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HANSARD

Tuesday, March 20, 2018 — 1:00 p.m.

Speaker: The Honourable Nils Clarke

YUKON LEGISLATIVE ASSEMBLY

2018 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

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

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Yukon 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

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Yukon Legislative Assembly
Whitehorse, Yukon
Tuesday, March 20, 2018 — 1:00 p.m.

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

Prayers

Withdrawal of motions

Speaker: The Chair wishes to inform the House of a change which has been made to the Order Paper. Motion No. 207, standing in the name of the Member for Takhini-Kopper King, has been removed from the Order Paper as it is now outdated.

DAILY ROUTINE

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

TRIBUTES

In recognition of International Francophonie Day

Hon. Mr. Streicker: Merci Monsieur le Président de l'Assemblée. Au nom du gouvernement du Yukon, j'aimerais rendre hommage à la francophonie et la Journée internationale de la francophonie organisée ce 20 mars. La francophonie est l'une des forces du Canada. Elle façonne notre identité, notre histoire. Partout au pays des gens parlent français. Par ces variantes régionales et les voix qui lui sont propres, l'expérience franco-canadienne présente un visage unique : du chiac au français métis en passant par le joual, le français canadien est très divers. On compte aujourd'hui près de dix millions de personnes d'expression française au Canada et ce nombre ne cesse d'augmenter. De plus en plus de Canadiens comme moi apprennent le français et nous accueillons au pays de plus en plus de nouveaux arrivants francophones. Les représentations de la francophonie canadienne sont variées et on les trouvent toutes ici au Yukon. Bien avant la Ruée vers l'or, le Yukon accueillait des Métis et des Canadiens français. Ils ont joué un rôle essentiel dans le commerce de la fourrure et l'économie locale. Depuis, leurs efforts n'ont pas cessés et ils continuent de participer à la croissance culturelle, économique et sociale du territoire. À ce jour, près de 14 pourcent de notre population parlent français. Ce chiffre est en constante augmentation.

En 2007, pour souligner la forte présence et la contribution des francophones au Yukon, le gouvernement a insauré la Journée de la francophonie yukonnaise, le 15 mai. Elle met de l'avant l'apport des francophones à la richesse culturelle et historique du Yukon. L'été dernier, j'ai eu la chance de coprésider la Conférence ministérielle sur la francophonie canadienne à Gatineau. J'y ai vanté la beauté du Yukon. J'y ai parlé de l'importance de la langue et de la culture à nos yeux, de l'importance de renforcer autant les langues autochtones que le français, car cela fait notre richesse à tous.

J'aimerais remercier tout particulièrement les personnes qui choisissent de vivre en français et qui participent à la vitalité de notre territoire. J'en profite pour souligner que trois franco-yukonnaises remarquables assument depuis peu des fonctions très importantes pour le territoire : madame Angélique Bernard a été nommée commissaire du Yukon et madame Edith Campbell est notre toute nouvelle juge à la Cour suprême et Madame Jeanne Beaudoin, la nouvelle présidente de l'AFY. Encore la nouvelle présidente, elle revient. J'aimerais remercier également les personnes et les organismes communautaires qui offrent des services en français au quotidien. Ils aident la francophonie à se développer et permettent à l'ensemble du Yukon de s'épanouir. Merci à vous tous et bonne Journée internationale de la francophonie.

Mr. Speaker, I will introduce the guests in the gallery in a moment. I'm just wondering if we could say welcome to all of them on this day celebrating the francophonie international.

Applause

Mr. Hassard: It is a pleasure to rise on behalf of the Yukon Party Official Opposition to pay tribute to francophones around the world, across our country and especially to those who call the Yukon home.

Today marks International Francophonie Day or Journée internationale de la francophonie — not to be confused, of course, with Yukon Francophonie Day, which is celebrated on May 15. Since 1999, celebrations have taken place around the Journée internationale de la francophonie on March 20 every year. It celebrates the French language and the cultural diversity of the French-speaking populations around the world.

Here in the Yukon, we are fortunate to have a broad-based francophone culture. The Association franco-yukonnaise or AFY acts as a representative of the francophone population and it also propels development within the community. Not only does AFY provide a range of services to community members and new comers but the association fosters the maintenance of good relations between the francophone governments, First Nations and all other community groups. AFY offers a welcome centre, media production such as *L'Aurore boréale*, training services for adults, a community access centre, economic development support for business, and cultural and community activities.

There are a number of other community-based organizations that work to provide services to the francophone community. Les EssentiElles was founded in 1995 as a non-profit that represents the interest of francophone women throughout the Yukon. They provide services such as healthy moms, dads and babies, and offer early childhood programs, domestic violence support and more.

Francophone culture and the French language have been a part of our history for over 150 years and continue to be a part of our identity and culture as a territory.

I would like to thank our amazing community-based organizations and supports as well as the staff in the French

Language Services Directorate within the Yukon government for all the work you do for our community.

Merci et bonne journée internationale de la francophonie.
Applause

Ms. White: Monsieur le président, je suis fière de prendre la parole au nom du NPD pour célébrer la Journée internationale de la francophonie. Cette journée de la francophonie est spéciale puisque c'est la première du mandat de notre nouvelle Commissaire du Yukon qui, comme vous le savez, est la première francophone à occuper ce poste.

La Journée internationale de la francophonie marque la fin des rendez-vous de la francophonie, une célébration de trois semaines, d'un bout à l'autre du pays, qui comprend des centaines d'activités culturelles de tout genre.

Mais la Journée internationale de la francophonie est aussi célébrée partout sur la planète. Les 77 états membres de l'Organisation internationale de la francophonie ont créé cette journée en 1988 pour célébrer et rapprocher les différentes cultures francophones. Au Yukon, nous célébrons aussi la Journée de la francophonie yukonnaise, le 15 mai. La francophonie occupe une place importante au Yukon. Nous avons le troisième plus grand pourcentage de gens qui parlent le français au Canada, après le Québec et le Nouveau-Brunswick, et le territoire est officiellement bilingue.

Les touristes francophones qui visitent le Yukon sont souvent surpris par le nombre de francophones qu'ils rencontrent ou encore par le service en français qu'ils peuvent obtenir à différents endroits.

L'histoire de la communauté francophone au Yukon ne date pas d'hier. Joseph Juneau, Émilie Tremblay et Jean Ladue ne sont que quelques exemples de pionniers francophones qui ont marqué l'histoire du Yukon.

Mais avant tout, la vitalité de la communauté d'aujourd'hui est due en grande partie au dynamisme de ses institutions. Ce dynamisme se reflète dans la diversité de la communauté qui s'enrichit constamment de nouveaux arrivants des quatre coins du globe.

En terminant, comme à chaque année, je veux conclure cet hommage à la journée de la francophonie en adressant un merci tout spécial à mes professeurs dans le programme d'immersion grâce à qui je peux m'adresser à vous dans la langue de Molière.

Merci et bonne Journée internationale de la francophonie à tous et à toutes.

Applause

INTRODUCTION OF VISITORS

Hon. Mr. Streicker: I will begin with introducing Ms. Jeanne Beaudoin, who is returning as the president of AFY. Also in the gallery today, Daniel Bonhomme; Yann Herry; Jean-Sébastien Blais, president of the Yukon Francophone School Board, CSFY; Francie Lefevbre; Louise-Helen Villeneuve; Angel Villeneuve; and Stephanie Monpreaux. From the French Language Services Directorate — my own team here: André Bourcier; Coralie Langevin; Joanie Maheu; Julie Bessière;

Karine Vimoux-Jackson; Nancy Power; Olivia Croteau; Chrystelle Houdry; Tanya Beaudoin; and the director, Patrice Tremblay.

There is Miriam Lachance-Bernard and her French second language students: Karen Walker, Katherine St. Germaine, Janet Constable-Rushant and Dermot Flynn. We can cheer them all in a second.

I would like to introduce, from the Lottery Commission staff, Eileen Melnachuk. I am about to table the annual report. I would like to introduce the Schneider family — especially Eddie Schneider, who is here and is on the cover of the report — his brother Peter and his father Rob Schneider, who is the volunteer fire chief for Marsh Lake.

Applause

Ms. White: Merci monsieur le président. J'invite mes collègues à dire un bienvenue à André Bourcier, qui était le président qui vient juste de terminer à l'AFY et aussi à Monsieur Herry parce qu'il était mon professeur de septième à neuvième année en français, histoire, mathématiques, toutes mes classes à l'école. Monsieur Herry, c'est grâce à vous que je parle encore français, parce ce que je pratique toujours. Alors merci beaucoup.

Applause

Speaker: Are there any further introductions of visitors?

Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Streicker: I have for tabling the Yukon Lottery Commission annual report — with a great cover photo.

Hon. Mr. Mostyn: I have for tabling two legislative returns responding to questions from members opposite.

I also have for tabling the criteria for the 10 \$1-million exceptions under the *Canadian Free Trade Agreement*.

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

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to ensure the independence of the recently announced systemic review by the Government of Yukon of the transitional support services program, or group homes, by:

(1) making public the terms of reference for the review;

(2) confirming the independence of the Yukon Child and Youth Advocate Office to modify or vary the terms of reference;

(3) confirming that the Yukon Child and Youth Advocate Office will have access to all requested data, reports, and internal correspondence as determined by the Child and Youth Advocate Office; and

(4) confirming that the Child and Youth Advocate Office shall have access to and be able to conduct interviews with the following:

- (a) current and former residents of Yukon group homes;
- (b) current and former staff of Yukon group homes, managers and directors of Family and Children Services; and
- (c) any others as may be determined by the Child and Youth Advocate Office; and

THAT the Child and Youth Advocate, as an Officer of the Legislative Assembly, be asked to present their independent finds to the Legislative Assembly.

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

THAT this House urges the Yukon government to use the 2018-19 budget to improve road safety and respond to local priorities by moving forward with the addition of a walkway to the Takhini River bridge on the Mayo Road to accommodate pedestrians, cyclists, equestrians, ATV riders and other users.

Speaker: Are there any further notices of motions?
Is there a statement by a minister?

MINISTERIAL STATEMENT

Canadian Free Trade Agreement exceptions

Hon. Mr. Mostyn: Our government is in the process of using ten \$1-million exceptions under the *Canadian Free Trade Agreement* for 2017-18. We are using these exceptions for regional economic development and on procurements that will have a positive impact on the Yukon economy.

The use of these exceptions has generated considerable discussion both inside and outside of this House, and for good reason. Yukon is the first jurisdiction in Canada to make use of these trade agreement exceptions. One area of intense interest is the criteria we developed to make use of these exceptions, and I rise today to inform the House of those criteria.

I tabled a full list of the criteria we used in the House this afternoon. The criteria include: total value of the project up to \$1 million and more points allocated to the larger value projects; the source of funds, Yukon-funded or other; the potential to support and develop small and medium enterprises, whether we already have these businesses or want to see new businesses created in any sector; the potential for skill development and local employment — how our tradespeople, our service works and our skilled labourers will be part of these projects; the location of the enterprise, in Whitehorse or other communities; the likelihood that a Yukon business could fulfill the requirements of the contract; and how robust and capable our economic capacity is to get the project completed and offer a competitive bid.

The criteria were applied to projects that were on the tender forecast and were ready to tender before the end of the fiscal year. The more potential regional economic development, the more points were given. We chose the projects that had the highest scores giving priority to those nearest to the \$1-million limit. We gave precedence to projects where Yukon businesses have not been the successful bidders in recent years.

For this year, we chose an invitational tender approach — a competitive bid process limited to invited potential bidders. While we have the option to preferentially direct-award contracts under the trade agreement, we don't want to favour one Yukon business over other businesses without competition.

Department officials identified and invited the maximum number of Yukon businesses that have completed similar contracts with the government in the past or possess the necessary certifications to bid. We also included Yukon businesses that are listed in the government's supplier directory or have a record of past successful projects to include in an invitation to bid. Additionally, any Yukon business that contacted us and asked to be invited was invited.

All the companies that have been invited to submit bids on these tenders are Yukon businesses. The definition of "Yukon business" has four criteria, as stated in the contract and procurement directive, and one or all can be met to determine whether a business qualifies as a Yukon business. Those criteria include the employment of Yukon residents, the ownership of real property in Yukon, the year-round operation of an office in Yukon, and ownership of greater than 50 percent by Yukon residents.

All the businesses invited to bid on these tenders are Yukon businesses by our definition. To ensure Yukoners know the outcomes of these tenders, we will publish the list of bidders and bid prices to the exceptions webpage by the end of the fiscal year.

The outcome of these criteria was 10 projects put out to Yukon businesses. I am pleased to say that Yukon government is using all 10 of its exceptions for 2017-18. Let me say again that these criteria were a starting point. We created criteria under very tight timelines in an effort to get 10 projects out the door this year. The criteria are a work in progress, however, and we will be working to refine them and build on the processes for 2018-19.

I look forward to hearing the constructive feedback of my colleagues about what refinements they think we can make to ensure that Yukon businesses continue to benefit from these exceptions in years to come.

Mr. Hassard: Thank you for the opportunity to rise to respond today. I think it's interesting that, at the end of the minister's statement, he said that he did all of this under fairly tight timelines.

Well, Mr. Speaker, you will probably remember that the *Canadian Free Trade Agreement* was finalized on April 7, 2017. That is almost a year ago, so I'm sorry if the Official Opposition doesn't buy the minister's weak excuse that he had

a tight timeline. As I said, he has known about this since at least April of last year.

We certainly do have questions about the contracts that the government didn't choose. For example, on February 20 of this year, the tender for a contract to rehabilitate nine bridges closed. The minister chose to bundle those nine bridges together, which brought the total cost of this project higher than the \$1-million threshold for exceptions under the CFTA. The final bids all ranged from \$1.2 million to \$5 million.

Ultimately, the bid was awarded to a company from Maple Ridge, British Columbia for \$1.6 million, beating out a local company that was just slightly higher. Had the minister not bundled together those nine separate bridges, he could very easily have had this bridge work below the \$1-million threshold and ensured that, quite possibly, all of the Yukon bridge-builders were going to have work this summer.

So Mr. Speaker, when we see the minister choose cleaning contracts as two of the exceptions, we do have questions. As I mentioned previously, we looked through the last five cleaning service contracts awarded by Government of Yukon to see how often local companies compete or lose bids to southern companies. Out of those last five contracts, there were 18 bids, and every single one of those bids went to local companies. This isn't to say that those hard-working individuals who do cleaning work in the territory aren't important — I would like to be very clear on that point — but it really doesn't look like they were at risk of losing any of that work to southern companies.

However, when it comes to bridge-builders, we have just highlighted an example where the minister's actions mean that a fairly significant contract is going south. So Mr. Speaker, yes, we do have questions about whether the minister properly used these exceptions to protect local industry.

Ms. Hanson: We rise again to speak to a ministerial statement, the subject matter of which is more properly dealt with in budget debate. I guess the minister had to seek external support to prepare this response to some of the legitimate questions raised by opposition.

If the minister had been paying attention over the last number of years, he would be aware that groups such as the Whitehorse Chamber of Commerce in 2015 and the Yukon Chamber of Commerce have been seeking to get the Yukon government to seek these exemptions under both CFTA and CETA.

He will be aware — having been appointed as minister in late 2016 — that his officials were seeking these exemptions; they achieved them. What we said last fall was that one would anticipate that you would go into negotiations anticipating success and would be ready for success. Therefore, we were surprised when it took so long for this government to be able to take advantage of the exceptions that were provided to the Yukon government to promote regional economic development provided — and this is an actual quote — "... they do not support monopolistic activities." It is intended to support small enterprises or employment opportunities.

The justification apparently used in 2017-18 — and I'm surprised we're talking about 2017-18 at this stage of the game. We should be talking about how the minister is going to employ them in 2018-19. We have seen nothing from this minister about that.

It's wonderful that he's reflecting on what they did to achieve the expenditure of about \$4 million of the \$10 million over the course of that time. The notion that we're looking at the criteria such as those based in the Yukon — we do raise the concern, as we have before, that Yukon legislation has some of the most lax criteria for determining what a Yukon-based business is. We point to the Yukon *Business Corporations Act* where registration is possible as a Yukon business where there is no office required and no directors or anybody. It's just that you're registered here. That has caused some international concerns, but that obviously doesn't bother the ministers opposite.

The minister is looking for constructive feedback. I would suggest that he reflect back and ask his officials, because he didn't attend and he asked his officials to provide him with the briefing provided to the Yukon Chamber of Commerce members and interested MLAs on the issue of exemptions to the CFTA. The briefing was provided last spring. Members of the Legislative Assembly were aware of what was possible. We were looking forward to the government acting on it.

