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HANSARD

Tuesday, October 2, 2018 — 1:00 p.m.

Speaker: The Honourable Nils Clarke

YUKON LEGISLATIVE ASSEMBLY

2018 Fall Sitting

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

CABINET MINISTERS

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

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Yukon Liberal Party

Ted Adel	Copperbelt North
Paolo Gallina	Porter Creek Centre
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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

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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, October 2, 2018 — 1:00 p.m.

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

Prayers

DAILY ROUTINE

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

Introduction of visitors.

INTRODUCTION OF VISITORS

Speaker: Under introduction of visitors, the Chair would like to introduce the staff of the Yukon Child and Youth Advocate office. They are: Annette King, Yukon's Child and Youth Advocate; Bengie Clethero, the Deputy Child and Youth Advocate; Jessica Williams, advocacy caseworker; Lynda Silverfox, systemic analyst; Carrie Jackson, administrative assistant; Stephanie Sullivan, bachelor of social work practicum student; and finally, Mark Rutledge, the graphic designer who designed the Child and Youth Advocate office's annual report, which will be filed with the Legislative Assembly shortly by me.

Thank you so much for all of the fantastic work that you do. Please join me in welcoming all of these persons to the House at this time.

Applause

Hon. Mr. Silver: Thank you very much, Mr. Speaker. It is kind of bizarre, actually, to have a certain individual in this Legislative Assembly without all of us standing and rising. I would like to welcome back to the gallery former Commissioner Doug Phillips.

Applause

Hon. Mr. Silver: I would also like to welcome back to the gallery again — two days in a row — Grand Chief of the Yukon, Peter Johnston.

Applause

Hon. Ms. Dendys: I would like to take this time to welcome some very special guests to the House today: Charlene Waugh, Tamara Fischer, Bunny Bruton, Millie Johnstone, Cheryl Cook, Patricia McIntosh, Ian Angus, Melissa Carlick, Colleen Parker, Thelma Asp — who is also my niece, I would like to say — Kristin Kulachkosky and Nate Kulachkosky, Christina Strutton, Mark Rutledge, Jacqueline Shorty, Maureen Johnstone, Corinna Yuill, Nyla Klugie-Migwans, Ron Davis, Eileen Melnychuk, Marion Primozic, Norma Davignon, Tyler Doll, Carl Carpentier, Dustin Wentzell, Robyn Gillespie, Virginia Viernes and Asther Gayangos.

I just want to welcome you all here. We're going to be doing a tribute to all of these great people in a few moments. Thank you so much for coming today.

Applause

Hon. Mr. Streicker: I would like to welcome to the Legislature today, from Community Services and all the Wildland Fire folks: Paul Moore, Mike Sparks, Lorne Harris, Mike Smith, who, by the way, won the national Emergency Management Exemplary Service Award from the first intake this year, which was great — congratulations, Mike — Coleen O'Hagan and Breagha Fraser.

There's Ben Asquith, the CEO of Da Daghay Development Corporation. From Charlie crew: Keith Fickling, Doug Cote — well, I don't think Doug — hi, Doug — Shawn Kinsella, Nick Mauro, Andrew Pike, Jesse Latoski, Hayden Kremer, Ocean Stimson, Brandon Smith, Nathan Smith, Austen Smith — all the Smith brothers — Derek Gordon and Anthony Gallo. Can we give them a round of applause, please, Mr. Speaker?

Applause

Hon. Mr. Streicker: I know he was welcomed, but Nate Kulachkosky is my youngest constituent who I've ever had in this Legislature. I would just like to say hi to Nate.

Applause

Hon. Ms. Dendys: I see Shirley Dawson has also joined us and I want to welcome her as well. She is part of Tahltan Strong. Thank you.

Applause

Speaker: Are there any further introductions of visitors?

