing health care as an area that can just wait while it deals with other pressures.

Mr. Chair, I would note that budgets are about priorities. We have seen priorities reflected in this budget that we have criticized, including the increase of over a quarter-million dollars to the Cabinet office budget. We know the government found money twice to experiment with trying to create an ice bridge at Dawson — the first year through a rather laughable approach of spraying water in the air, hoping for ice.

We have also seen that, in a number of other departments, there's growth of staff in non-essential areas. I do want to just come back to the point that in the area of the health care review, we heard talking points from the Premier and the Minister of Health and Social Services, but what we're looking for is clarity. We're looking for the terms of reference and objectives and information about what government is looking at doing. Are they looking at cutting resources? Are they looking at increases to fees?

We have seen a number of areas where the government has increased fees and fines, so I would ask the Premier if they're looking at increasing fees in any of the areas of health

care — whether they have made a decision to proceed with it, or whether they're still contemplating making that decision.

I would also note that in the area of medical travel, we have heard Yukoners asking for changes to the program. The program has not seen its rates increased since I was Minister of Health and Social Services, which is going back awhile now. That's an area where we brought forward a motion in a previous Sitting. The government supported the motion and then later backed away from a commitment to review the program and has lumped it in as part of the health care review. I would just ask about that as well. Is that an area where government is looking at the medical travel side of things, at both the out-of-territory subsidy and in-territory subsidy? Are they looking at increasing those supports, or are they actually contemplating potentially cutting those supports?

Hon. Mr. Silver: There are a couple of different topics there.

Again, the comprehensive health care review is independent. It's an independent expert panel. They are going to be having that stakeholder meeting very shortly, and the public will have an opportunity to provide thoughts, both online and in community meetings. It's absolutely essential that the users of the services — everyday Yukoners — are part of the process to identify the solutions to enhance the overall performance of our health care system. That's extremely important.

Again, the public will have an opportunity to voice their opinions on this review. We have gone over the purpose of it as well.

With the fee review that the member opposite talked about, the Financial Advisory Panel did note that revenues raised by the Yukon government from fees and fines are considerably below the national average and that, in many instances, the fees and the fines have lagged behind the increase of standard-of-living costs. At the same time — which was an interesting part of this, as we took a deeper dive. Again, we are being told that this has never happened before, where the government has been looking at the fees and fines. What we recognized as we went looking is that the Yukon has a higher number of fees and fines than any other comparable jurisdiction, which is quite interesting. There's work to be done there for sure. We are working on developing a principled approach for setting and collecting fees and fines and charges across the government.

This is a major undertaking with implications for all Yukoners, and we will take our time on this and get it right before considering any changes.

The member opposite spoke about medical subsidies. No changes have been on the medical subsidies side.

Mr. Cathers: I know that no changes have been made on the subsidies side. I'm well aware of that. I was asking whether the government is looking at it as part of the health care review with an eye to increasing those supports or whether, as part of their desire to cut costs on health care, they are actually contemplating cutting those supports available under the out-of-territory medical travel subsidy and the in-territory subsidy. I'm just looking for clarity from government

— if the government is looking at updating and enhancing those supports, that's a simple answer. If the government is looking at cutting those supports, that is also a simple answer, although one that we would be concerned about.

The Premier made some mention too about public consultation on the health care review. I would appreciate it if he could give an indication of when that would occur.

Since the topic of public engagement has come up, I have to note for the umpteenth time here in this House the fact that the way government has changed its format of public engagement does allow somebody to comment multiple times with similar comments, with government having no ability to track that. Any of the methods they could potentially use, such as attempting to filter out similar submissions or track IP addresses, have their own inherent flaws. As I mentioned before in this Assembly, you do have situations where some families may only have one computer, especially if they're of a lower income, whereas there are quite a few other people in the territory who have a computer at work, a computer at home, a cellphone for work or a cellphone at home. In the case of ministers, I think that, in addition to their personal devices, they have computers, tablets and cellphones, all of which would have their own IP address, to the best of my understanding.

It is just a survey system that is fundamentally flawed to the point where the results of the number of people who have supposedly given comment clearly can be skewed upwards or downwards because of the anonymous structure of it. We have heard repeated complaints from Yukoners about the way in which government is asking leading questions on areas such as the off-road vehicle review that we were recently at. This is an area where people expressed concern.