Another constructive criticism or suggestion would be that he review and report back to this House on progress made on the Procurement Advisory Panel recommendations from August 2016, which contained many recommendations presented in three thematic areas and within the timelines of this year. By 2018, all of those recommendations were to be implemented. We look forward, in a constructive manner, to hearing from this minister exactly how he is going to implement the recommendations of the Procurement Advisory Panel.

Hon. Mr. Mostyn: There was an awful lot just presented to me. I really appreciate the interest of the members opposite in this very important initiative. This government in this fiscal year, which has not yet ended, has actually fulfilled its commitment to get the 10 exceptions out the door by March 31.

I know that, in November, the member opposite was haranguing us because we hadn't actually done it. Now we have done it and we're getting harangued again.

The fact is that the department —

Some Hon. Member: (Inaudible)

Speaker's statement

Speaker: Perhaps the Minister of Highways and Public Works could rephrase. I agree with the anticipatory point being made. It's borderline. The word "harangue" is borderline.

Hon. Mr. Mostyn: Point taken, Mr. Speaker. Thank you very much for that.

We are being criticized for getting the contracts out the door this year when, in November, we weren't sure if we were going to be able to get these criteria together and get these contracts out the door. Quite frankly, the department worked exceedingly hard to do so. We are the first jurisdiction in the country to actually use these free trade exceptions. We are ahead of Manitoba and PEI and a host of other provinces that still have not done it.

To the members of the Official Opposition's point — they are saying that we could have done it better — they had the opportunity to use the exceptions under the former trade agreements for a long time and never employed them. I am really shocked by that as well, but I will leave that for the members opposite to explain. I have no idea why they wouldn't have used that tool in their toolbox, but we stepped forward and actually used the tools that we had at our disposal this year, in our first full year of our mandate, to get \$4.5 million into Yukon companies' hands. In doing so, we have fulfilled a promise. We supported local procurement. We maximized government spending. We are leading the country in an initiative that no other jurisdiction in the country has yet done.

Highways and Public Works — the staff and the civil service — is doing exceedingly good work. I am really proud that, under our direction, they stepped up and actually did something that no other jurisdiction in the country was able to do. I am proud of that. Because of that, we kept \$4.4 million in Yukoners' hands this year. I think that is an exceptional achievement, and I am more than happy. Going forward, we will only get better.

Speaker: This then brings us to Question Period.

QUESTION PERIOD

Question re: Budget estimates and spending

Mr. Cathers: During the Spring Sitting, we have seen minister after minister unwilling or unable to answer simple questions about their budgets. Ministers keep reading talking points with reference to specific dollar amounts to be spent on different issues, but when asked to explain what the talking points mean, they refuse to provide even a high-level breakdown.

Yesterday, the Premier displayed the same dismissive attitude when talking about \$40 million for housing needs. When asked for details, he basically told my colleague that he and his ministers couldn't answer her questions unless they had support from officials beside them. He also told us that every minister has that talking point in their briefing binders, but when asked to explain it, he dismissed the question.

The Premier highlighted this money on page 1 of the budget highlights. Ministers keep referring to it in answers and should be able to explain it. Can the Premier please provide a breakdown on where that \$40 million will actually be spent?

Hon. Mr. Silver: Mr. Speaker, what I said yesterday — and I will commit to it again today — is that, during Committee of the Whole, we have the opportunity and lots of

time to go back and forth over all of the highlights of all of the line items of the budget. When we are in Question Period, we are to answer questions from the opposition and from Yukoners. We do not have the luxury of time to explain all of those dollar values.

There was maybe a misdirected or a misinformed question that we addressed yesterday to show that the \$40 million wasn't just one piece, but was actually three or four different pieces of information. We offered at that time — and will offer again — the opportunity to break down all of that, every single dollar, if the members opposite wish to do that in Committee of the Whole.

Again, we want to make sure that we give the opportunity to the ministers to not only talk about specific dollar values, but also explain the evidence-based decision-making that we do on this side of the House when it comes to affordable housing and other considerations with taxpayers' money.

Mr. Cathers: The Premier waited longer than anyone in Yukon history to call the Legislative Assembly for its first real Sitting. At the time, he used the excuse that they were taking time to understand the finances and develop a better budget. We have seen the excuse fall flat, as they failed to deliver on capital projects, lapsed millions of dollars — and he missed his own budget projections for the upcoming fiscal year by \$44 million.

The Liberals are over a quarter of the way through their term and the Premier is frequently unable or unwilling to explain how they are spending taxpayers' money. After highlighting the Challenge project on budget day, he still hasn't told us how much money government is actually committing to it.

Yesterday, the Finance minister basically told this House that no member of Cabinet could provide even a high-level breakdown of \$40 million in spending profiled on page 1 of the budget highlights.

So my question for him is simple: If the Finance minister isn't paying attention to the government's finances, who is?

Hon. Mr. Silver: Again, we keep on giving information to the members opposite and, like I said in the general debate, whatever answer we give, it is never going to be enough for the Member for Lake Laberge. He has created his own narrative that we have given less information when really we have given more. He has created a narrative that we are lapsing more capital dollars than they did, which is clearly not true. It is actually the other way around. So as we explain our answers here and in general debate as well, and also in Committee in the Whole, it doesn't ever seem to be something that is going to resonate by changing the narrative of the Yukon Party.

Other than the \$40 million that we announced, we also announced another \$42 million going toward municipal and First Nation infrastructure. We have talked about \$43 million to complete and begin the operation of the Whistle Bend continuing care facility. In Committee of the Whole debate in all the departments, we keep on going over every single value when we get asked those questions. The narrative doesn't match up with the actual material that we're responding to.

We're giving more information than previous — I'm proud of the work done by all the departments because we have changed the direction of this government to a whole-of-government approach when it comes to the finances.

Mr. Cathers: Unfortunately for the Premier, platitudes are simply not enough for Yukoners. During the Spring Sitting, minister after minister has been unwilling or unable to answer simple questions about their budgets. We're losing count of the number of times the Premier and his ministers have told us they need department officials with them in Committee of the Whole before they can answer our questions. Often these are simply questions about the numbers they themselves had just read from their own talking points.

Yukoners are growing concerned about this Liberal government's apparent lack of attention to details of their own budget. Yesterday in Question Period, the Finance minister made the strange claim that funding for housing needs and land development was — and I quote: "... a \$40-million line item."

Can the Finance minister tell us which department's budget this line item is and can he provide us with a breakdown of what this \$40 million is actually going to be spent on, and what results Yukoners will see from this use of their money?

Hon. Mr. Silver: Again, Mr. Speaker, maybe that was the approach from the previous government. This member has been a minister before; maybe he waited for the officials to actually know what was going on in his department. That is clearly not what is going on here on this side of the House.

At the same time, we relish the opportunity to explain in detail in Committee of the Whole and hopefully get to fewer items being guillotined at the end of the year. We're very proud of the information that we have assembled for Yukoners through our budget process, with more information than ever before, with the forecasts being attached and integrated into the budgetary process and a five-year capital plan — whereas before, we would have some departments have \$1 items in some forecasting abilities, now we have a comprehensive five-year plan.

We have a modest deficit. We have done lots of great work to reduce that deficit amount from the forecast and we will continue to implement the plan from the Financial Advisory Panel when it comes to getting the finances of this government back on track.

Question re: Whistle Bend continuing care facility

Ms. McLeod: Yesterday, I asked the minister about the mental health and palliative care units at Whistle Bend continuing care centre. In the minister's response, she said that the plan is now to open 150 continuing care beds in year 1. Then in year 2, they will open up the mental health and palliative care unit of 30 beds. It seems that, according to the minister's plans, those 30 beds will now be taken up by continuing care patients.

Is the minister's plan to move 30 people out in year 2 to make room for Yukoners requiring the palliative and mental health beds?

Hon. Ms. Frost: The objective is to provide an opportunity for care. We know that there are huge pressures in the Yukon for care facilities and beds. We have freed up the beds for this year that were intended for future years to alleviate some of the pressures. There is always a plan, and the plan is to ensure that we provide the necessary supports for specialized care in future years. That is still the case, and that is still in the plans.

Ms. McLeod: The fact of the matter is that the facility is designed for 150 beds. The minister is telling us that she is going to allocate all 150 beds to continuing care in year 1 and that somehow, in year 2, 30 of those beds will have to be freed up and be available for mental health and palliative care.

The question is: Why doesn't the minister simply open up the mental health and palliative care unit in year 1 so that those beds can be utilized right away?

Hon. Ms. Frost: I would like to do that; however, at this point in time, that is not possible. I think that the member opposite knows that, to provide care in these specialized facilities, you require specialized services and specialized individuals. We are working diligently to ensure that we have these supports in place in due time. For now, we know that we have imminent pressures, and our objective is to ensure that every Yukoner is given an opportunity to access these services, and that is exactly what we are doing.

Ms. McLeod: Mr. Speaker, 14 months ago, I wrote to the minister about residential mental health care for a Yukoner. The minister has still not responded.

There is an urgent need for mental health services, and that is why the plan was for a mental health wing at this facility. In the fall, we asked the minister to open the mental health wing right away. Instead of listening, it sounds like she is now going to force people who need access to the mental health wing and the palliative care wing to compete for beds.

Will the minister tell us what the cost is to implement the new plan?

Hon. Ms. Frost: I don't agree with the comments that were made. We are not trying to out anyone. We are trying to provide imminent services that are required. At this point in time, we are working with the Hospital Corporation to define a secured mental wellness facility, and that will happen in due time.

In the meantime, we are working quite diligently with our Continuing Care staff to ensure that we provide the services for the clients as they need it. At this point in time, all of the supports are in place. Our focus is on a people-centred approach and we want to ensure that we have the services and supports that are there and that are much needed, most definitely looking at this state-of-the-art facility and ensuring that we align it well.

What I want to note is that we are moving ahead with the plans and we are creating more services and supports at the hospital as well. We are working with our staff to ensure that we provide the services to our aging population.

Question re: Salvation Army shelter and Housing First model

Ms. White: The new Salvation Army shelter opened last fall. At the time, we were told that the transitional housing units were not quite ready. Yukoners have also been told that this was more than a new building; it was a new way forward, and the Salvation Army would provide programming for its clients. This is funded by the government's annual contribution of at least \$1.3 million for the operation of the shelter.

In answering a question about this government's partnership with the Salvation Army the minister said last fall — and I quote: "What we have control over is the service delivery and the service programs out of that facility."

Can the minister tell this House what programming is currently offered at the Salvation Army and how many transitional units remain empty today?

Hon. Ms. Frost: I am not able to give the specific answer on how many units are vacant, but we are working with our oversight committee, which is a committee made up of our partners: Anti-Poverty Coalition, City of Whitehorse, Kwanlin Dün First Nation, Ta'an Kwäch'än Council and the Government of Yukon to ensure that all of the transitional units are fully occupied and that the transitional supports are in place to ensure that services are delivered to those clients who occupy the transitional space.

What we want to really focus on is successful transition into the facility. The occupancy is for 12 months; they will transition, hopefully successfully, into the general population of our city — and that we address affordable housing.

When we look at a continuum of care and we look at a continuum of responsibilities, we really try to look at all of that. It is not really so much about, as one of my colleagues said, bricks and mortar; it is about service delivery, programs, services and efficiencies. Really, I think the previous government initiated a proposal and an objective with the Salvation Army, and that was to build a facility and hand the facility over to the Salvation Army. What was left for this government to manage was some control over service delivery and programs.

Ms. White: The government bought the piece of land that the new Salvation Army stands on, then the government paid for the new building, while the Salvation Army remains the owner of their old building. The government is also providing over a million dollars in yearly funding for the operations of the shelter and transitional units. There is even a government staff person seconded to work at the Salvation Army. Yet, as of the March 13, seven transitional units remain empty and we aren't getting answers from the minister about the program and services offered by the Salvation Army. Yukoners have invested a lot of money through their government in this project.

Mr. Speaker, what programming is being offered and how does government ensure that what has been promised is being delivered?

Hon. Ms. Frost: I would like to thank the Member for Takhini-Kopper King — really great points. The initiative that

had happened previously with the building, the infrastructure, the sale of the land and all of that was initiated prior to my coming in and prior to my taking on the role.

My job and my responsibility was really to ensure that we work with what we had at the time and what we have today. We have a partnership arrangement with the Salvation Army and that partnership arrangement was to ensure that we provide supports to the clients who occupy that facility. We have shelter beds in the facility. On a daily basis, I understand, upwards of 200 people are there every meal time. We have our staff working there. I have volunteered there. I hope that other members of this Legislative Assembly would go and engage as well and look at the types of models that are there and provide good feedback on what we can do better.

The one staff person we seconded there was in a collaborative approach to ensure that we provide supports to the Salvation Army. Why? It is because they have never managed a facility like this before. They had an opportunity to run a shelter and that was the extent of their supports, so we want to extend our supports to them.

Ms. White: Although the minister may not be responsible for how the building got there, she does have responsibilities with the new Salvation Army.

After some initial confusion last fall, the minister finally acknowledged that the Salvation Army model is not the same as a Housing First approach. The government said that their commitment to a Housing First approach would take the shape of a specific project rather than a whole-of-government approach. \$2.7 million is allocated to this project in this budget, although it appears to be fully recoverable from Ottawa, which no doubt makes it easier for this government to take action.

What is not clear is how this government will proceed to build and operate this facility. Will the government write a big cheque for an organization to take over the project and wash its hands of the outcome? Will an open request for proposals be put out or will the government build and operate this project itself? Can the minister tell Yukoners how this government is planning to build and run its Housing First project?

Hon. Ms. Frost: For the record, to clarify, what was stated last fall was the philosophy around Housing First. Not once did I say that the Salvation Army facility was a Housing First initiative.

The philosophies of Housing First define the process of how we provide services to our clients. The objective was always to work with our partners to design a true Housing First initiative and the conclusion of the question was for me, as minister, to provide some objectives around our Housing First partnership program, which provides services to target specific housing needs. We have done that and we are proceeding with the Housing First initiative with the Yukon Housing Corporation and our affordable rental construction program is taking effect. We're working with our partners to ensure that we have a true Housing First model in the Yukon to provide services to those who are hard to house.

The Salvation Army facility and services that are delivered out of there — I have responsibilities and I acknowledge that. This government acknowledges that this is what we were handed and we will work to see that it is successful. We will work with our partners to ensure that the services and programs are delivered according to what we agreed to or what was previously agreed to with the funding arrangement with the Salvation Army.

Question re: School replacement

Mr. Kent: As has been noted, the Holy Family School is in the government's five-year capital plan, even though it wasn't on a previous school revitalization plan list that the Minister of Education had presented late last year.

Over the course of the last two weeks, I've asked the Minister of Education five times for details on this project and how this school found its way on to her list. One key detail that, for two weeks, the Minister of Education wouldn't answer was what the nature of the work was. Was it for renovations or is it going to be a completely new school?

Yesterday, thankfully, the Minister of Highways and Public Works was able to answer this question. The minister confirmed that a new Holy Family School will be built. So Mr. Speaker, can the Minister of Highways and Public Works tell this House what the construction budget is expected to be on the new Holy Family School? Will it start on time in 2021-22, as outlined in the government's five-year capital plan?

Hon. Ms. McPhee: I appreciate the question. I had a discussion with the Minister of Highways and Public Works and indicated to him that the decision has not yet been made.

First of all, I take issue with the fact that I haven't answered this question.

Holy Family School is now on the list because it is at or near capacity. The school list with respect to when schools were built is a primary factor with respect to determining how schools get on that list. School capacity is given consideration — the age, in fact, of the building, the seismic vulnerability of that building, and the availability of the land that is suitable for school construction. That it is not specific to Holy Family School. It is specific to all of the schools. I know that the former minister is aware of that.

Mr. Kent: As I mentioned, the Minister of Highways and Public Works confirmed yesterday for this House, during Committee of the Whole, that a new Holy Family School would be built. He said — and I quote: "As far as Holy Family goes, the commitment in here to Holy Family School... There is a plan here to build a school..." Now the Minister of Education is contradicting what the Minister of Highways and Public Works said yesterday.

So can the Minister of Highways and Public Works tell us what else he said yesterday to my colleague, the Member for Pelly-Nisutlin, that wasn't correct?

Hon. Ms. McPhee: Thank you very much, Mr. Speaker. I will show extreme doubt that any of the members opposite have ever said anything incorrect in this House or anywhere else. My colleague mentioned, in answering the questions with respect to the capital projects

involving Holy Family School, that it would be replaced. That might, in fact, be the decision. That decision has not yet been made.