Ms. White: I am not 100-percent sure, but I would hate if we missed someone. Glen Sands is also here for Tahltan Strong. It's only because I could pick him out in a crowd. So thank you for coming with your very large, powerful group of people. Thank you for being here.

Applause

Speaker: Tributes.

TRIBUTES

In recognition of Tahltan Strong

Hon. Ms. Dendys: I rise today on behalf of the Liberal government to pay tribute to the community members of Telegraph Creek who have shown so much resilience, strength and courage in the face of the fires that destroyed their homes and huge masses of their land this summer. Some 300 people had to evacuate their homes, with 27 homes in the community burning down and 29 other structures lost inside and outside of the community.

I pay tribute to all of the firefighters who worked hard and put their lives on the line to make sure nobody was harmed. Because of the efforts of the emergency services and

the support of many volunteers, everyone was able to leave Telegraph Creek safely. No one lost their lives and that is something we are so truly grateful for. I saw first-hand how efficiently the evacuation plan was carried out.

The support continues today as evacuees re-establish their lives. So many individuals, organizations and businesses are helping, from offering free haircuts to ensuring everyone has the groceries that they need. Here in our territory, Yukoners are helping the evacuees too. Many Yukoners, like me, have connections to Telegraph Creek and the Tahltan Nation or simply want to help out our southern neighbours. Volunteers have been gathering supplies and taking them down the highway ever since the evacuation began. Yukoners have found other ways to help too.

The Yukon First Nation Chamber of Commerce and Northern Vision Development co-hosted a fundraiser luncheon for the business community. Volunteers came together and organized a benefit concert and silent auction in Whitehorse on September 19 and 20.

All of this was led by an amazing community leader, Jacqueline Shorty. So many people wanted to be involved, whether as performers or in the audience, that the concert was held over two nights. The first night was at the Kwanlin Dün Cultural Centre and the second was at the Coast High Country Inn convention centre. The concert raised — and this is new, this hasn't been announced — \$86,160.16 for the Telegraph Creek evacuees and firefighters.

This is just simply outstanding, Mr. Speaker. Eighteen bands played, along with special guest, Brett Kissel. The concert sponsors were Solid Sound Reinforcement, Northern Vision Development, Air North and Kwanlin Dün Cultural Centre. The Tahltan Strong Benefit Concert gave Yukoners a way to show our support by our physical presence as well as through donations.

I had the distinct privilege to emcee on both nights so I had a very unique lens to these events. I'm so proud to be a Tahltan member and I'm equally proud to be a born and raised Yukoner.

This event gave us a way to celebrate the resilience of Telegraph Creek, the Telegraph Creek community and the power of our connections. It truly raised the spirits of the Tahltan people. That's something I've heard over and over and over — that the spirits have been raised and it's given the strength for people to move forward.

They are strong people — Tahltan strong — and I know Yukoners will continue to do what they can to help them.

Our hearts will stay with our neighbours as they rebuild their town and their lives. My heart and the hearts of the Tahltan Nation continue to overflow with gratitude and love for Yukoners.

From the Tahltan Nation: meeduh and nedishcha; thank you and we love you.

Applause

Ms. Van Bibber: I rise today on behalf of the Yukon Party Official Opposition to recognize and express our sincere gratitude to all of those who rallied in response to the

wildfires that spread to the Telegraph Creek and Lower Post areas this summer. Extraordinary efforts by ordinary Yukoners, who had ties to the affected communities, are to be commended. So many others who helped in this time of need — although we cannot name everyone, know you are appreciated.

Efforts included collecting donations from businesses and individuals, transporting goods to communities, sheltering the evacuees, opening homes to those in need for a place to stay, making meals and much more. Every act of generosity is never too small. All the contributions were supported and organized by an enormous effort by many Yukoners. The heart that went into organizing one of the main fundraisers tells it all. The Tahltan Strong Benefit Concert drew crowds to fill the venues each night. Performers from across the Yukon and beyond took to the stage to entertain guests. We would like to express our thanks to everyone who had a role in organizing, performing and volunteering at the events, as well as those who donated to the silent auction.