I am going to ask the Premier a question in that specific area. One of the questions that people are asking, as it relates to the government's desire to increase fees and fines, is: Is the government looking at substantial fees for registration of off-road vehicles and significant fines in that area? I didn't get an answer on the question of what health care fees the government is looking at potentially hiking.

I am just going to bridge to another topic in the interest in maximizing time this afternoon. I again have to note, as I did briefly earlier, that the five-year capital plan, as the government likes to call it and as outlined in the budget, is a pretty wide range of estimates for most of the projects that are listed. From our perspective, this renders the five-year capital plan of very little use, particularly with the numbers attached to it. It gives such a wide-ranging estimate that any contractor trying to understand it is going to be really guessing at the scope of the project.

I am just going to give a few examples this afternoon from the budget. On the five-year capital plan, the estimate of two 24-unit community housing projects — the cost estimate is a range of \$10 million to \$25 million, the Challenge cornerstone project is \$5 million to \$10 million, the Old Crow mixed-used tenplex is \$5 million to \$10 million, and the 15-unit Housing First project cost-estimate range is \$1 million to \$5 million — although that is the smaller of the numbers, you

are talking about a situation where the cost estimate varies from an estimate of \$1 million to an estimate of five times that cost. The girls group home replacement in Whitehorse is \$1 million to \$5 million. I could go on at great length here through all of the items in the capital plan, because most of them have this widely varying price range.

I do appreciate that the government is trying to provide some information, but I would urge them to get a little bit closer to the mark — not close enough that it actually impairs government's ability to get a competitive bid, but a reasonable cost estimate so that it is not such a guessing game in those documents.

Just in moving on to other items here, I would note that we are concerned by the trend in spending of the government. We are pleased by some of the decisions that are made as well, but it is our job on behalf of Yukoners to bring forward our concerns, including the way in which information is presented. In my humble opinion, the average citizen should be able to go on the government website or come into a government office, pick up a budget book and be able to look through that and find useful and usable information that tells them what projects the government is spending their money on.

Again, what we see here is that in a lot of areas, government has reduced the highlights to infographics and broad areas. For example, in the budget highlights this year, we looked to the section that identifies \$40 million for community infrastructure development projects according to page 2 of the budget highlights, but it doesn't really give the detail on what those projects are.

We have heard some of the projects from government since that time, but as I've pointed out in the past, when a constituent is asking us about infrastructure projects that they've identified as priorities, we're left — even having read the budget — not being able to answer their question until we get further information from government.

When my constituents, for example, ask whether the government is going to add a walkway to the Takhini River bridge on the Mayo Road for pedestrians, cyclists, equestrians and others — which many have asked for, for both convenience reasons and safety reasons — at this point, much as when I asked the same questions a year ago during the Spring Sitting, I don't have that information or those answers yet from the government. I can't tell constituents, because it's not presented in the budget whether the people who have been asking for upgrades to Takhini River Road — is there funding in the budget for that? Is there money in the budget for the work that actually went through YESAB already for improvements at the Mayo Road and Alaska Highway intersection? The list goes on, and those are just a few from my own examples.

I know that colleagues of mine have similar situations of projects that their communities and their constituents have requested, and even after going through the budget and after seven sitting days into the Spring Sitting, we still, as elected members trying to scrutinize the budget, don't have sufficient detail to be able to provide that information.

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

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

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Mr. Hutton: Mr. Speaker, Committee of the Whole has considered Bill No. 210, entitled *First Appropriation Act 2019-20*, and directed me to report progress.

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

Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

Hon. Ms. McPhee: 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.

The following legislative returns were tabled March 19, 2019:

34-2-187

Response to matter outstanding from discussion with Mr. Cathers related to general debate on Vote 51, Department of Community Services, in Bill No. 207, *Second Appropriation Act, 2018-19* — rural lot development (Streicker)

34-2-188

Response to matter outstanding from discussion with Mr. Cathers related to general debate on Vote 51, Department of Community Services, in Bill No. 207, *Second Appropriation Act, 2018-19* — air tanker bases (Streicker)

34-2-189

Response to matter outstanding from discussion with Ms. White related to general debate on Vote 51, Department of Community Services, in Bill No. 207, *Second Appropriation Act, 2018-19* — elevator telephones (Streicker)

34-2-190

Response to oral question from Ms. White re: fish and wildlife population management (Frost)