What we have tasked the department with doing is determining a full assessment of the capital projects with respect to schools for the purpose of determining: Are we looking at replacement? Are we looking at a retrofit? Are we looking at renovations that could be the best way in which we can spend Yukoners money to address the education issues on behalf of our students?

Mr. Kent: The Premier stood in the House yesterday and told us that we would get details and accurate information in Committee of the Whole. Now it turns out that the Minister of Highways and Public Works yesterday announced that Holy Family — there was a plan to build a new school. The Minister of Education today has told this House that she has since corrected him. So we still don't know details with Holy Family School. We're back to where we started. We don't know if it is going to be a renovation or a replacement.

I will ask the minister, Mr. Speaker — with respect to her school revitalization plan that she brought forward last fall, Holy Family School wasn't on that list but is in the five-year capital plan. Can the Minister of Education, or perhaps the Minister of Highways and Public Works, let us know how this school was identified for replacement — or renovation now — before older schools such as Whitehorse Elementary or the school in Ross River?

Hon. Ms. McPhee: I am happy to do that. I actually did it two questions ago, but I will do it again. Schools are identified — with respect to being put on the capital plan list, or off the capital plan list, or on priority on that list — with respect to determining the school capacity, given consideration for the projected school enrollment, which has been rising over the last number of years. The age of the building is taken into account. The seismic vulnerability of that building is taken into account — whichever building it may be — and the availability of the land that is suitable for a school project.

Question re: School replacement

Mr. Istchenko: Another school that is in the five-year capital plan is the Kluane Lake School. The government will be moving the school from its current location in Destruction Bay to Burwash Landing. This year's budget has \$50,000 allotted to the school. How much will be spent next year in the final year of this project?

Hon. Ms. McPhee: I appreciate the opportunity to speak about this project because it is something that is near and dear to my heart and to this government's plan for addressing the issue of a school in Burwash for the people of that community where all but two of the students live. The plan in this year's budget is \$50,000 for the purposes of planning and going forward. My recollection — although I am sure friends will correct me if I am wrong — is that there is \$500,000 in next year's budget for the continuation and construction of that project.

Mr. Istchenko: I thank the minister for answering the question. Regarding the move of the Kluane Lake School from Destruction Bay to Burwash, what are the plans for the old building? Has the minister had the chance yet to meet with the community of Destruction Bay to discuss what the plans are for the old school?

Hon. Ms. McPhee: No, there are no determined plans for the use of that building in Destruction Bay at this time.

Question re: School replacement

Mr. Kent: In this year's budget, there is \$20,000 set aside for a scalable, generic school design. Can the Minister of Education tell us what these funds will be used for?

Further, we were told at the briefing how much is estimated to be spent next fiscal year, in the final year of this project. We would just like to give the minister a chance to confirm that number for us here today.

Hon. Ms. McPhee: One of the situations that presented itself to me when we were looking at projects going forward with respect to schools, functional plans, draft budgets — very early drafts — of what these things would cost was the repeated concept of how much it cost to plan and design a school, or any building — but in this case, it was a school category. There were millions of dollars over the next 10 years. I asked, and our government asked, if this was the best use of taxpayers' money.

The plan for a scalable design for a school is to look at current designs that the Department of Education owns and to determine whether or not they could be properly designed by experts so that they could be built slightly smaller or slightly bigger so that we could use a design on more than one occasion to meet the needs of our students across the territory.

Mr. Kent: Perhaps in the minister's next response, she'll be able to give a sense on how much is planned to be spent next fiscal year for this project.

I'm sure the local design consultants and architects had quite a bit to say about this project and the nature of what the minister just spoke about. Would the minister be able to provide us with a list of which consultants or architects she or her colleagues spoke to prior to making this decision and what they said about the model that is under consideration?

Hon. Ms. McPhee: Mr. Speaker, I appreciate the question. This \$20,000 is in the budget for 2018-19 for the purposes of proceeding with that project as I have described the instruction about it. I can't say that there has been any consultation yet because the project is in very early stages. It is seed money for the purposes of determining whether this is an appropriate route to take on behalf of Yukoners for the purposes of not redesigning every single building that we might put up that is a school over the course of the next 10 years, spending millions and millions of dollars on those. It is in the category, perhaps, of economies of scale or of using some of the adjusted, but properly and beautifully designed buildings that we already have in many places that are operating as schools here in the territory.

Mr. Kent: I'm concerned that the minister and her colleagues didn't speak to the local design consultants and

architects prior to even making a decision to go down this road. I'm sure, as I mentioned, that they would have had a lot to say about this project and the model that the government has chosen.

Just to move on then: Will this new design be used only for Whitehorse-area schools or is it anticipated that community schools will also be subject to it?

Hon. Ms. McPhee: I, again, appreciate the question and the opportunity to discuss this matter, because I think it's a very important one, not only for the Department of Education, but for our greater communities and for Yukoners to understand that we are working very hard to find economies of scale. We are working very hard to make sure that we don't have to reinvent the wheel every time a building is considered or renovations are considered.

As a matter of fact, I think it was the former government that spoke about the design for F.H. Collins being scalable and perhaps reuseable. I don't know whether or not that was the first design — upon which the former government spent \$6 million — that was not used, or whether it was the design of the one that has been currently built.

This is an idea that is responsible. It is fiscally responsible. It is important that we have buildings that serve our communities inside of Whitehorse and across the territory.

Speaker: The time for Question Period has now elapsed.

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 the government private members to be called on Wednesday, March 21, 2018. They are Motion No. 253, standing in the name of the Member for Mayo-Tatchun, and Motion No. 233, standing in the name of the Member for Porter Creek Centre.

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

ORDERS OF THE DAY

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Mr. Hutton): I will now call Committee of the Whole to order. The matter before the Committee is Bill No. 18, entitled *Order of Yukon Act*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 18: *Order of Yukon Act*

Chair: The matter before the Committee is Bill No. 18, entitled *Order of Yukon Act*.

Is there any general debate?

Hon. Mr. Silver: I am very pleased to speak in Committee on Bill No. 18, entitled *Order of Yukon Act*. I have with me today Rodney D'Abramo from Intergovernmental Relations. Rodney was one of the main architects from the department working on this piece of legislation. I would like thank him for being here today.

Just yesterday, we made the second reading speech about the *Order of Yukon Act*, which was the legislative framework that will support the Order of Yukon program. I do have some notes here that would summarize exactly what we went over yesterday as far as the development of the order under the three guiding principles, as well as the non-political nature of the order, the First Nation representation — which is a first in Canada — and also the breakdown. At the risk of being overly repetitive, I will keep my opening comments very brief and just allow for questions from the opposition.

Mr. Hassard: First, I would also like to thank Rodney for being here. I believe this may be his first time in the Legislative Assembly. Luckily for him, I at least am going to take it pretty easy on him. We will make it an easy day.

As the Premier said, we did our first responses yesterday. I don't think the Official Opposition has a whole lot to add. Thank you again to everyone who has done the work that they have done to bring this forward. As I said yesterday, we look forward to seeing this act move forward through the Legislature.

Ms. Hanson: I just want to follow up. As the Premier and the Leader of the Official Opposition have already said, the New Democrats indicated yesterday our support for Bill No. 18, *Order of Yukon Act*. I only had one question. I think that the briefing provided by officials was thorough. I do not recall — and I would like to have for the record — the criteria that would guide the advisory council in terms of terminating a member's membership in the order.

What reprehensible behaviour or whatever would be required to meet the criteria — the word we have been bandying about a lot today — to determine that somebody should be terminated as a member of the Order of Yukon?

Hon. Mr. Silver: I appreciate the question from the Leader of the Third Party.

The resignation or termination of membership section has provisions that allow for membership in the order to be terminated. In one case, members are able to terminate their own membership for their own reasons. In the case of revocation, someone can have their membership terminated if the advisory council makes such a recommendation. This provision is enabling — there is no test in the act to outline

revocation criteria, but to give an example, cause for revocation may include a significant departure from generally recognized standards of public behaviour, which have been seen to undermine the credibility or the integrity or the relevance of the order.

That would be a decision that would be taken upon by the advisory council.

Ms. Hanson: Making that rather general basket of potential causes for revocation of the order, are there precedents that have been established, say, with the Order of Canada or other Lieutenant Governor's orders that are bestowed in the name of the provincial governments? Are there precedents that would indicate what kinds of criteria would be used to revoke an order?

Hon. Mr. Silver: If we are speaking on a federal basis, there are five or six examples of a revocation. One specific example was Steve Fonyo. I believe the Marathon of Hope was his journey, and there were big issues with how the fundraising was — again, an order given under certain auspices and certain criteria, and then the council determining that something had happened to fly in the face of the original application.

Hopefully that won't be the case in Yukon, but there have been some examples that we can follow from the federal government that will give us an idea of some kinds of precedents as far as when a member should be considered for revocation.

Ms. Hanson: I thank the Premier for those comments.

I only point out that we do pride ourselves in Yukon — many people are called the colourful five percent, who we may want for different reasons, but may not fit the criteria of normal civility or other criteria that genteel types might like, so I just caution that we not get caught up in criteria that might apply elsewhere.

Hon. Mr. Silver: Yes, I agree. The thing that keeps us in the Yukon is our character.

When we were looking at other jurisdictions, we tried to get the best-case scenarios from all the other jurisdictions as to how to start down this process. We did take into consideration the uniqueness of Yukon, first and foremost, with the addition of a Council of Yukon First Nation specific membership in the council, but also, leaving the criteria open allows us to take into consideration the unique qualities that make people that colourful five percent. If we were over-prescriptive from a political lens or from a Cabinet lens as to the criteria, we would fall into a situation where certain individuals wouldn't even be considered. We didn't want to do that.

If you're going to get nominated for a specific reason, and that specific reason is your colourfulness, then again there still might be considerations down the road if you break from the reasons why you were originally submitted and accepted into the order. Of course, the advisory council would still have the opportunity in an unforeseen circumstance to revoke the order from those individuals.

Again, the openness — the lack of criteria allows for many different types of Yukoners from many different colourful backgrounds to be considered for this order.

Chair: Is there any further general debate on Bill No. 18?

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

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

On Clause 10

Clause 10 agreed to

On Clause 11

Clause 11 agreed to

On Clause 12

Clause 12 agreed to

On Clause 13

Clause 13 agreed to

On Clause 14

Clause 14 agreed to

On Clause 15

Clause 15 agreed to

On Title

Title agreed to

Hon. Mr. Silver: I would like to thank Rodney D'Abramo from Intergovernmental Relations for being here today.

Mr. Chair, I move that you report Bill No. 18, entitled *Order of Yukon Act*, without amendment.

Chair: It has been moved by Mr. Silver that the Chair report Bill No. 18, entitled *Order of Yukon Act*, without amendment.

Motion agreed to

Chair: The matter now before the Committee is Vote 53, the Department of Energy, Mines and Resources, in Bill No. 206, entitled *First Appropriation Act 2018-19*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 206: *First Appropriation Act 2018-19* — continued

Chair: The matter before the Committee is Vote 53, Department of Energy, Mines and Resources, in Bill No. 206, entitled *First Appropriation Act 2018-19*.

Department of Energy, Mines and Resources

Chair: Is there any general debate?

Hon. Mr. Pillai: First, I would like to invite our officials here this afternoon. Our Deputy Minister of Energy, Mines and Resources, Mr. Stephen Mills, and our ADM, Shirley Abercrombie, are here today, and I thank them for being here with me. Of course, they have spent time preparing me and my critics — both of my critics have also been assisted over the years by these two highly talented and professional individuals.

I would also like to take the opportunity to thank Energy, Mines and Resources staff. We have had an extremely busy year across the department. We will have an opportunity to go through the different branches and discuss the work that they have undertaken. I want to thank everybody for the work that has been done — a tremendous amount of pressure on a series of files, many of which will probably be discussed today. The work that they have done has been exemplary. I appreciate the opportunity to work with the individuals in that department.

Mr. Chair, I rise to present the mains budget for the Department of Energy, Mines and Resources. The Department of Energy, Mines and Resources has an important role in regulating the responsible development of our natural resources. It is a diverse department covering the mining, agricultural, oil and gas, land, forestry and energy sectors. Our officials in the department showcase their expertise, demonstrate their professionalism and carry out important programs and services. This work provides benefits to our citizens and to the economic well-being of Yukon.

The Department of Energy, Mines and Resources is critical to our government's commitment to make strategic investments and develop policies that build healthy, vibrant and sustainable communities. Our strong government-to-government relationships with First Nations foster reconciliation and will advance our resource economy in a collaborative and mutually beneficial manner. We want to ensure that our diverse, growing economy provides good jobs for Yukoners in an environmentally responsible way.

The Department of Energy, Mines and Resources promotes responsible resource development balanced with environmental management and demonstrable benefits for Yukon by encouraging resource industries to establish strong environmental stewardship and community development programs, and by ensuring a strong, regulatory monitoring and compliance process without unnecessary duplication of effort.

I would now like to provide a summary of the department's budget and then go into more detail on many of its programs and estimates. Total appropriations are estimated

at \$79.2 million, which represents a very minor decrease of \$967,000, or 1.2 percent from last year. Our total operation and maintenance appropriations are estimated at just over \$76.1 million, which represents a minimal \$454,000, or 0.0-percent increase from the previous year's estimates. This is primarily a result of the collective agreement salary increases. Our total capital appropriations are estimated at slightly over \$3 million, which represents a \$1.4-million, or negative 32-percent, reduction from last year's capital budget.

The large reduction originates in the Sustainable Resources division and is the result of a reduction in capital costs expected from work related to the residential land development and agricultural land development work plan. \$30.9 million is allocated for departmental personnel of 286.4 FTEs, which is virtually the same budget allocation as last year. A \$92,000-increase is largely due to the collective agreement salary increases.

There is a \$2-million, or negative five-percent, decrease in the other category to \$37.3 million. This decrease mainly reflects a reduction across several branches within the Oil and Gas Resources division, particularly from the Yukon Geological Survey, related to the end of the federal strategic investment and northern economic development program, which is federal funding that we had used on a series of projects.

Government transfers are budgeted at \$7.1 million, which is almost identical to last year, with a negligible increase of \$25,000.

Total revenues are estimated to be \$33.2 million, which is a net decrease of \$622,000 or approximately 1.8 percent from the previous year, mainly resulting from a reduction of recoveries from Canada.

Taxes and general revenues are expected to increase by \$373,000, or 11 percent, to \$3.7 million. This increase is mainly from expected increases due to changes in activity from land administration interest in mining fees and leases.

Third party O&M recoveries are estimated at \$158,000, which is a decrease of \$45,000, or 22 percent, from last year's \$203,000. This decrease is related to a decrease in the Curragh Resources environmental trust funds.

At just under \$30 million, recoveries from Canada represents 39 percent of the department's total O&M budget. This year's recovery is decreased slightly by \$950,000, or 3 percent, from last year's \$30 million. The decrease originates from the Yukon Geological Survey and is related once again to the end of the federal strategic investment and northern economic development program.

Now I will discuss in more detail the budgets for the branches within the Department of Energy, Mines and Resources.

First, Corporate Services has an O&M budget of just over \$3.8 million, which is a minor two-percent increase from last year. This net increase primarily originates from the salary increase, as per the collective agreement, and backfilling staff on approved leave. Corporate Services includes the deputy minister's office, Human Resources and Finance and Administration. Corporate Services is allocated a capital

budget of \$375,000, which is a \$210,000-increase from last year. This increase is primarily for information technology equipment and systems. At \$300,000, this includes system development for class 1 and other mineral system upgrades. The capital budget for operational equipment remains the same at \$75,000.

In Sustainable Resources division — it has an O&M budget of approximately \$11.1 million, which is a 3.1-percent increase from last year, due primarily to collective agreement salary increases and changes in staffing. This division includes the assistant deputy minister's office, Land Management, Land Planning, Forest Management and Agriculture.

In our Land Management group, Land Management branch makes land available for Yukoners and Yukon development projects throughout the territory. The branch also manages land tenure and land use through legislation, regulations and policies. Its O&M budget is \$2.9 million, of which \$2.5 million is for personnel and \$354,000 is for operating and support costs. There is a net 4.1-percent decrease from last year due to the movement of staff to other areas of the division.