It is always truly remarkable to see communities come together to support people when they are in need. Yukon's response was reflective of the concern and care for their neighbours. "Tahltan strong" says it all. The strength and perseverance of a people has shone through.

Bless all who have lost their earthly goods and we pray you endure the challenges ahead with dignity and courage.

Applause

Ms. Hanson: I rise on behalf of the New Democratic Party caucus to offer our heartfelt thanks to recognize those who recognized the need, dreamt up, organized, volunteered and presented the Tahltan Strong events. Financial support to a community that has lost so much is one thing, but the outpouring of love and support is another thing altogether. The events that were organized did more than just raise money. They said, "We see you; we feel you; we're here for you," and that recognition is far more valuable than money. It's the acknowledgement of loss, of pride of place and of respect for a nation. As a great woman once said, "The greatness of a community is most accurately measured by the compassionate actions of its members."

What we saw and experienced as Yukoners, whether in Watson Lake or Whitehorse, in response to the Telegraph Creek fires and the displacement of so many people is the best of ourselves. It is community supporting community.

Applause

In recognition of Yukon Wildland Fire crews

Hon. Mr. Streicker: I am honoured to rise to pay tribute to firefighters and personnel who help protect Yukon lives, property and communities from wildfire in the 2018 fire season. This year, there were 66 fires in the Yukon, which burned more than 85,000 hectares. More than 20 initial-attack fire crews and support personnel worked incredibly hard. Some were YG crews and even more were First Nation crews. Their jobs are demanding. They are often away from home, family and community. They work to keep the Yukon safe —

and not just the Yukon, Mr. Speaker. With a record year for wildfires in British Columbia, Yukon shared firefighting resources with the BC Wildfire Service as part of our commitment to provide support and resources across Canada wherever the need is greatest.

The first crew to Telegraph Creek was Charlie crew, a First Nation crew. I got to talk with them in the lobby beforehand, and I heard first-hand from many folks about the effectiveness of this crew and how much they felt supported by them, and I want to thank them. When I talked to our counterparts in British Columbia, they asked us for access to our air base, bomber support, structural fire protection crews and evacuee support. On August 15, Yukon deployed 20 firefighters, support staff and equipment to British Columbia to assist with wildfires in the province, delivering on all fronts. When a wildfire threatened the community of Lower Post, Yukon fire crews with support from the Watson Lake fire department and the Yukon Fire Marshal's Office acted on behalf of the British Columbia Wildfire Service to manage a quick and effective response to the wildfire. We were told that their work helped save 300-some buildings.

In the middle of a heartbreaking disaster, this was such welcome news to the community. I commend all of the hard-working fire crews and personnel for managing wildfires in the Yukon and British Columbia well into September. All fire personnel have returned home as of September 29. We thank them and their families, who also feel the brunt of long deployments during the fire season. On behalf of all Yukoners, Mr. Speaker, thank you to all of the Yukon fire crews who worked hard to manage wildfires and keep us safe this fire season and in the future.

Applause

Mr. Cathers: I rise today on behalf of the Yukon Party Official Opposition to join the minister in recognizing the efforts of all of the firefighters, fire crews and administrative support, as well as the logistic support that played a part in responding to forest fires this summer, both in the Yukon and in British Columbia. I would like to especially thank all of those in the gallery and anyone who may be listening for their work in this, but also to all of our firefighters across the territory, whether a part of the wildland fire crew or First Nation crew. We do appreciate your efforts here and in British Columbia.

With extreme fire activity across western Canada this summer, we saw immense damage to communities very close to home, and for many people I know that there is a family connection, as well, to people who are affected in British Columbia. As fire conditions worsened, residents south of the Yukon border prepared their homes for evacuation.

Many people in the Telegraph Creek and Lower Post fire zones were able to return to their homes, fix some damage and begin working on rebuilding their communities. As the minister noted, some 300 homes were thought to have been saved, in large part, through the efforts of the Yukon crews.

We acknowledge, as well, people who are in a worse situation, having lost a portion of their homes and their

belongings and the effect that this has on their families. Every person who participated in the fire-suppression efforts made an enormous impact in those wildfire zones. I understand that a Yukon crew was first on the ground when it mattered in one case in British Columbia as well.

Thank you to all of you for curtailing the damage and for doing your best to protect homes and other structures. There is a page on the BC government website dedicated to thanking wildland firefighters. Residents are able to leave personal messages of thanks to those who fought so hard to save their homes and their properties.

One post reads: "Dear Firefighters, I am lucky. I have never had to experience the threat of fire next to my home. I have never had to flee at a moment's notice. I try to imagine the scenario but, until someone lives this, I doubt a person can really understand. You firefighters live it constantly. During this hot, dry summer, while many of us enjoyed the beaches and water and sunshine, you all slaved in the searing heat of so many fires across our province. I thank you for saving homes, lives, trees and communities. Your long hours and relentless efforts were, and continue to be, truly amazing."

That's the end of that post.

Again, on behalf of me as well as my colleagues in the Yukon Party Official Opposition, our sincere thanks to all those who work to fight forest fires throughout this season and in previous seasons.

On a personal note, last year the response originated by Wildland Fire Management to a fire near my constituents at Jackfish Bay protected the homes of people who were quite concerned when they saw the fire. I am very thankful for that, as well as a for a response this year from Wildland Fire Management that put out a fire quite near to my family's home on Lake Laberge. Fortunately, I've never had to experience the loss of home or property, but I do appreciate the efforts of those who prevented it.

To everyone in the network of volunteer fire departments, as well as fire crews who have received wildland fire training or responded to fires, thank you again for your ongoing efforts. Thank you to those who volunteer time and energy to organize firefighting efforts as well as to serve on crews. To all of you who have answered the calls, who have left your homes and fought fires and have taken the personal risk to protect the homes of your fellow citizens, thank you for your efforts.

Words seem a bit inadequate, considering the situation. We do appreciate that, for all of you who have been in that situation, next to an active fire, there is personal danger involved and we appreciate your efforts and your service.

Applause

Ms. White: I rise on behalf of the Yukon NDP caucus to thank the wondrous men and women of Yukon wildland fire crews and their support staff who each and every year protect the lives, property and ecology that Yukoners value. In years like this one, not only do they protect Yukoners but they go beyond our borders to support our neighbours in other jurisdictions. It takes a special bunch — one might say a

wacky bunch — to do what you do, and for that, we are most grateful. So thank you for taking care of us and our neighbours. Your job won't ever be easy but it will always be appreciated. Thank you so much for your work this summer.

Applause

TABLING RETURNS AND DOCUMENTS

Speaker: Under tabling returns and documents, the Chair has for tabling the Yukon Child and Youth Advocate office 2017-18 annual report. This report is tabled pursuant to section 24 of the *Child and Youth Advocate Act*.

Hon. Mr. Streicker: I have for tabling today the Yukon Liquor Corporation annual report, 2017-18, which is tabled pursuant to section 16 of the *Liquor Act*.

I also have for tabling today three legislative returns. The first is a response to the Member for Lake Laberge regarding medevac costs. Another for that member is regarding EMS and the use of helicopters. The third is in response to questions regarding the Grizzly Valley subdivision road design.

Speaker: Are there any reports of committees?
Are there any petitions?
Are there any bills to be introduced?

INTRODUCTION OF BILLS

Bill No. 27: *Coroners Act* — Introduction and First Reading

Hon. Ms. McPhee: I move that Bill No. 27, entitled *Coroners Act*, be now introduced and read a first time.