The Land Management branch has entered into land development protocols with all Yukon communities, it should be stated, and these enable each community to identify lands for future development and enable the creation of community-specific banks of land that address future land demands. Lots continue to be available in communities across Yukon, including Dawson City, Haines Junction, Carmacks, Destruction Bay, Teslin, Faro and Watson Lake.

Revenue forecasts are estimated at \$1.8 million for fees collected related to sales, fees, land leases, unearned equity, quarry royalties and interest on land. The largest source of revenue is through the sale of land.

For capital budgeting, \$1.75 million is allocated to residential land development. This amount is 100-percent recoverable through the sale of lots. The \$1.5-million decrease — or 46 percent — in capital costs reflects updated work plans resulting in less work being completed this fiscal year, partially based on prior year activities.

The Land Planning branch develops and implements local area planning and zoning regulations to support the orderly development of land use in rural Yukon. The branch also manages and coordinates Yukon government's regional land use planning and responsibilities. Their budget for this year is \$1.68 million. A 12-percent increase in personnel costs is primarily due to collective agreement increases and the return to work of one staff member.

The branch's current local area planning processes include completing the development of Marsh Lake, Tagish and Fox Lake areas. Collaborative planning processes for Fish Lake and Alaska Highway west are anticipated to begin this year. These planning initiatives will provide residents with an opportunity to participate in decisions about the future use of land in their communities.

Of the regional land use planning — we know Yukoners care deeply about the Peel watershed. We are committed to

working with our First Nation partners to finalize a regional land use plan for the Peel watershed and create certainty for the region. We are committed to establishing a respectful and collaborative consultation process, as required by the *Umbrella Final Agreement* and court direction, and community consultation will likely start by the summer of 2018.

We have issued a prohibition on issuing new mineral and oil and gas subsurface rights on the Peel watershed to provide an opportunity for the planning process to be concluded. We are committed to ensuring that the completed plan is consistent with the final agreements and the judgment by the Supreme Court of Canada.

The Forest Management branch develops, manages and regulates the forest resource sector in Yukon. This includes strategic and operational planning, forest engineering, forest health and research, industry development assistance, forest inventories, reforestation and fee collection. Forest Management's O&M budget is \$3.59 million.

A key accomplishment is the timber harvest plans developed in collaboration with First Nations, commercial operators and other organizations. These plans ensure a supply of commercial fuelwood for existing and future commercial operators.

New forest resource roads for accessing fuelwood were built in Dawson City and Fox Lake in 2017 to ensure a continued commercial and personal fuelwood supply. Project planning continues for development of a fuelwood supply in 2018.

Just over \$1 million of their budget are support costs and include conducting forest inventory, regulating the forest industry and conducting forest science.

The minor 0.2-percent increase in personnel budget is due to salary changes as per the collective agreement. The \$103,000 is for transfer payments to various organizations, such as the Yukon Wood Products Association, the University of Northern BC and FPInnovations and the Canadian forest council. Revenue forecasts are estimated at \$48,000 for fees collected related to timber permit applications. Fees are payable upon submission of an application for commercial harvest licensing.

Mr. Chair, how are we doing for time?

Chair: Eight minutes.

Hon. Mr. Pillai: The condensed version of the final portion of this — sorry to members. Maybe I will have time to go back and hit some of those key points, but I am going to go through this quickly.

Agriculture this year — the \$2.44 million of the O&M budget for the Agriculture branch supports efforts to enhance productivity, profitability and sustainability of Yukon's agricultural industry. The branch also makes agricultural land available to industry.

A key goal for the Agriculture branch is to promote local food production and sustainable use of our country foods. This work supports our commitment to increase Yukon's ability to be self-sufficient in food production. Last fall, we launched a new website to increase the procurement of local food by the

Yukon government. The webpage provides up-to-date information on how to sell local farm products to the Government of Yukon. We are also working with Yukon government departments to ensure that purchasing decisions consider local foods.

This year we will be implementing the new Canadian Agricultural Partnership agreement, otherwise known as CAP. The Canadian Agricultural Partnership multilateral framework agreement is agreed to by all parties and sets out priority areas and funding envelopes for each province and territory. The Government of Canada provides \$766,000 per year to Yukon for the Canadian Agricultural Partnership, and the Government of Yukon's share is \$592,000 per year, including in-kind components, for a total of \$1.35 million for the program as a whole.

Some other key items — we're looking at about a \$142,000, or six-percent, increase in Agriculture's budget, and that's primarily due to salary increases as per the collective agreement and additional funds to support the local area food strategy. The \$250,000 in the capital budget that you will see is allocated to identify and plan areas for the development and sale of agricultural parcels. This is about 100-percent recoverable through the sale of the lots. \$125,000 is allocated for three lots in the Sunnysdale/West Dawson agricultural subdivision to be surveyed and a one-kilometre access road to be built. The remaining \$125,000 is allocated for the Takhini crossing road upgrade to two small soil-based lots and some neighbour consultation.

The Energy, Corporate Policy and Communications division has an O&M budget of just over \$6.5 million, which is a slight decrease from last year as a result of staff on other assignments within the Yukon government. The division includes the assistant deputy minister's office, Corporate Policy and Planning, Communications and Energy branches. There are 28.8 FTEs under the Energy, Corporate Policy and Communications division with personnel costs of \$3.2 million.

Communications branch promotes awareness and understanding of the Department of Energy, Mines and Resources programs and operations through effective communication and engagement with the public. Their budget this year is \$693,000. A six-percent decrease in personnel is due to the reallocation of a 0.5 FTE to the Energy branch.

The Energy branch provides energy policy, support and program delivery relating to energy efficiency and renewable energy. The budget for this year is \$4.07 million.

Of that amount, \$2.76 million is allocated to transfer payments for: the very popular good energy rebate program, which is \$250,000; the residential energy-efficiency incentive program, \$1.26 million; and the commercial energy-efficiency incentive program, \$250,000. Hopefully we will have more opportunities to speak specifically to those programs and how well they have been subscribed to — or even oversubscribed.

Oil, Gas and Mineral Resources has an O&M budget of \$47.875 million, which is virtually the same as last year. The division is made up of six branches: the assistant deputy minister's office, Assessment and Abandoned Mines, Oil and

Gas Resources, Strategic Alliances, Yukon Geological Survey, and Mineral Resources. This is EMR's largest division, with 106.8 FTEs.

The Assessment and Abandoned Mines division is mandated to direct and oversee the care and maintenance, orderly planning and closure of type 2 mine sites for the devolution transfer agreement. This year's budget is \$31.83 million. I think we will have an opportunity to get into specific type 2 mines through our budget conversation about what is happening in each one and what our costs are.

Our Oil and Gas Resources branch is mandated to encourage the development of Yukon's oil and gas potential, regulate activities and support the emerging industry. The branch has a budget of \$2.82 million. The net 20-percent decrease is due to the reallocation of FTEs and funds to other areas within the department, as activity in the area has declined significantly. There are five FTEs in the branch, reduced from last year's total of nine. The Yukon government is responsible for carrying out the abandonment of one well, licensed to EFLO Energy Yukon Ltd., which is insolvent. The Yukon government holds a well abandonment deposit of \$625,000, but the well abandonment cost estimate is \$2.4 million. The funds for this are included in this budget. Delays in acquiring necessary authorizations for the project resulted in the work being moved forward to this summer.

The Yukon government holds \$7.5 million in well abandonment deposits for the three Kotaneelee wells from Paramount Resources. Paramount commenced well abandonment work on its three wells in September 2017 and will be returning to work in the summer of 2018 to complete this work.

There are seven FTEs in the now-permanent Strategic Alliances branch, which used to be called Strategic Initiatives. The budget for this branch is \$1.91 million. Strategic Alliances coordinates discussions on behalf of the Department of Energy, Mines and Resources with First Nations and industry groups respecting mineral exploration and development, oil and gas exploration and development, and sustainable resource management.

In early 2017, all Yukon First Nations with final agreements, the Council of Yukon First Nations and the Minister of Energy, Mines and Resources signed a mining memorandum of understanding to reset their goals, priorities and processes to improve the management of mining resources in Yukon. Strategic Alliances is tasked with carrying out this important work. One significant figure within that area is \$750,000 in transfer payment costs provided to various First Nations as part of the mining MOU. Another project that Strategic Alliances is involved with is the Yukon Resource Gateway project.

The Yukon Geological Survey budget for this year is \$5.81 million for the coming year, and \$1.82 million of their budget is to provide transfer payments to the Yukon mineral exploration program and to universities and resource assessment work, for \$215,000. There is a 15-percent net decrease, and we have talked about the fact that it is federal funding.

Last year, our government increased our funding — that was the \$1.6 million for the mineral exploration program. Last year, 59 exploration projects were funded through the program in the following modules: two grassroots, eight focused regional, 28 target evaluation, and 21 placer exploration.

According to these applications submitted, those 59 projects were estimated to bring in about \$3.7 million in exploration spending throughout Yukon in 2017. If significant discoveries were made, there would be even more investment in Yukon over the long term, of course.

Compliance and monitoring — our O&M this year is \$6.8 million, which is a slight increase due to the collective agreement.

I think I will leave it there. I apologize to any staff members who put extra time into that, but hopefully we will get to speak to your particular area through the questions later on this afternoon.

Mr. Kent: I would like to welcome Mr. Mills and Ms. Abercrombie to the Legislature here today, providing support to the minister during Committee of the Whole. I would also like to thank the officials that helped and participated in the briefing that we had last week on Energy, Mines and Resources. It was very helpful and took a full hour, which is also good, so thank you very much.

I am going to jump right in. There are a number of current topics that I want to explore before we get into some specifics. At the front end here, I will jump around a little bit. I wanted to start with land development.

Mr. Chair, when you look at the five-year capital plan, table 1, which is entitled Five-Year Capital Plan Gross Expenditures by Category, you see under land development that there is \$17.701 million in each of the five years — it goes right across. I know Community Services has responsibility for a portion of this — the Whitehorse portion — but Energy, Mines and Resources has responsibility outside of Whitehorse city limits for land development. Is the minister able to provide us with a breakdown of what it looks like for the rural land development going forward in the balance of the five-year capital plan? What types of expenditures can we anticipate? Obviously, he won't have exact details.

We heard during the briefing that, in this year's budget, the primary focus is Dawson north, Carmacks and Mayo — so if the minister has an idea of what other communities will be added in these other years for the five-year capital plan. We have talked quite a bit about the five-year capital plan and the certainty that we are looking to provide for the contracting community, so we would like to see if there is some certainty for land developers outside of Whitehorse with respect to this particular line item.

Hon. Mr. Pillai: I thank the member opposite for touching on this very important part of the work that Energy, Mines and Resources does and hopefully I can shed a bit more information for the opposition on this important work.

First of all, we are exploring opportunities to make more public land in communities available for development to

ensure a sustainable supply of land for residential, commercial and industrial development. Making more residential land available in our communities supports our commitment to enhancing affordability, quality and accessibility of housing for the quality of life and well-being of Yukoners.

Land development is a collaborative process between the Yukon government and First Nations and local area residents. Working together is critical to building strong government-to-government and community relationships, and leads to balanced decision-making with respect to the development of public land. We believe in a people-centred approach to land development. Working together is an effective way of finding local solutions to meet community land development needs.

First and foremost, I think last spring, one of the commitments I had made was to visit each community over the spring and summer season, have an opportunity to sit with their mayor and council and get an understanding of what their needs were, take a look at what their lots were, and try to figure out where there was an opportunity to align planning or an opportunity between First Nation governments and municipal governments — and to understand that. I travelled throughout the Yukon to meet with mayors and councils.

I apologize to you, Mr. Chair, and to the mayor and council in Mayo — that was one meeting where I didn't have a chance to sit in Mayo and discuss their priorities. I did have an opportunity to quickly speak with them at the Association of Yukon Communities meeting in Faro, but luckily, we're in a position right now where we have significant agricultural land and rural residential land moving out in Mayo this spring — not to say that it's not extremely important to work with the mayor and council in Mayo over the next number of years, with the pressure that is there. I have asked my team to reach out to them to ensure that during the Association of Yukon Communities meeting in Dawson this year, I have an opportunity to meet with them as we ramp into the weekend.

Over and above, we had opportunities to spend time throughout the Yukon in many communities. I worked with and discussed items with the White River First Nation — but specifically also an apology to the Member for Kluane because I haven't had an opportunity to talk about the planning options or needs in Beaver Creek as well.

Throughout the rest of the Yukon, we had an opportunity to sit down and talk about where the needs were, what lots were available and then, of course, to come back. In most of those, I thank the officials from Economic Development and from Energy, Mines and Resources, who accompanied me on many of those visits to take notes and to understand and relay that information back to said departments.

Within that, of course, we had touched on some of our pressure points. What is intriguing — and I think it is good to put this on the record — is that the current land development projects we talk about over the next number of years, such as the City of Dawson and the north end development project, are currently in the planning phase, as is the industrial development project, which is currently in the planning phase.

The Village of Carmacks residential and industrial lot development and the City of Whitehorse — we are continuing

to have dialogue with them and with the Village of Mayo, which has the planned release of 19 country residential and five agricultural lots this year.

I think it is important to discuss the fact that the five-year plan the member opposite rolled back to or reverted back to — part of the idea is to ensure that our private developers or people who subcontract from government have an opportunity to see what the expenditure looks like on an annual basis. Many of them are very ambidextrous in what they do — so understanding that there could be significant groundwork that is there. We have a significant amount of money that we will be rolling out on roadworks and then, of course, cross-referencing each one of those things against their workload and their capacity.

Of course, things are heating up in northern BC, which is what they're telling me — losing staff a bit to site C and also with some projects in northern Alberta heating up and really competing to have some of their capacity stay in the Yukon. Of course, we all know capacity in the Yukon is something that is near and dear to all of these companies when we look at employment rates. Trying to give them the out-year look and at the same time moving within the community — so saying that this is the envelope of dollars, but really some of this is going to be discussions with the communities and then prioritizing.

The Leader of the Third Party asked me last week in Question Period: What are you doing with Mayo? Part of it is that there has been good work happening over the last number of years and I commend the previous minister and the department. What a great thing to be in a position to have lots going out in Mayo this year. Fantastic timing — but at the same time, we knew lots were needed in Mayo, but at some point you're still going back and forth as you look at some of these big industrial projects — seeing that if they actually do go through, meet the regulatory demands and then inevitably are funded and go forward, based on where we are for a market.

I see us, in the short term, continuing to look at working with Carmacks, continuing to look at the expenditure on the figures that we put forward, but also I think what's important — my critic had said that I want to ensure that the private sector knows through this five-year forecast — not only that forecast, but the other thing we're doing, which is sitting down with these individuals.

I want to thank the Minister of Highways and Public Works as well as the Deputy Minister for Economic Development. Their teams all have been meeting on a weekly basis with some of the leaders in our construction industry, actually having finance there and having a discussion about where they are at in capacity, what their workload looks like, what they can take on next year, and taking that into consideration on our overall capital planning. It's something I think that people appreciate and that is a bit new as a model.

I think there is also the opportunity — when the Premier says “the business of doing business” — during my time with city council, there were always really challenging conversations about: Could we get to a point where raw land

was provided? That's something that I believe and I think that's something that my colleagues believe in. Can we identify raw land where there is an opportunity, whether it's working with the City of Whitehorse or working outside the city, for significant players to take that land and to develop it? I think there are some of those opportunities.

The department and our director at lands has been — we have had meetings with the City of Whitehorse to identify potential land blocks that could be looked at — to have the private sector take it right from raw to streetlight. That's something that I think we have to do as a government. It's not something that has ever really been done. There are cases where I think a former Member of the Legislative Assembly — my former colleague, Mr. Graham, took on a street in Porter Creek. There has been stuff in Pineridge and there have been different projects but, overall, can we move in that direction?

I want to thank the Minister of Justice for finalizing the work on the land registry — and the Member for Lake Laberge did some of that work and some heavy lifting — getting it to the finish line in signing off the agreement with Canada and with Yukon.

Now, Kwanlin Dün is in a different position as well. They have land outside the City of Whitehorse limits and within the city limits — sitting now with their planning department looking at small, medium and large projects. We have committed to having our lands people work in concert with them to ensure that they have success and we have another continuum of land options. That is another piece of this.

The other First Nations within Yukon have taken a bit of a different path, but are working with local capacity at this time to conclude some of their work. I will leave it to the Minister of Justice or the Executive Council Office to tell us where that is going to go, but certainly we want to see that.

I will put on the record here that it has been very challenging to look at what it is going to cost in some areas of Dawson to develop, and that is based on geotechnical challenges. We are trying to get it right in Dawson; we want to look at that north end, but it has been a real juggernaut for our people and also for the officials at the City of Dawson.