Speaker: It has been moved by the Hon. Minister of Justice that Bill No. 27, entitled *Coroners Act*, be now introduced and read a first time.

Motion for introduction and first reading of Bill No. 27 agreed to

Bill No. 21: *Equality of Spouses Statute Law Amendment Act (2018)* — Introduction and First Reading

Hon. Ms. Dendys: I move that Bill No. 21, entitled *Equality of Spouses Statute Law Amendment Act (2018)*, be now introduced and read a first time.

Speaker: It has been moved by the Minister responsible for the Women's Directorate that Bill No. 21, entitled *Equality of Spouses Statute Law Amendment Act (2018)*, be now introduced and read a first time.

Motion for introduction and first reading of Bill No. 21 agreed to

Speaker: Are there any further bills for introduction?
Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to investigate the option of selling land to allow for the private development of residential building lots.

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

THAT this House urges the Government of Yukon to work with the Ross River Dena Council to achieve mutual understanding and agreement on:

- (1) a consistent set of hunting regulations on the Ross River Dena Council traditional territory; and
- (2) mutually agreed-upon methods to support and enforce the agreed-upon regulations.

Speaker: Are there any further notices of motions?
Is there a statement by a minister?
This then brings us to Question Period.

QUESTION PERIOD

Question re: Fiscal management

Mr. Hassard: I'm wondering: Can the Premier confirm whether Management Board asked all deputy ministers to find two-percent cuts in their departments?

Hon. Mr. Silver: I assume the member opposite is referring again to the leaked document that was presented yesterday in the Legislative Assembly. I am not going to comment on the document that the member is referring to.

I will say that it's not news to anyone that the Government of Yukon is looking for ways of being more efficient and more effective, and that was one of the central recommendations of the Yukon Financial Advisory Panel. We are looking into how services are organized, managed and delivered, and we are looking for efficiencies to better deliver services to Yukoners.

We are also getting ready to launch a comprehensive review of programs and services delivered by the Department of Health and Social Services, and that will be taking place this coming year. I'm very excited about that, and I'm very comfortable with the financial direction that we're heading in, as I outlined in my ministerial statement and outlined again yesterday.

Mr. Hassard: The Premier can deflect all he likes, but Yukoners know that looking for a reduction of the budget by two percent means that you're cutting the budget by two percent. As we determined yesterday, at Education this would be a \$3.6-million cut. My colleague yesterday asked what the government would target with this. Is it going to be teachers? Is it going to be programming for students? What is it going to be? Yukoners deserve to know.

Hon. Mr. Silver: We have been very clear in our answering of this question. We're not avoiding the question. I did read the leaked document for the first time yesterday and I didn't see the word "cuts" anywhere at all in that document. That's exactly where the opposition went. They are the only ones who are suggesting cuts at this time.

What I did see was an opportunity for departments to articulate their vision to achieve savings in their departments.

The Yukon Party says “cuts”; we say “efficiencies”. The departments agree with us, and we’re taking a whole-of-government approach to make sure that we do find savings across every department. I don’t see any problem in finding savings in departments, and I certainly don’t find any problems with the departments themselves being the ones coming up with those efficiencies.

Mr. Hassard: I say “deflection” — but anyway, the Premier likes to claim he has an open and transparent government but Yukoners had to find out that this government was cutting the budget by two percent via the media. The Premier is telling Yukoners that he needs to cut the budget for our schools by \$3.6 million, but then he goes and spends half a million dollars on a new logo or he spends \$120,000 to spray mist into the air in Dawson City.

Mr. Speaker, here is a very simple question for the Premier: Since he is telling us that he is looking to save money, can he confirm that his government gave all Liberal Cabinet staff a big raise this year?

Hon. Mr. Silver: We are obviously managing finances differently from the previous government. The previous government’s trend to spend more money than they earned was very concerning to Yukoners. Yukoners are interested in turning around this irresponsible approach to running finances, so we are looking for efficiencies. To reduce spending, you have to look at efficiencies first. The human hours that we put into processes, duplication of services and overtime required for a government that is used to politically motivated decisions as opposed to evidence-based decisions — well, that is extremely costly.

Imagine the pressure applied to the Department of Health and Social Services when they found out in the news that there was going to be a 300-bed facility. Imagine redrafting the original Peel plan because the political wing didn’t like the report. With a gutted financial department, with decisions being made outside of Management Board and a political office running amuck, it was obvious that we were on an unsustainable path.

They see cuts when they see leaked documents; we see efficiencies. This government is making decisions based on evidence. We are projecting O&M and capital expenditures over a five-year schedule as opposed to one year at a time. We are keeping all major budgets in the mains, and we are leaving supplementary budgets for unseen expenses. Improving capital planning is one of the main reasons why the government was able to table a financial plan that included a small deficit this year that was much smaller than forecasted for the 2017-18 budget. I am very proud of the financial scrutiny of this department and this government.

Question re: United States-Mexico-Canada Agreement

Mr. Istchenko: Yesterday, the Member for Copperbelt North introduced a motion congratulating the federal Liberals on reaching an agreement in principle on the modernized trade agreement between the US, Canada and Mexico. The Yukon Party supports free trade, but we do have some questions

about how this agreement will impact Yukoners. This morning on CKRW, the president of the Yukon Chamber of Commerce raised concerns that the steel and aluminum tariffs imposed by President Trump remain in place. We are also assuming that Canada’s tariffs that it created in response are also in place. This hurts Yukon contractors, retailers and customers.

Has the Premier or minister raised concerns with federal colleagues about these tariffs remaining in place?

Hon. Mr. Silver: It is a pleasure to rise to talk to this issue. We are seeing in a hot economy in the Yukon a lot of financial pressures, one of which is tariffs — that’s for sure. Prices for steel have gone up over 40 percent this year alone, not to mention softwood prices as well. My department has read through most of the details of the new agreement already, and I will be pleased to present our opinions on that to the members opposite as we finalize our look at that draft.

I am glad that we stuck with, on a national level, a good deal as opposed as to no deal, or any deal as opposed to no deal — whatever that line was. Most importantly, when we spoke to the Prime Minister just yesterday, he thanked every premier in every region for reaching out to all of their different counterparts — whether it was in Alaska for us or BC looking to Seattle in Washington — to thank them for all of the work to show how important trade is to the Americans. We are kind of like the insulation in the attic — they don’t know we are there until we are gone. I am very pleased with the support and I am looking to the next chapter where we can deal with the tariffs on aluminum and steel.

Mr. Istchenko: I thank the Premier for that. Also included in this agreement is that the duty-free thresholds for online shopping have been raised from \$20 to \$150. In 2017, the Retail Council of Canada was quoted: “... if Canada raised the duty-free threshold to \$200, it would shed more than 300,000 jobs by 2020. Even changing the duty-free level to \$100 could have a huge impact on Canadian retailers...”

So we know local retailers are concerned with the leakage of customer dollars to online sources. So has the Premier or the minister determined what the impact of these changes will be on our local retailers?

Hon. Mr. Silver: I do agree with the member opposite that the thresholds have been increased, which is an opportunity for some and again, it’s going to be a concern for others. To answer his question simply: No, we haven’t taken a look at that yet. Like I said, we’re still reading through the documents. I had a report by the end of the day yesterday from intergovernmental relations going through all of the different components of the new agreement. We’re still getting through that as well right now.

I was reached out to yesterday by our Member of Parliament, Larry Bagnell. We are going to continue conversations with the federal government as he heads back into Ottawa. We are planning for some substantial conversations during Yukon Days with our federal counterparts and also before that as well.

It’s pretty new in this new deal to ask for the specifics to which the member opposite is referring, but I assure him that

conversations are ongoing and the analysis work is also being done as we speak.