I certainly want to ensure that I am answering the questions. Looking at the budget for the next number of years, pivoting on where that money gets spent, based on the priorities of communities or who is ready, taking into consideration the private sector's capacity, understanding we have Gateway, understanding we have Victoria Gold being built, understanding that all these projects are going to pull people in different directions — so how do we maximize the local expenditure, but at the same time take into consideration the immense pressures, which have been well identified by the Opposition, not only in Whitehorse but in our communities when it comes to housing and land development. You need lots and to have people to expand on those housing options if you are not going to have people in industrial areas only living in camps.

The Department of Energy, Mines and Resources continues to complete local area plans in unincorporated

communities to identify candidate areas for new rural residential development and to pursue other options to accommodate growth. Where supported by communities, the amended local area plans, zoning amendments and subdivision of private land allows new private lots to be created with no less public land, utilizing new minimum lot sizes.

Since 2004, 138 new rural residential lots have been created in the Whitehorse periphery as a result of the zoning changes — so some of the work that has been done in the past — and there is currently the potential of approximately 196 additional lots.

The key to that, though, which I also want to touch on — and I am going to put pressure on my colleague from Lake Laberge to help me with this conversation. When we start to talk about some of these local area plans just on the periphery of the City of Whitehorse, we have the push and pull. We have the regulation that is in place and people are looking for that opportunity to maybe look at subdivision to provide more opportunities — it has worked before — but agricultural land is also extremely valuable to us and we have to take that into consideration. This land has been worked and it is cleared. It is a great place for us to expand on our food strategy, and that is what I hear when I am out speaking with farmers.

The Member for Lake Laberge knows well with his constituents — what they tell me is that this is a balancing act. Sure, people can have a couple of lots subdivided, but when you start to take big tracts — those are some of the things that we are going to be challenged with in some of our local area planning that is going to happen over the next bit.

As for Haines Junction and other areas, I am going to let the members opposite, who represent their communities very well — I think in Haines Junction right now we are in a fairly decent position, but we are probably going to have to continue to talk to the municipality. In Watson Lake, it is the same thing. I think there are a few lots, but still some other needs. Certainly we will listen to the direction of both of the members opposite as they represent their communities and we look at other areas.

The actual inventory — for the record and for the Blues — Carmacks right now has three residential, two commercial and one multi-family; Dawson City has none — but two I believe are coming on this summer, which should go pretty quickly — and then, of course, the agricultural across the river; Destruction Bay, there is just one lot right now; we have three lots in Faro and then three in the country residential in Tintina; Grizzly Valley still has those two lots; we have a lot in Haines Junction, with seven country residential lots in Willow Acre, and then, in residential there are 40, then one commercial and one multi-family — so 49 in Haines Junction; in Mayo, we have three lots and three residential and then, of course, we have the other stuff coming on, which we talked about; in Teslin, we have 11 at Sawmill Road and then, in the country residential, 11 more; in Watson Lake, we have 11 lots right in Watson Lake and we have another four in Bellevue and another lot that is a commercial lot, and then six in the mobile home park in Watson Lake as well.

In Whistle Bend right now — we have pretty much exhausted Whistle Bend and now we have just announced — I think it's April 4 — another 88 lots. or in that range. That is our goal.

I will work with the department to prioritize, based on our impacts. From this, you can see the road map, and the blueprint is pretty self-explanatory, and then, of course, we take into consideration the other things that are happening in those communities and the priorities of those communities. How can we work in those communities to ensure — I want to see the contractors in Mayo, where there are some fantastic individuals, I think, who could take some of this on. We could really start to appropriately and in a disciplined way build up our capacity across the Yukon so that land development can be done from raw land to streetlight by the public sector, which I think would be our interim goal. Inevitably, they do the work now — the planning is inside, but can we really relinquish a lot of this? It will take awhile, but I think that is the goal for us.

Mr. Kent: In the documents that we were provided at the briefing on Land Management — Residential, the 2017-18 estimate was \$3.265 million and the 2018-19 estimate is \$1.75 million, then a further \$250,000 for agricultural development, so that is \$2 million out of — I will get the minister to confirm this — the \$17.7 million that is identified in the five-year capital plan.

It mentions that the decrease in residential reflects the cost of the current work plan, so is there a five-year work plan that would have informed this budget? Again, aside from the curiosities of it being the exact same amount for land development for the five years, we're obviously focused on the rural lot development here.

Again, we were provided at the briefing the projects for this year in Dawson north, Carmacks and Mayo, but we're looking for what the plans are in the other four years of the project — whether the private sector is invited to develop raw land or not.

Is there a five-year work plan that accompanies the current work plan referenced in the documents that we were provided by the officials?

I was going to ask a couple of other land development questions here. The minister can maybe touch on them when he is on his feet. When I was at the electoral boundaries meeting in Mount Lorne, one of the individuals there mentioned writing a letter to either the Minister of Community Services or the Minister of Energy, Mines and Resources — both asking that rural land development be transferred from EMR back to Community Services. I am wondering if the minister has had a chance to give that request any thought, or if perhaps he or his colleague has provided a response to the Mount Lorne LAC or if perhaps, in the intervening time, they have withdrawn that request.

I have a couple of other quick land questions. I know we have touched on this before, but the cottage lots at Little Teslin Lake — obviously, that was a joint development between Yukon government and the Teslin Tlingit Council. Discussions were initiated a few years ago with the Teslin

Tlingit Council at the request of some of the residents on the YG parcels that are leased to see if those could be converted to title. I am curious if that has gone any further or if that idea has dropped off the table.

The last piece is with respect to the property Millhaven Bay. There was a proponent who came forward a few years back who wanted to put in a high-end resort at Millhaven Bay. At the time, the government of the day worked closely with them to identify the land for that project. In visiting the proponent's website over the weekend, I noticed that it doesn't seem like they are focused on that project anymore. If the minister has different information, it would be great to hear it. What is the status of that reserve — or whatever the proper term is? What is the status of the property at Millhaven Bay? Is it going to be taken out of the reserve and returned to the status it had prior to this proponent coming forward?

If the minister has a five-year work plan to accompany the rural aspects of this land development budget that is in the five-year capital plan — what is the status of the Mount Lorne LAC's request? What is happening in Millhaven Bay? Does he have any updates for us? For those individuals who are leasing properties now at Little Teslin Lake, is there any movement on that file?

Hon. Mr. Pillai: Before I begin answering those four questions, for clarity on the Teslin piece — was it the transfer of lease to ownership?

Mr. Kent: Yes, it was a request from some of those individuals who are on the YG lease. There is YG and TTC property there. Those individuals who are leasing on the YG piece were seeking the opportunity to have those leases converted to ownership or title.

Hon. Mr. Pillai: In the first question on the five-year capital plan, what we have been able to do — and for the record, I want to clarify that, as the member opposite has asked, \$1.75 million is our residential land development commitment, and \$250,000 is for the agricultural piece.

Our work plans for both scenarios, as we work through it — that's a financial allocation that we have committed to. What we do from there is take into consideration which communities and where the priorities are. We know right now that we have work being done in Dawson. There has been a tremendous amount of work done in Dawson. The challenge with the Dawson work is that the end result, when we take into consideration how government does a lot — you have to look at it and ask if this is going to be feasible. Are people ready to pay hundreds of thousands of dollars for some lots to have a raw piece of land to build on?

It seems like there might be some frustration from the Third Party, but these are the challenges of government. You look at it, and then you have to pivot and ask where else we can work. Do we then change so we can reclaim previous lands that were used for placer? Is that a better option? Has the First Nation government gone through a process to now have an ability to use a registry? Should that change our plan? All of those things have to be taken into consideration.

We're saying that we're committing to these dollars on an annual basis. I have stated for the record today that Dawson

City and Carmacks — these are key areas — and Watson Lake, based on the fact that we have ample lots in other areas at this time. That's how we have described it. We'll continue to come back on an annual basis and, if we have the ability to look at a three-year forecast based on a multi-year plan like a Whistle Bend development brings to the table, we'll absolutely come and discuss that.

What we're seeing is that this is the money at this point that has been allocated in our shop to do the work that we have to do to meet the demands.

As for the information concerning the letter, I'll go back and take a look at the response. I believe our department has provided a response. I thank the officials in Energy, Mines and Resources whom I get to work with for their timely ability to get back on those responses. As the member opposite knows, there are a lot of queries and we do our best to respond to those.

For the record, I believe the Minister of Community Services was also in attendance at that meeting. I thank Mr. Streicker for always relaying the concerns of his constituents at these public meetings back to me, usually first thing the next morning. I always appreciate that everybody in here works for Yukoners. We always have to remember that. When citizens have ideas on how we can do things better or ways to reorganize to be more effective — we all appreciate them giving ideas on how their government should work.

As for Teslin — this is interesting — I just received a response this week. I want to speak at a later date with the member opposite, my critic, on this file. I just received documentation asking if we are looking at the potential for the lease to go back. I know that, in his previous role, he had some conversations with individuals. There might have been some commitments made by the previous government. I want to ground truth those commitments to see if they're accurate. One person has reached out to me. I see some challenges, of course, with that migration because I think that what the previous government likely wanted to do was to have a level playing field where the self-governing nation developed land in concert — yet the nation will never have the ability to transfer that title into a fee simple type of relationship. Those are challenges. I am going to go back — and I can speak with the member opposite and understand what commitments were previously made by political officials. I think there was a conversation, it says, with the minister as well as the previous Premier, so I want to get to the basis of that.

This is also a discussion that needs to be had with the Member for Pelly-Nisutlin, who knows this project. If you migrate a leased piece of land that is owned by the Yukon government to fee simple and then, next door, there is a leased piece of land that can never move to fee simple, are we now having two tiers of valuation within that area? Does that hurt the neighbour? We have to take all of that into consideration. The whole idea was to do this in co-development. Probably to some level, I think, through some visionary work to get people's comfort level in place with these leases that are essentially — there is a ton of opportunity for those as we move forward across the Yukon.

For Millhaven Bay, I will endeavour to find out the current situation and the status. From what I know, the development corporation has not spoken with me concerning future plans. I think that there was a lot of work done by the previous government that had to do with Millhaven; it had to do with Bennett; it had to do with a whole bunch of different pieces. Certainly on the Millhaven piece, there seems to be no interest. I think that the group that I heard of — and nobody has come to talk to me — has moved on.

What do we do with that land? It's a great question.

I think there might have been some work — I have to meet with officials. There were some sort of one-off policy changes that were done on that, I think, by the previous government. Something like — if there is a good opportunity, you can transfer land. Something was done. I haven't had a chance to talk to my officials, but I was informed of that before. Maybe we can have that discussion at a later time in the Legislative Assembly.

I think those are the answers to the four questions.

Mr. Kent: We certainly would be interested in seeing some sort of a multi-year lot development plan to accompany this, especially since that dollar amount identified in the five-year capital plan is spread over a couple of different departments. It is spread in Whitehorse versus rural Yukon. All of these projects coming online are located, obviously, in rural Yukon, and we want to see opportunities for those individuals who are working on these projects or those individuals who are working in sectors that support these projects — to get the chance to move into one of these communities if they so desire. Hopefully, it's families. Growing up in Whitehorse, often you take for granted that two or three families can certainly make a difference in a community where it's not necessarily the same in Whitehorse.

You may end up with very active community members and it could actually mean an extra teacher in your school or other opportunities.

Following up on what the Leader of the Third Party asked in Question Period last week, we would certainly like to see a lot planned that takes into account some of these other developments as they work their way through the environmental assessments or the actual permitting phase and get a sense from the government on what their five-year plan or three-year plan or some sort of multi-year plan to match this capital budget would be.

I am going to move on to assessment of abandoned mines and just ask a few questions. Last week, my colleague from Kluane, in response to a ministerial statement, did raise some concerns with respect to the management structure at the Faro mine. I can certainly appreciate that this is an extremely complex file, and it is very much a moving target as far as what is going on at the Faro mine, but I wouldn't mind if the minister would elaborate on what he said to the *Whitehorse Star* with respect to management.

Are there discussions underway with the federal government to alter the management structure to follow more of what the NWT has in their devolution, where the type 2 sites are transferred back to the federal government? I believe

the minister mentioned yesterday in the House that, for Yukon Days in Ottawa, he had the Chief of the Ross River Dena Council accompany him down there to have conversations with the minister about Faro and what it would look like going forward. I'm curious if there has been outreach, as well, because I believe the Selkirk First Nation has some level of involvement with the Faro mine, given the boundaries of their traditional territory — as well as the Mayor of Faro. Obviously, that is the community on the front line with respect to that project.

Can the minister give us a sense of what discussions are underway with respect to the Faro project with the federal government? We think it is important that the Ross River Dena Council chief was involved in those discussions, but has there been subsequent outreach to the Chief of the Selkirk First Nation as well as the Mayor of Faro?

I will let the minister answer and I may want a couple of follow-up questions.

Hon. Mr. Pillai: As stated in the *Whitehorse Star* article, and to answer the question from the member opposite — yes, we are in discussions with the Government of Canada and affected First Nations on possible changes to our respective roles and responsibilities in the Faro mine remediation project. It is very important that we collaborate closely with the affected First Nations during these project-related discussions.

Just to take a little bit of a walk down memory lane for the Member for Copperbelt South — there are many challenges with this file. One of the things is trying to ensure that, first and foremost, when we talk about Ross River — not to diminish in any way, shape or form the fact of the rights of the Selkirk First Nation. What I have had the opportunity to learn from the Ross River Dena Council leadership — I'll be respectful about how much I share, but there is a massive amount of impacts right through the history of that project. This is a community. We also have to touch upon the fact of the Canol and the work that was done before that — but decades and decades of impact. The deal struck by my predecessors from the territorial government and the federal government has really not ended up benefitting the Ross River Dena Council to the extent that it should. They play a role on oversight, as does Selkirk, but when it comes right down to it — when it comes to contracting opportunities and economic development opportunities — they have been quite limited.

They have voiced that to us and they have voiced that to me. We have been sitting in the Legislative Assembly, and whether it be the Minister of Environment or me or others, there has been a steady dialogue to try to work on a series of issues in Ross River. I thank the chief and council for building trust back and working on that. Primarily, first of all, we have the first contract, and that's the contract, which is the Faro mine. The members opposite understand that this was — talk about a hot potato in their time, and probably really challenging. I can't even imagine how challenging it was through that process. We had great Yukon companies that were ready to take that work on but, through a procurement process that the Yukon government was following, it

inevitably — as was stated in the Legislative Assembly — was a company that was based in, I believe, California. It left a lot of Yukon private sector people with a really sour taste in their mouth because of the way that happened.

If you take into consideration the delta, this is something that was shared with me during my time in private sector — these individuals coming. It was the talk of the town. How could we, with this amount of money, lose? These are Yukoners paying their taxes in the Yukon, buying their bread and milk in the Yukon, paying their hockey fees in the Yukon — these are Yukoners who are not getting the opportunity. When you take into consideration the long-term impact of that \$55-million contract, should we have looked at things in a different way?

In many ways, it was a real challenge for the individuals across the way. There was a blueprint they had to follow. I'm sure, in many ways, they would have liked to have seen that turn out differently, but it turned out the way it did.

The next large piece of work — and we're talking tens of millions of dollars — is on its way. At the same time, we have a department of capable, strong individuals at Energy, Mines and Resources and in Assessment and Abandoned Mines, but they also have a listing — whether it's Ketzka, Mount Nansen, Clinton Creek — of all this other work that we have. That turns into hundreds of millions of dollars of work, potentially, for Yukon companies — companies like EDI — and Yukon First Nations — phenomenal at building capacity in Carmacks and in Dawson, to have First Nation partnerships and to do that work.

Now we have the behemoth type 2, which is Faro. We have a series of other projects that we want to get moving. Some of them have been slow to get moving, but we want to get them to a point where those projects — I mean, really, if there is a jurisdiction in the country that should be on the leading edge, we should be the reclamation specialists. As good as we are at finding minerals, we should be as good at cleaning up when you think about the opportunities we have. We are talking about hundreds of millions of dollars.

We have gone back to the table — put that on the record — with the federal government. It wasn't during Yukon Days, it was about a day after, just as Yukon Days concluded, that Energy, Mines and Resources supported a conversation in setting it up with the chief and some members from Ross River Dena Council. At that particular time, they came and met with the federal counterparts, not with the minister. I did have a chance to meet with the minister and, during that meeting, we did speak about the importance of this file and then, of course, we ended up having the opportunity afterward to meet. I just started in a meeting and inevitably it was the officials. Of course, the members opposite know those officials. They are the same officials — at least one of those officials has been on the file for 15 years for the federal government. So they were the same individuals and then we left that meeting.