Mr. Istchenko: So I'm just a little bit concerned, I guess. If the government is still reviewing the detail and doesn't know the total impacts on Yukoners, why are we in such a hurry to table a motion congratulating Canada?

So I guess my final question on this would be, in 2017, a *Globe and Mail* article quoted Prime Minister Trudeau as saying that it is crucial to include protections for women in the renegotiated *North American Free Trade Agreement* because gender equity is an economic issue. Canada also talked about the importance of indigenous and environmental chapters in the renegotiated NAFTA. So can the minister or the Premier tell us if we can find these chapters in the new agreement and what the interventions his government made on this issue to Canada were?

Hon. Mr. Silver: I do believe that it's definitely worthy. As we review this new deal and we take a look at it from a 1,000-foot level, we are proud of what has happened in Ottawa and we do believe that this is a good deal. I guess the question for the Yukon Party is: Do they?

Question re: Procurement policy

Ms. Hanson: Last April, the government awarded a \$900,000 contract to a company from the Northwest Territories to a standing offer agreement. Many Yukon contractors were shocked to see such a large contract awarded without competition to an Outside company. This flies in the face of the promise made by this government to give local companies greater access to government contracts. The minister eventually cancelled the remaining phases of the contract, despite the fact that mere weeks before the government was standing by its decision and defending the contract.

How is awarding a contract worth nearly \$1 million without a competitive process to a company outside Yukon beneficial to Yukon, and why did it take five months for the government to acknowledge its mistake?

Hon. Mr. Mostyn: I think I've been very clear on our communication in the last several weeks.

The tendering of this contract was not in line with this government's commitments and goals. A contract of this size should have gone through a more competitive tendering process.

In response, I've decided to end the current contract at the second phase with the Outside firm. The third phase of the contract, which will be between \$650,000 and \$750,000, will go to an invitational tender open only to Yukon businesses. That's how we're proceeding. That's the approach. As I said again, this wasn't in line with this government's stated commitments and goals and we've taken action.

Ms. Hanson: You know, the minister did eventually acknowledge that a mistake was made, but he washed his hands of the responsibility and blamed the public service. The minister said that he was not even aware of the contract being awarded.

Mr. Speaker, is this minister seriously suggesting that he does not understand that he bears the ultimate responsibility for the actions of his government? The government stood by its decision to award the contract to an Outside company without a competitive process until September 4 — less than a month ago — and then two weeks later, on September 23, the minister cancelled the contract, saying it was a mistake.

Mr. Speaker, what changed between September 4 when the government was standing by its decision and September 23 when the contract was cancelled?

Hon. Mr. Mostyn: I do appreciate the question. This is an important question to the people of the territory and this government has dealt with it in a straightforward, transparent manner.

What happened was I away on business down south. I came back into the territory after my absence. I looked into the circumstances surrounding contracting this tender. I realized that my department — the department that I have; my name is on the door of that department — that we made a mistake. I stood forward. I admitted the mistake and we've taken action on that file.

I am very pleased with the work the department has done on procurement. We've done so much work. The Department of Highways and Public Works has done an excellent job on this file. I'm very proud of the work they've done, and we're going to continue to improve the procurement process in the territory by putting in local hire and local knowledge provisions in our value-based contracts. We're going to use the 10 \$1-million exceptions. We're the first jurisdiction in the country to have done that. We are going to make sure that we get contracts out earlier in the year, as we did this year. We set precedent and set records on the amount of contracts we got out of the door earlier. We're going to work with our First Nation partner governments on making sure that they benefit from our procurement processes. We have a Procurement Advisory Panel in place that wasn't in existence before. We've done an awful lot of work.

The Department of Highways and Public Works has done a tremendous job on this file and I'm very proud of the work they've done.