What were the goals? The goals were, first, how do we ensure the health and wellness of Yukoners? How do we ensure that this project is done in an expedited manner? How

do we get this done the right way? Secondly, how do we ensure that the relationship with First Nations that have been impacted in this area are taken into consideration? Thirdly, how do we strategically ensure that Yukon companies are having the right impacts?

For instance, I think we are still drilling today — or we might have concluded on our geothermal. We have geothermal drilling right now. We have a great Yukon company — Midnight Sun Drilling — and they have a joint venture with Ross River and they are drilling. Sometimes that company competes on stuff under the current regime and they don't have an opportunity to win those contracts.

As much as we're leading that, the problem is that we're the contractor really on it, so every dollar — we go back and sit down with the federal government. They are trying to do the right thing. They are protecting the interest of, in their mind, the federal government. Nobody is doing anything for the wrong reasons, but that is their mandate. Then we're sitting down and we're trying to do the right thing and sometimes we are not both paddling in the same direction. It slows things down.

I don't want to see Yukon companies get caught up in this anymore. I don't want to see Ross River — will we get to a solution? I don't know. Is it worth having a very significant dialogue? I think so. As touched on by the member opposite, is there a reason that the Northwest Territories looked at what was happening here? Maybe the Leader of the Third Party would know from her previous leadership experience. Maybe there was, but Giant Mine certainly was handled in a different way, although their other sites are being cleaned up.

These are some of the things we're looking at. Inevitably, if we do look at a change in governance structure — it's business as usual right now, but if we do because the Selkirk First Nation and Ross River First Nation feel that there is a better opportunity and if we feel that our employees who work on this and our department can still provide the appropriate oversight and if we feel that Yukon companies can benefit — if we hit all of those marks in a dialogue, then we might just change it.

At that point, we can have a broader dialogue and we can talk about what this means for the spirit of devolution and what this means for the First Nations, what this means for the employees, all of those things. Right now, we are certainly at a point where it is just dialogue. We are trying to work with First Nations. To answer — yes, our department, within a couple of different areas, does have — the federal government has an obligation and continues the discussion with Selkirk First Nation. I have not specifically spoken on the record with the Mayor of Faro on this. No disregard to the municipality — they are affected. There are a lot of municipalities that are affected by it, but it is more about the governing structure and what is happening within the First Nation governments. I would say to the members opposite that this relationship was defined by the members opposite. That is not to say that there is not a series of other stakeholders that are affected. This is about maximizing the opportunities for Yukoners versus

anything that I think would negatively affect the municipality of Faro.

Hopefully, that update shines a bit of light on what we are getting at. I think that the goals and values that we are trying to accomplish within the dialogue and the discussions have been outlined.

For the time frame, are we looking at 30, 60 — I'm probably thinking that our discussions, if they are fruitful and successful, will be concluded later in the springtime. If we feel that it is not the right decision for Yukoners to change the existing structure, we will keep it the way that it is, but we will continue to do the work that we have to do on the site.

Mr. Kent: I have just a couple of follow-up questions on that particular issue. Is the minister just looking at Faro with respect to these discussions or is it all type 2 sites that are included? I won't go through the list of them. Suffice to say, is it all of the type 2 sites in the DTA that are being included in these discussions? Can the minister give us an update on when that care and maintenance contract that is in place now is up for renewal? What type of changes — whether it is part of these discussions or outside of these discussions — is the minister or his colleagues working on to give some of the local contractors a better opportunity to get that work? Can he give us an update on that?

Also, if he has the information, how many individuals work in the Assessment and Abandoned Mines branch of EMR?

Hon. Mr. Pillai: As for type 2 mine sites in the first question, only — and absolutely only — looking at affecting change potentially on the Faro project, partially because I think there is tremendous opportunity with the other sites. When we look at where we are on Mount Nansen or where we are at on Clinton, I just think that there is a real opportunity. They are great manageable reclamation projects. There are some terms that can really help, not just development corporations but their partners in the Carmacks area, Ross River area — a number of projects.

Just for clarity — absolutely, it's really about ensuring that you maximize your internal capacity to maximize the benefits for the affected parties on all of their projects while still, of course, understanding that you have a regulatory obligation on all of the projects, right from Faro straight through to the other smaller reclamation pieces. That's the answer to the first question.

The answer to the second question is — I remember when this contract was let. I will have to get back to the member opposite on the term of the contract. I thought it was five, but I might be wrong. It was \$55 million, but I will get back to you on that and find the exact term of that contract. We know the value.

The third question about how many staff in Assessment and Abandoned Mines — personnel costs, \$2,856,000. There are 27 FTEs in the branch. Four FTEs are Yukon government funded, so four of those — for \$390,000. The 23 FTEs are federally funded at \$2.466 million.

For the operating and support costs, it's \$28,467,000. The Yukon government's support total is \$277,000 — contracts

are \$50,000, the travel is \$15,000, the Curragh fund is \$146,000, which is the legacy piece, and also another \$66,000. Yukon government funding for Ketza, which I think we will talk about at some point this afternoon, is \$2.5 million this year. Assessment and Abandoned Mines — once again, 27 total FTEs.

Just for O&M this year, with some minor exceptions, the federal government is funding all of the work here. We're looking at: Faro, \$20,974,000; Ketza, \$2,816,000; Mount Nansen, \$2,763,000; Clinton Creek, \$2,019,000; and United Keno Hill, \$50,000. The total is \$28,622,000.

I think those are the two answers. We still owe the member opposite the term of the contract on the care and maintenance.

Mr. Kent: I apologize if I missed it, but the other question that I asked is: What type of work is underway with respect to when that care and maintenance contract comes up for renewal so that there is a better opportunity for local companies to be competitive? Are there ways that the procurement model can be changed? Are those some of the discussions that are being held with the federal government as part of these broader discussions? Some of these multinational companies are in a much better position to be more cost-competitive.

Perhaps there are some different point systems that could be applied to this contract. I'm looking for some sort of idea on how the government is conducting conversations with the federal government to that end. Obviously we would have preferred that the contract be awarded to a local company, but, working with Canada at the time, it was awarded to Parsons. We would look for some responses on that — if there are plans to make that contract more locally accessible or to give more points for local involvement or local contractors.

I just want to ask a few questions, Mr. Chair, about some of the other type 2 sites. I will just bundle these questions together. One is the Wolverine mine, which I believe is still under temporary closure. Can the minister give us an update on Wolverine? In some conversations that we had at this year's Roundup, we understood that there was some additional work being undertaken on that site and potentially a decision to reopen it. Can the minister give us an update on anything that he knows with respect to Wolverine? Obviously, the price of zinc is such that it may be an attractive project for the proponents or others — so any updates that the minister has on Wolverine.

On Mount Nansen, we know that there was some shortlisting of companies to submit proposals on that, based on the new federal model that was brought in. Can the minister give us any updates on where we are at with Mount Nansen?

The specific question that I had — and I did ask this in the briefing, but I will just ask the minister to put it on the record here — concerned the Ketza mine. In the devolution transfer agreement, the Yukon government is responsible for the initial portion of the remediation design, so can the minister let us know the cost estimates for that, and what percentage of design that this will take it to? Again, I did ask

that at the briefing, but I am looking for the minister to put that on the record here.

Hon. Mr. Pillai: To go back to the last question of the second segment of questions concerning type 2 abandoned mines, I appreciate the guidance and the outlook from the member opposite. That is exactly what we are looking at. We are looking at, within the roles that are played out, opportunities for us to ensure that there are more local procurement opportunities.

There are a few things. I know the Leader of the Third Party spoke this week about the aboriginal procurement strategy.

I can tell you that when you take into consideration the aboriginal procurement strategy, and even how that could potentially affect Ross River, then you parallel that with the *Canadian Free Trade Agreement* and limitations, and then you compare that — even though we are the lead on procurement — and overlay that with a set of rules — I can tell you that, when you're sitting at the federal table, there always seems to be reasoning as to why certain exemptions we have negotiated at the territorial level, there's still some hesitancy that must go to the federal level of the Treasury Board, or whatever.

So looking to respect the rules, as they're laid out, and trying to overlay the rules, taking into consideration the exemptions that were negotiated, taking into consideration another stream — that's why I touched on the Midnight Sun/Ross River piece, because that's a perfect example where we have a great local company working in line with Ross River. The ability to get the work on the geothermal side of things, where we have federal money, which we touched on earlier, going to the Yukon Geological Survey — they in turn get in to do great work and due diligence on clean energy, but sometimes we have a different challenge and we're not as successful.

Those are the conversations we're having at the table. How do we take into consideration that we want to let the next contract hopefully in a way — how does the Ross River First Nation play a role in this? Can they somehow with their relationships with the local private sector help to ensure that? Those are the items. Are we going to get solutions for those things? I'm not sure, but that's exactly what we're trying to do on behalf of our business community.

As for Wolverine mine, the second question — just a bit of background. Since Yukon Zinc Corporation announced the temporary closure of the Wolverine mine in January 2015, the Government of Yukon has been working with the corporation's officials to ensure requirements are met to safeguard the public and protect the environment. The Wolverine mine is in temporary closure under the current quartz mining licence and is fully secured. The Government of Yukon holds over \$10 million in financial security under the corporation's mine and water licences. The Government of Yukon regularly inspects and monitors the mine site to ensure potential risks to the environment and people who live and work in the area are minimized and site closure requirements are being met.

An amended reclamation closure plan was approved by the Department of Energy, Mines and Resources on December 19, 2017. A review of the mine site's financial security is in progress and any change to the amount required will be determined in early 2018.

Yukon Zinc Corporation's plan is to continue with the care and maintenance of the site until metal prices improve and resuming production becomes economically viable. The company has completed a new mineral resource estimate and mine plan and is actively pursuing financing to resume production. The company is also planning on the construction and commission of a full-scale water treatment plant this summer to treat and discharge water from the tailings storage facility and lower the water level in the tailings pond.

On August 31, 2017, Yukon Zinc Corporation was charged with five counts and the chief executive officer was charged with four counts of non-compliance under the *Quartz Mining Act*. This matter is filed in court, so I will leave that without getting into anything else. That's going through work with the justice system.

We have had discussions with the group. They have to be pretty macro — pretty high-level. We are not getting into it; there have been charges laid and there is a process unfolding.

As the member opposite said, yes, we are seeing a significant rebound in zinc prices and there is interest. Whether they go through the processes they have to go through and come out on the other end of those processes with a plan that is going to work, they seem like they have bulked up their management team. I know that there has been a ton of discussion about the actual design of the mine. We have talked to many government officials in different departments about the challenges with it and whether or not they get to a place where they think it can go back into operation, I am not sure.

Certainly, we will, as you see, continue to stand by the rules and regulations that we oversee. We will ensure that the site continues to be stable and safe. We will continue to have respectful dialogue with the potential proponents, all the while taking into consideration the things that I have learned in the Legislative Assembly from the Official Opposition and the Third Party about the history of this operation and the impacts that many Yukoners felt in the previous operation.

We will continue to be respectful when people want to speak to us and ensure that our officials provide the appropriate oversight. That is what is happening with Wolverine.

Some of our key highlights on Mount Nansen — work on Mount Nansen for 2018-19 is budgeted — which we touched on before — at \$2.763 million and will include care and maintenance, regulatory approval, consultations, monitoring and project management. Specifically, the work will involve: care and maintenance at the site that provides ongoing short-term protection of the environment and human health and safety; acquiring an interim care and maintenance water licence that will be assigned to the successful purchaser of the site — I think we have looked into that and we know we have transferability on that; ongoing environmental monitoring of

the receiving environment; and management of the project through provision of human resources and infrastructure. Those are some of the items there.

I do want to take this opportunity to thank the staff of Assessment and Abandoned Mines. One thing that comes to mind is that, when you wake up in the morning after an earthquake and you have the responsibility for the Yukon Energy Corporation — first thing that comes to mind — I think I had one child who got bounced out of bed, but we secured everybody at home and the next thing is: "What is going on with our dam?" Maybe that says something about me, but number 2 on the list, once the family was helped, was: How is the dam?

What I didn't take into consideration that morning — but our staff did — was: What about all of our abandoned sites? That was something where they were extremely agile, getting out to check the integrity of the berms and the groundwork was in place, because all of that is at risk when there is a significant tremor like we had.

I want to thank them for looking out for Yukoners and looking out for our environment. It is very important work that they do.

So a little bit of background on Mount Nansen and about what is happening. I do think it is an absolutely fantastic opportunity for local companies, as we start to go through the process of the Yukon government's tender on care and maintenance at the Mount Nansen site. It closed in mid-January 2018, and the contract was successfully awarded to Dennis Environmental Services for a one-year term. This is just continuing on with the work that was done, but getting ready to let the bigger amount of work.

That is what is happening on that file. On Ketzá right now, the cost on the Ketzá piece — for work at the Ketzá River mine site, we have just some of the basic stuff. We have moved out some of the infrastructure. As the member opposite knows, when I came into this role, there was a very extensive infrastructure that was there. I think we had three people from Ross River who were working there, and then on leave. There were about 50 rooms, so I thought that we should probably take into consideration that we might have been sort of over-delivering on infrastructure. One of the things we did was we have a bit of a smaller footprint in place and have been able to work with the local contractors to ensure that everybody's camps are being utilized. I think the camp is now on-site — and it might have even been sold to Ross River, and that is where the people who are repairing the bridge in Ross River are staying — but also a bit of a smaller footprint at the Ketzá site.

Work at the Ketzá River mine site for 2018-19 is budgeted at \$2.816 million for care and maintenance, monitoring and project management. Specifically, the work will involve: care and maintenance, which includes treatment of contaminated water for arsenic; maintenance and monitoring of dams, diversions and roads, provision of safety and site security; interim and permanent fixes to access roads and bridges required to ensure ongoing site access for operators, equipment and fuel; procurement of the

independent assessor and initial data gap analysis of existing technical information and preparation for additional site investigations; consultation with Teslin Tlingit Council, Ross River Dena Development Corporation, Ross River Dena Council, Liard First Nation and Kaska Dena Council; ongoing environmental monitoring of the receiving environment; and management of the project through the provision of human resources and infrastructure — some of the work that is happening.

The approach to remediation planning at the Ketzta site is significantly different from that used for other type 2 sites. Of course the member opposite, having handled this file, knows that very well. We have an MOU that has been signed by the Yukon and federal governments to establish an approach to remediation by using an independent assessor. Part of their work is to: outline pre- and post-devolution liabilities and assign responsibility to each of the governments; develop a remediation plan for the site to set a standard; review care and maintenance costs; and determine the eligibility for the Yukon government to be reimbursed by the federal government.

The standard, I think, is that we're usually at 30 percent — it's sort of our number of how much we define on design. That's kind of a ballpark, which is always a bit challenging when you have to take into consideration the magnitude of these projects and the liabilities that go on with them.

The Yukon government will be responsible for payments to the independent assessor, currently estimated to be between \$5 million and \$6 million for a preliminary level of design — 30 percent. Indigenous and Northern Affairs Canada has agreed to contribute up to \$750,000 toward the advancement of the design.

That's the work. Then through that work, we'll identify where we recoup and then we identify liabilities, going forward.

I think that is all the questions. I look forward to the next set of questions.

Chair: Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

The matter before the Committee is Vote 53, Department of Energy, Mines and Resources, in Bill No. 206, entitled *First Appropriation Act 2018-19*.

Mr. Kent: There are a number of additional items that I wanted to touch on here this afternoon, including the collaborative framework with respect to reassessments and timelines under Bill C-17, and getting a status update on that. I also wanted to touch on the recently signed agreement with respect to the ATAC Resources tote road and get some clarification on that as well. I also wanted to give the Leader of the Third Party an opportunity to join the conversation here

this afternoon. My final series of questions for the minister today — and we'll hopefully get a chance to get into some of these other things when EMR comes back to the floor of the House — are some questions around the class 1 notification for mineral exploration.

Late last week, the OIC came across that added the Tr'ondëk Hwëch'in traditional territory to the class 1 notification. We know the background with respect to that and what the government did to get out from the lawsuit. We can appreciate why it was added, but a few questions have emerged from some industry people I talked to this afternoon before we came in for Question Period today and I'm hoping the minister can touch on it.

One of the biggest concerns is the timing of April. According to the Yukon mining recorder website, it's a minimum of 25 days for these class 1 notifications to be processed, so many of these companies are concerned that they're going to lose their April. April is a very busy class 1 month, particularly for the placer mining industry. From what I gathered in conversations today, they're worried that if they file their notification in April, they're going to essentially lose the entire month before they can get out and do exploration. Obviously, it's an industry that is only active when the water is flowing, so they're concerned about losing those days in April.

Another concern came out about the notice that went in the newspaper last night — it's really only a couple of weeks' notice of when this is going to come into effect. I think many of the people who I talked to in industry would have preferred that this happened in February, or earlier, so that the notifications could have been filed during a month where it wasn't as crucial that they get out on the land — if the minister can provide some rationale for why the April 1 date was chosen or what delays led to April 1 being the date of implementation.

We did ask at the briefing about grandfathering, so that those individuals who have an activity underway — a class 1 activity underway now — are they okay to carry on with that activity past April 1 or do they have to file notice again? We did receive the answer at the briefing, but it would be great to get the minister to put that on the record, because it's not really clear in either the newspaper ad or in the Q&A that is on the mining recorder's website.

A couple of other quick items that I would like the minister to potentially touch on and answer: What types of activities can the proponents do off-claim that they're not allowed to do on-claim? For Yukoners who are on the land in any of these areas where there is class 1 notification, what type of activity is allowed under the *Lands Act* that isn't allowed under this because of the requirement for class 1 notification, or can proponents do work off-claim if there are no claims staked? Are there certain aspects of the work that they're able to do off-claim?

Another question that came from an industry person who I talked to today is with respect to payment-in-lieu. With quartz mining claims, you can make a payment-in-lieu if you're not going to do work, but I don't believe that

opportunity exists when it comes to placer claims. Is the minister entertaining any ideas of granting relief for any of those placer claims that expired during this, or perhaps the first couple or three months of this season, if they're not able to get their class 1 notification approved by the government?

Just two other quick questions on this for the minister — I apologize for the number of questions. As I mentioned, I did want to turn the floor over to the Leader of the Third Party for some of her questions this afternoon, but there was some talk of different thresholds — of allowing some non-motorized work to be conducted outside of requiring notification for class 1 work. Could the minister give us an update if that is still being pursued or if it is being abandoned?

I think many in the prospecting community are hopeful that the minister is still pursuing those revised thresholds, based on some of the work that the Yukon Prospectors Association and the Chamber of Mines did with respect to this issue.

The final question is a budgetary question: Does the minister anticipate having to add any FTEs to deal with the additional class 1 notifications that will come in? The Tr'ondëk Hwëch'in traditional territory is a very active mining area in Yukon, and we would certainly want to get an understanding of any FTEs that the government has to add, or any support that the First Nation will receive from the government with respect to the additional workload that their officials can expect by having to review these notifications, just so that we can keep as many possible to the 25-day time frame.

I think those are the questions. I again apologize for putting so many out there at one time, but we look forward to those answers. Then, perhaps when EMR is back, I will be able to touch on the collaborative framework and the ATAC tote road and other issues that I have.

I thank the minister and the officials for the time here this afternoon.

Hon. Mr. Pillai: We'll dive right in, just to ensure that we have all our questions answered from the first part of our process today. The Parsons contract: the opposition members — I am not sure if it was Energy, Mines and Resources or Highways and Public Works at that time that signed into the contract but it was signed by the previous government and had an end-date of March 2020. The agreement that they negotiated stated that they had the ability to have two one-year extensions on the Parsons contract. That is the contract that we inherited; that is what we will work with and go back to that other piece.

First, timing — the timing of April. Why April? It really pertains to the work that we were hoping to get done concerning the thresholds conversation. For anybody on this class 1, this has certainly been a hot topic.

I had a sneaky feeling we would talk about class 1 today. It's a very big conversation. There's a lot of pressure on the department; there's a lot of pressure on the Tr'ondëk Hwëch'in; there's a lot of pressure on prospectors and placer miners. Everybody is trying to work together to come up with a path forward that's going to respect the work that everybody

is trying to get done and, at the same time, effectively get their season done.

First of all, I'm going to just touch on the July timing. I'm going to go back to 2017, and I'll just go through information about what we were trying to accomplish. This goes to meetings that we had with our First Nation partners or governments through the MOU table. As we touched on, in January we signed an MOU. We started to work. We have a series of hot topics. We sit down and talk about terms of reference with 11 First Nations, plus multiple government departments. We get to a point where we can agree to the terms of reference and then a work plan, and then we set out a series of subcommittees that look at a series of different things. We were trying to get the conversation at one table versus what had happened previously, where you have people coming in to talk about MLII on one side and, on the other side, they're talking about mine improvement or about the mineral development strategy. How do we get this conversation together?

Class 1 has been a main topic of discussion at the mining MOU table as well as at the working group level. Specifically, at the last two main tables — which were in January and March — there was some key work, but I want to go back to October and November.

October 28 — we get through the end of the summer, we respect people's traditional time of the year in September and October, not just for First Nations but for many people. We're trying to gather a multitude of people to the table after we get terms of reference signed off and we are moving forward. We go into October, we sit at the table and, on October 28, 2017, we're in Carmacks. The Yukon First Nation reps met at the working level to begin discussions — and we're talking about on class 1 and many other Yukon First Nation-related issues. Discussions were generally introductory at that time, and it was the starting point.

We know that this threshold conversation goes back years, but how are we going to move it forward so we can respect what's looked upon as appropriate low-impact activity in other territories? I want to thank the representatives from the Yukon Prospectors Association. They have spent time here in the evenings; they have come in and we have sat down. Specifically, I want to thank people like Gary Lee, who has put a ton of work in, as well as Ron Berdahl — and many others that we will touch upon as we go through this class 1 conversation. So we're really looking at specific things like British Columbia, where it says that, if you are using a mechanized tool or a mechanical tool, you need to get a permit. It's like a sentence — that's it. If you're doing any of the other work, you don't.

So other jurisdictions have gone down a different path, so how do we have that threshold conversation? That's what the previous government was trying to do in many cases. I have the minutes right here from the May 4 meeting, which took place in 2014 — and this is important on timing. There was a commitment on May 2, and the member opposite, as well as his counterparts, committed that the whole Yukon would be in class 1, on April 30, 2015, to the whole industry, prospectors

and First Nations. A couple of ministers and the Premier committed at that point.

We are actually trying to catch up to and get work done from what the previous commitments were over the years. They wanted to try to get thresholds worked in, but we were not succeeding. On October 28, we had the meeting in Carmacks. Then, on November 29 and 30, we brought our Yukon government representatives. They noted the immediate need for a priority to discuss class 1 thresholds if changes were to be passed. At this point, we are trying to get to a point. Within those discussions, we are not at a place where we are getting the comfort level to start to define the thresholds. So as a department, we had to make a decision. Coming into this job, we had a legal process underway and, without belabouring that — the member opposite touched on it — we made a commitment that we would take into consideration implementing class 1. We were getting to December and we did not have thresholds defined or decisions made at that point, and this is a conversation that probably goes back to 2004 or 2006, probably even under Premier Fentie and all of the minutes that I have read through from those meetings and commitments along the way. Certainly, we got to a point where now we have to pivot. We got an extension to April 1, and now we are putting class 1 in.

The member opposite is correct that 70 to 75 percent of class 1 activity — if we take it into consideration — is in this jurisdiction. This is the most impacted jurisdiction when it comes to class 1. Could thresholds have defined this and given us less impact on the administrative process? Absolutely. But between the October, November, December and January meetings and the January and February meetings — I want to commend our staff who continue to have that dialogue, and all the First Nation partners — discussions about appropriate class 1 triggers. These are all the key items that we have touched on. We are still not there.

I am sorry that I am not going through these answers one by one, but there is really a larger context.

Have I abandoned the conversation with First Nation governments and industry concerning thresholds? Absolutely not. Will we respect the commitment that we made to remove the legal proceedings and go into the same class 1 structure that we have seen in other areas? Yes, we will. We think that this is good government. We think that this is good partnership building. But we will move forward on that.

April — absolutely. We have to look at how that can affect our placer miners or how that can affect our prospectors, and April is not good. It is a challenge, because we have waited now and it is going to affect things. But I can tell you that when class 1 went in to our other nations, I was sitting with a budget ready to go and I couldn't send a crew into the field when I was in the private sector — in the mining sector — because we brought class 1 in on July 1. At that point, a brand new class 1 system came into place. It was paperwork, and we actually sent our exploration team into the field in August with weeks left to get our work done. So, is April prime time? No. Do we have to make sure that we can work with our partners? Absolutely. But certainly, on past

practices, in April 2015, I think — I will go back to the minutes of that meeting. It is a bit of a challenge on the timing.

I want to thank the Yukon Prospectors Association. I want to thank the leaders in the Yukon Chamber of Mines. I want to thank the KPMA and those involved — Grant Allan — the passionate people who have put a ton of work in to try to work with us on it and to help us through.

Why a newspaper article last week? Well, part of our challenge is — as the members opposite know — that we have to respect the governance structure. This is a decision that is put in place by OIC. We wanted to ensure that any of our documentation that was sent to claim holders, or anything that was put in the newspaper, would happen while still respecting the Cabinet process, which we thought was very important to do. That is why the newspaper article wasn't three weeks ago. Once again, it has put pressure on our industry.

Before March 4 — yes, you were grandfathered in. Activity previous to the April 1 period of time means that you are in good standing.

I have touched on thresholds, so we have to go back and look at the language. Can we simplify the language on thresholds? These are all the discussions that we have committed to continue to have, with industry at the table.

I specifically sat with leadership at the Council of Yukon First Nations and requested that with the leadership across the territory. You have to remember that, when I touched on the minutes from Friday, May 2, 2014, it was a complete commitment to go in by May 30, 2015. Nobody has forgotten that; no First Nations have forgotten that. They are saying that this was supposed to be three years ago; that is what we were told. Now we're going back and saying that we know that Tr'ondëk Hwëch'in territory — this is going to put a huge amount of stress on them and their lands department, on our team and on our mining recorder staff. Can we take a look at how this works this year? Then can we communicate back to the rest of the territory about that? Can we look at best practices? Can we look at how we can improve this process?

Just like when things came in on that July 1 date — the payment in lieu and the thresholds, we will continue to work in dialogue with industry about that to see what the effects are.

I apologize — today, I don't have any comment per se on if somebody is looking for pay in lieu because we are putting in class 1 at the same time their claim is about to lapse. I think we have made fair decisions all along. If it is negatively affected and if they can't meet the requirements due to an implementation, then we'll work with industry on those items.

The off-claim activity — we will speak with the departmental officials. We're talking about what is happening on the claims and I think maybe I can talk to the KPMA and see what their mindset is. Are they trying to transfer a particular activity to the side of the claim? This is really about being respectful. This is what we're trying to do. We're trying to build a relationship with everybody in the territory through which we can get some stability — and where we're not going through legal proceedings. It's give and take on both sides.

I look forward to a larger discussion, as the member opposite said, concerning the ATAC road and that agreement. I know there have been some public comments by the member opposite in the media — fair enough — speaking on behalf of Yukoners, which is the job of the opposition and the job of all of us in taking that forward. In that particular case, I hope we can rally together to ensure that the work we do in concert with First Nations governments, with a balanced approach, can be supported, but we will have that discussion at a later date.

We will touch on some other pieces here and then I can talk about costs, which I think is the last one. There were 924 claim-holder operator letters and class 1 notification Q&A letters mailed out on March 16, 2018. The online class 1 notification system, which is in our budget — there is a \$300,000 line item, so we are talking about cost, and we are thinking that our cost right now is \$210,000, and that is where we are trying to eliminate the administrative burden of all the paperwork and trying to have a digitized system in place, and we have talked to industry about that.

We are going through beta testing; it is coming to the end of the month. Am I going to be on the hot seat in the Legislative Assembly because there is a glitch in the new system? A betting person should probably bet that it may happen, but we are doing the best we can right now as we go through the system. The online class 1 notification system will be available for testing and training the week of March 22 and 23, 2018. The Yukon Chamber of Mines, the Yukon Prospectors Association and Klondike Placer Miners' Association have been invited to participate in testing of the system before it is finalized.

All Yukon First Nations have been invited to participate in the testing of the online system remotely, and we will provide additional orientation on the system as requested.

Mineral Resources branch staff will be in Dawson on March 22 and 23 to test and review the online system with Tr'ondëk Hwëch'in and the Dawson mining lands office mining recorder. The online system will be available for submitting class 1 notifications and reviewing the notifications as the necessary adjustments identified through testing of the system are completed, and the prospectors have been great in just talking about how we can simplify some of the data collected for that class 1 notification — so trying to take that into consideration, certain buttons that would be on that page and if we can tweak them.

I want to thank the local contractor in our IT sector — as we diversify our economy — who is working in this field. Actually, it is very interesting: 10 percent of all capital budgets, they are saying, in the mining sector, globally, are going to start to be allocated toward the tech sector. Here we are, great in Yukon — local tech company, very innovative crew, start-up from Yukon, now working on doing some of this work to help us and to help industry.

The online system will be available for submitting class 1 notifications and reviewing the notifications as soon as the adjustments are made. Advertising for the expanded area for class 1 notification requirements will run in the local papers

beginning on March 19, 2018. This will include the *Yukon News*, the *Whitehorse Star* and the *Klondike Sun*. The Management Board submission to support resourcing is — we are currently working on it.

Right now, we think that we have ample staff who can work on this. Are we going to need more capacity over the next year? Potentially. We have a \$210,000 cost right now, and we have \$300,000 that we have put in our budget, so that is where we stand.

I think on the last piece — first was timing, second is newspaper, third was the grandfathering for the off-claims. I am trying to get a bit more information on off-claims for the member opposite.

Payment-in-lieu — we'll work with industry on that. Sixth were thresholds — absolutely, we're committed to continuing that conversation. In no way have we abandoned that. Right now, as they say, it was either time to fish or cut bait. That's what we're doing. We're getting this out and we're committing to the deal that we made. Seventh just touched on our costs, which are in the budget.

Hopefully, we have been able to touch on those. We will continue to have further dialogue on class 1 notification.

Ms. Hanson: I thank the critic for Energy, Mines and Resources from the Official Opposition for allowing the Third Party, the NDP, to have an opportunity to speak. I can't help but reflect, as I listen to the minister's detailed explanation of the multi-faceted and multiple tables, that what I'm listening to is, yet again, tinkering at the edges of a very serious and long-standing issue here.

We have heard the minister refer to tables or discussions that occurred in 2014. Let's go back to 1998. Let's go back to 2001, when the devolution transfer agreement was actually completed, and 2003, when people thought that we were serious, as citizens of this territory, in moving forward to a new post-colonial reality, where we as Yukoners would set the tone for what our future would be.

I'm saddened to hear the minister spending so much time detailing, yet again, this government's intention not to pursue the opportunities provided in the devolution transfer agreement to negotiate, to set in place new, modern successor legislation. If we calculated the costs of the negotiations, the legal costs, the opportunities foregone over the past 15 years — and to what end? What will be the end product?

I've asked this in multiple briefings; I've asked this in multiple budget debates around Energy, Mines and Resources. Will we see modern, harmonized resource extraction legislation that reflects the 21st century? To date, Mr. Chair, the answer is no. That's very depressing.

I do want to ask the minister, in his role as the minister responsible for the territory's *Lands Act*, to provide some update on what action this government is taking in this spring budget time. I don't see any allocation of resources here in terms of land protection with respect to off-road vehicles during the shoulder season. We have been waiting since the select committee of this Legislative Assembly made that recommendation many years ago. We still have had no action

and we have yet another shoulder season where this will occur.

The minister spoke about matching land development. I'm going to go back to Mayo. He talked about the ability to have rural residential or country residential and agricultural land. I would suggest to the minister that we would be more interested in looking at how his department is aligning the requirements for land for people who are not interested in country residential or agricultural land in Mayo, who want to come and live and work in Mayo, perhaps work at one of the mines if Alexco gets going. We're hoping that Victoria Gold is going to do that.

So this notion that we are developing land — for what purpose? We saw the City of Whitehorse last night having the big debate about land at \$230,000 for country residential land development — lots. A question for the minister — can he confirm for this House whether land development and land lots are sold at development cost or market-value cost?

The minister asked — and I'm asking these questions now because we get very few opportunities to raise the questions. There are many, many areas in a budget of this size. I still I think I'm waiting for the organizational chart. I expect to see that soon. We haven't received it. It was again to align the activities and our understanding of how departments are structured.

The minister made reference to, and there was a question with respect to, the property at Millhaven Bay. I just want to ask the minister if he could come back and remind this House, when he does speak, of the details of that. At one point, I do believe, as the Official Opposition, we had raised concerns about whether or not the government of the day was engaging — and I used this term advisedly — in “sharp dealing” with respect to how that was structured. As we understood it, the previous government — and I want to know if this is the truth or not, or if there is another story to be told — that despite many attempts by the First Nation government to utilize chapter 9 land swap provisions in their land claim agreement to facilitate the acquisition of Millhaven Bay as a settlement land piece, the government entered into, I believe, a 30-year contract. In return for that 30-year contract, or contract of some duration, they were required to agree to a number of recreational lots that hadn't been agreed to in previous discussions or negotiations.

When the question was asked: “If that hotel development does not go ahead, will the land still remain with the First Nation?” The answer was no. But guess what, Yukon government — you got what you want and that, we thought, was sharp dealing. My question is: What is the current status of that and the land at Millhaven Bay? Who owns it? Was there reversionary interest of that?

With respect to Faro, I would like the minister to confirm what discussions are going on with Canada. The FCSAP — federal contaminated sites action plan — was established, I believe, in 2005 and had a 15-year life. That's coming up pretty damn soon. It had \$4.54 billion. There have been a number of concerns expressed by many people throughout the territory. The fact that one-quarter of a billion dollars has been

spent to date at Faro without getting close to a closure plan — we're still in care and maintenance. I'm wondering if the minister could comment as to what implications that has with respect to the discussion or the conjecture by my colleagues and the Official Opposition as to why, and does that influence Canada's decision to take over management of this?

If we look back to what the original plan was, it was to have an arm's-length entity not controlled by the Yukon government, not controlled by the federal government, but operating separately from government to manage the planning, care and maintenance and closure planning for Faro. So what performance measures are in place with respect to the various contaminated sites and what's being done on them?

The minister made a comment with respect to one of the reasons why it was difficult to have the involvement of First Nations and aboriginal groups on these maintenance contracts, that it was the potential conflict. He said it was very difficult, because the federal government wouldn't consider exemptions for aboriginal groups. Well, in fact, he may want to consult with his ministerial colleague, the Minister of Highways and Public Works, because I think he will find that there is a non-applicability of international trade agreements, including AIT and its successor, the CFTA. That was a comment that he had made with respect to aboriginal procurement.

I have a question with respect to Ketzá. The devolution transfer agreement speaks to the liabilities falling to the federal government, but the amount of activity or activities that Yukon government permits would create a liability to the territorial government. The minister has already identified that Yukoners will be paying \$5.6 million for the design work, of which Canada will pay \$750,000. The question I have for this — and I am always looking at how we can make the best of bad situations — is: Is the minister developing a lessons-learned approach, in terms of the fact that we have seven type 2 sites? Are there any other opportunities for us to get ourselves into a situation where liabilities are created that fall to Yukoners? What are we learning from this experience with Ketzá?

I had asked, and I would like the minister to provide on the record — and I am hoping that the government is going to be scheduling its budget debates with the ability for some continuity of conversation, because jumping around from department to department doesn't allow that. It makes it difficult to pursue a thorough conversation.

The minister commented on the Geological Survey. I am dismayed to see a decrease in funding just because — and this is a challenge that we see repeatedly. I have raised it with the Minister of Finance and others. SINED drops off. It is the same as we see cyclically: federal government funding dropping off. You get a three-year — SINED has been much longer than that — federal infusion of funds. The opportunity, if it is a priority for us — and I think nobody would question the value of the work of the Yukon Geological Survey. It is absolutely vital in terms of the kind of information that we need, both to manage and promote the Yukon. This is a classic example of why Yukon needs to look at taking measures to generate more own-source revenues to pay for activities in

this area. Simply to say to Yukoners that we are not going to do it because the feds stopped funding begs the question: Are we administrators of federal programs or are we a government? I am beginning to wonder. The federal government programming dollars get referred to all the time. Where is the ownership? That is really vital when we are talking about this area of Energy, Mines and Resources.

I have a couple more questions, Mr. Speaker, and then I will let the minister respond. I would like him to provide an update — when we were talking about the wetland management and the overall product there with respect to strategy. I have many, many questions, so it is hard to get them all out at once because it feels like I'm having to speed-talk because I have such a short time to address this really important area.

But we have heard so much, and they are really serious concerns about ongoing mining activity in a wetlands area while you are developing a wetlands strategy, particularly with respect to Indian River. I would like to have the minister provide an update and an explanation to this House as to how that is consistent with any form of sustainability. We have a whole section in this department that just focused on sustainability. He has a mandate and responsibility for the environmental sustainability. That is actually one of the core principles of the final agreement as well.

I realize that I have asked him many, many questions, but that is the nature of this, unless we had some other way of getting some assurance from ministers that we are going to have more than five minutes at a time to ask questions. I have finished speed-talking for now. I have many questions on many aspects of this very important department.

Hon. Mr. Pillai: I'm going to do my best to go through this. I have made note of most of the questions. There are probably 15 to 20 questions, and that is fair — fine. I know the representative — the MLA for Whitehorse Centre — is passionate about these items. I will state for the record that I think we have had a working relationship. I have had an opportunity — the honour — to sit in here with her. If there are other questions that need to be answered, or we need to spend time in her office or in the cafeteria or wherever it may be, to go through some of these items — it has also been a very good learning experience for me when I have engaged in those discussions with the member opposite.

I think that some of the time was used while forming the questions to identify a particular political position on something, and that is fair — that is fine. I will do my best. I'm not trying to disrespect the line of questions, but I am going to try to go through the questions that I think were truly questions.

Off-road vehicles regulations — our plan, as we work on the ORV piece, is to work within our existing budgets. That is why there is not a specific line item. This government is committed to addressing the environmental impacts of off-road vehicles by developing an effective regulatory regime. We recognize that off-road vehicles are widely-used by Yukoners and they have a shared stake in the development of off-road vehicle regulation. In early December, we hosted a

two-day workshop with First Nations and stakeholders, including renewable resources councils, local advisory councils and Trails Only Yukon Association, to discuss how to best tackle the regulation of off-road vehicles in Yukon. The workshop summary report has been released to all participants, and this report will also be made available to the public.

We will be using the findings of this workshop, along with the public and First Nation input received to date, to develop off-road vehicle regulations. We look forward to further consulting and engaging with First Nation stakeholders on this topic. It has been very interesting. There have been great questions that I have had to field from the Member for Takhini-Kopper King on this subject last spring.

I have a meeting with TOYA in the next week. The renewable resources councils are really starting to speak strongly on this particular topic. In December, the Minister of Environment and I spent time with the Lake Laberge Renewable Resources Council — some strong feelings there. We have a series of outfitters who we have also sat with; they have some concerns because many of the outfitters are only using horses — they don't use any ORVs — and then there are others who are taking a different tack.

This is work that many in the Legislative Assembly who predate me have been waiting to see some movement on. We feel that the work that we can get done this year within our work plans, and the stuff that is being done by our team, can be absorbed within our budgets — part of our budget is not even absorbed. It is part of our work plan for the year. Staff are working on it and we have some resources that are committed to that. Then we will have the discussions about the shoulder season. I am sure there will be questions, as we go through the Assembly, on some of our rollout of policy, but I want to wait until I sit with TOYA and continue the discussion; they have been a great proponent of this.

I didn't know that Millhaven Bay was such a — I got a sense today that there is more to the Millhaven Bay story than I was aware of. I don't know about — I like that term though, of "sharp dealing" — but I don't know —

Some Hon. Member: (Inaudible)

Hon. Mr. Pillai: I like that. It's a good —

Some Hon. Member: (Inaudible)

Hon. Mr. Pillai: No, it's not, but I haven't heard that before. I will find out what is going on with the Millhaven Bay land. I want to dig into that land swap question because I find that very intriguing. We are working with Na Cho Nyák Dun on some stuff, and there are other nations right now, but I will look into why that was not used.

Also, there was a term — and I don't think it was meant in a negative way toward our team, or my role right now. Maybe it was: "The Government of Yukon got what they want" — maybe my predecessor. Certainly, what we have right now is that we're working on a road and we're working with Carcross/Tagish on a road, and they are looking at some lots. That's the only thing that we are focused on in downtown Carcross right now. It's around Bennett Beach. There is land that is owned by the Yukon government, but there has been no

other movement. There was an existing project that has been put on our plate, and I thank the deputy minister and Mr. Lepine, who is leading the charge for Carcross, on this one. We will continue to work on that.

I will come back with the Millhaven Bay. I know that the member opposite probably wouldn't want me to do it in a ministerial statement, but I will bring it back in a briefing note or sit with her and discuss that.

As for Faro, I think maybe it was inappropriate — my tone — when I touched on the aboriginal employment strategy. What I was getting at was the fact that it's quite interesting, and I hope the member opposite has the respect to know that our team would be looking at — whether it be Economic Development or Energy, Mines and Resources — every opportunity to maximize benefit.

We know that there are exemptions, and we know that there are these trade clauses, but I'm just explaining some of the sentiment that I have seen at the federal level. That is all I'm saying. I thought it was very clear. I see exemptions; I see trade agreements. I see things that we have in flexibility and procurement. We have been cross-referencing what has gone on in the Northwest Territories. We have been doing a ton of work on this. That is the work that the Minister of Highways and Public Works has been undertaking. We are trying to effectively keep more money in the Yukon any way we can but I will just say that there is a different thought, and maybe that takes a legal note on both sides to do it. These are the discussions we're having.

I respect the fact that, as we sit down with the CEOs of the 11 self-governing First Nations, as well as the other nations — all of the nations in the Yukon — and we talk to their development corporations — which is a commitment we have made, which is really important and something that we didn't get to touch on — that is the place where we can really see where they are at from a capacity perspective — and where they feel they want to go down a particular road. Is that their niche? Are there three nations that will band together in a collaborative manner with a joint venture? I don't know. Those are the things that we're trying to discuss and then, of course, it's not just about saying: "Here is our strategy for this jurisdiction. Here is our strategy for this area." It's about, first, understanding, and that is work that hasn't been done before, so we're going to take that on.

All right — where can we go? I'll touch on — yes, land development, I guess. On land development, we all come into the Legislative Assembly and, when we are supporting mineral development, of course we want to see individuals who work in the mining sector live in Yukon. If they're not living in Yukon and they come here, we have an expectation — as my critic said, the member opposite — that they will fall in love with Yukon, raise their family here and need an appropriate place to live. I absolutely understand that.

At this point, we still have in Minto a tremendous amount of activity on the ground, where there are Yukoners who work — whether it is with Nuway or Pelly — but we still have Dumas, which is a northern Ontario contractor. There are a lot of people within the underground mining sector who are very

migratory. That does not mean that we are not going to be able to provide them with that and they will fall in love with the Yukon. Also, part of our challenge in the Yukon will be — I am just putting this on the table. When you are living where a lot of these miners come from, which is New Brunswick, Nova Scotia, northern Ontario — I have many family members who are working in mines. Either they have worked in the Yukon or they are working in the Yukon or the Northwest Territories. Part of the challenge is going to be that, when you can have a comparable home in New Brunswick, Nova Scotia or northern Ontario that only costs \$225,000 — and, as the member opposite said, that is the cost of a country residential lot in Whitehorse — people sometimes make the decision to become migratory.

How do we skill-up people who are already living in the Yukon and who have a home but want to change their occupation? That is part of what we need to do with the Centre for Northern Innovation in Mining, and that is what we have to do as we skill-up with a series of people. We have that, but that does not mean that I am going to take the advice when I sit down with the Mayor and Council of Mayo and they want to talk about densification in the downtown sector. To be fair to Mr. Chair — previous to being the Chair today — he already told me I should be doing that, so I respect your prerogative on it as well. I will take advice from both, but still, this is going to be a work in progress on how we skill-up our existing workforce and, at the same time, ensure that we get people to come to the Yukon and make this their home and contribute to Yukon over time on land development, so that is another piece. But you're right that the options have to be there.

On the wetlands piece — I apologize. I just want to make a couple of points, and I want to make them clearly, just for the record. The Yukon government, through the Department of Environment — the Environment minister will probably be speaking in greater detail to the wetlands conversation and wetlands policy.

Some Hon. Member: (Inaudible)

Hon. Mr. Pillai: I am going to get there; just give me a second.

The process will involve collaboration with Yukon First Nations and stakeholders. The Yukon government has undertaken several activities to support decisions related to placer mining and wetlands in the Indian River watershed. Last summer, we went into the Indian River with the Chief of the Tr'ondëk Hwëch'in, as well as the president of the Klondike Placer Miners' Association — so Chief Roberta Joseph as well as Mike McDougall. We flew in to look at — because there were also some people within the Indian River who were doing exceptional reclamation and had won awards for that. There are other areas where there is massive impact. We are dealing with some rules right now, which the member opposite alluded to, that have been historic and that has our framework, so right here, right now, with the cards that we have been dealt, we are having those conversations and trying to come up with a wetlands strategy. We are making sure that the wetlands strategy takes into consideration all parties, not

just that it has been built in isolation, and that is some of the work that we continue to do

So we are working with the Tr'ondëk Hwëch'in and placer mine operators to develop project-specific reclamation guidelines for placer mining proposals and initiating research projects to gather information and data to develop a better understanding of the wetland complex in the Indian River watershed. A lot of this work has been led by Dr. John Bailey, who is our Assistant Deputy Minister of Strategic Initiatives, who happens to have focused his PhD thesis on water quality in the goldfields of Whitehorse under Western University. So we have a fantastic person who is leading and working on these discussions. We are lucky to have him. This includes funding for a two-year wetland mapping — an inventory study involving field and desktop mapping exercises — and exploring ways to make the data available for assessments, licensing and evaluation of proposed wetland reclamation.

Other studies underway focus on water balance and water chemistry of both surface and groundwater, and a wetlands research study led by the Klondike Placer Miners' Association and Ducks Unlimited. Both the Minister of Environment and I have met with Ducks Unlimited. I think that, as of last week, we had meetings with the Tr'ondëk Hwëch'in, industry and YG regarding our guidelines. We continue to work on that. It is a huge pressure point — a huge pressure point — on the Indian River, and I understand that and we will probably have further opportunities to speak to that item.

As for SINED, that is a bigger conversation about relationships and bilateral relationships between territorial and provincial governments. Lots of people have funding agreements with the federal government, whether they are the Province of Ontario — that is a bigger conversation. Do I think we should increase our own-source revenue? Absolutely. Do I think that a diversified economy and mining are a way for us to do it? Yes, I do. Do I think that the work that was undertaken that was project-based through SINED was valuable? Yes, it was.

We had two great partnerships with two separate First Nations. We have done drilling on geothermal. I think it is a good story, and people are happy that we have taken on this work. I would absolutely like to have \$900,000 for a specific program, but when it comes, if it fits the needs of our government and our department and we feel that there is a way to use that to better the lives of Yukoners, we are going to use those program funds. That is pretty standard. I think that you would see that for a contractor or administrator — the member opposite knows more from her previous work than I do. I am just trying to use the money that is available to get the work done that we think is important for Yukoners.

We talked a little bit about YGS. Maybe we can touch on some of the field activities this year because I know the member opposite highlighted the great work that they do. We have bedrock mapping in the upper Hyland River in the Lake Laberge areas. There is superficial mapping in the Burwash uplands and at Gladstone Creek; mineral deposit studies in the Selwyn basin, Rackla belt, Richardson Mountains and Mount

Freegold area and tracking of hardrock exploration and placer activities.

Once again, I would just say to the member opposite that certainly there are lots of questions there. I don't want the member opposite to feel hurried, but I know it is good to get her concerns on the public record, but if she wants to sit down and go through some of these specific programs for the summer — I don't know if my answers will always suffice, but I am committed to spending the time to be respectful and try to do what I can to provide that information.

Mr. Chair, I think at this point, I move that you report progress.

Chair: It has been moved by Mr. Pillai 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. 18, entitled *Order of Yukon Act*, and directed me to report the bill without amendment.

Committee of the Whole has also considered Bill No. 206, entitled *First Appropriation Act 2018-19*, 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 5:29 p.m.

The following legislative returns were tabled March 20, 2018:

34-2-109

Response to Written Question No. 15 re: spending on bridges (Mostyn)

34-2-110

Response to Written Question No. 21 re: impounding vehicles under the *Motor Vehicles Act* (Mostyn)

The following document was filed on March 20, 2018:

34-2-42

Yukon Lottery Commission Annual Report 2016/17
(Streicker)