Ms. Hanson: So what remains is an unexplained five-month gap and a two-week gap. Mr. Speaker, our understanding and the understanding of many contractors, for that matter, is that the limit for contract awards under a standing offer agreement is \$250,000. It's not clear how this contract would go through without the minister being aware of it. We are talking about a contract nearly four times larger than the government policy allows. To make matters worse, this contract went to an Outside company, depriving Yukon contractors of the opportunity to bid on it.

Without falling back on last spring's speaking points, can the minister confirm that the limit for standing offer agreement contracts is \$250,000 and what steps have been taken since this debacle to ensure that this policy is adhered to?

Hon. Mr. Silver: Mr. Speaker, this gives me an opportunity to relay some of the anecdotal information that I have about this particular file.

The minister admits that mistakes were made and has taken ownership of that. I have even seen him speaking to individual members of his public service, saying, “We want you to boldly look where you haven’t looked before. Be courageous, reach out and if you make mistakes we will be there to support those directions.”

It’s a big budget and the minister admits that there have been mistakes made, but remedies have been made as well. Terry Sherman was quoted in the *Yukon News* saying that he found the government admitted — and saying the admittance was “honourable” — and that the complaint that the association received about the TAG contract had been resolved. He said he will give credit where credit is due and that the Minister of Economic Development and also the Minister of Highways and Public Works did an exceptional job of listening to the individuals in the Yukon and they took the correct action.

Question re: Tourism development strategy

Ms. Van Bibber: Mr. Speaker, currently the government is accepting feedback on the draft tourism strategy until October 3, which is tomorrow. We have taken a look through the strategy and the “what we heard” document. A notable inclusion in the tourism strategy is the creation of a new government agency. However, we did not notice that the “what we heard” document contains zero mention of anyone asking for a new government agency. This seems odd. Doing something as major as creating an entirely new government structure seems like something you would include in a document summarizing what you heard during the consultations.

Can the Minister of Tourism and Culture tell us where the idea for this new government agency came from?

Hon. Ms. Dendys: I thank the member opposite for the question.

We currently have a draft Yukon tourism development strategy that contains a number of proposals developed by a steering committee. The draft proposal — we are currently seeking further input into this draft and it actually closes tomorrow.

I want to just focus a little bit on — the draft was developed with the guidance and expertise of the Yukon Tourism Development Strategy Steering Committee, which is comprised of 15 individuals who represent Yukon First Nations, municipalities, arts and culture community and the tourism sector. It was informed by an extensive Yukon-wide engagement, as the member opposite has spoken to. It generated over 12,000 comments. It included 55 engagements and many written stakeholder submissions. The draft Tourism development strategy is based on —

Speaker: Order, please.

Ms. Van Bibber: I didn’t hear the answer to my question.

The government’s website states — and I quote: “... over 500 Yukoners shared their thoughts through an online survey, through formal submissions, or in person at one of our 55 engagement sessions.”

Can the Minister of Tourism and Culture tell us how many of those 500 — not 12,000 — Yukoners suggested the Liberals should create a new government agency?

Hon. Ms. Dendys: Again, Mr. Speaker, as I’ve stated, this draft tourism development strategy was developed by a steering committee that’s made up of individuals who represent the entire sector. All of our partners were at that table.

We also conducted research. There were 12,000 comments that were gathered, and many of them were gathered through the engagement sessions. We had written stakeholder submissions that contained a tremendous amount of information, Mr. Speaker, but really it was the steering committee that drew together this draft tourism development strategy. We’re currently seeking more input from the public and from our stakeholders, and the committee will then take what they have heard additionally and table a final draft strategy that we will consider within government. All proposals will then be considered.

Ms. Van Bibber: The draft tourism strategy argues that the Liberals need to create a new government agency because — and this is a quote from the report: “Government of Yukon should get out of the business of doing business and change its governance structure.”

It sounds great but, according to this year’s budget documents, the Department of Tourism and Culture only generated \$16,000 in revenue and zero dollars in profit. I’m left wondering: What business is the department even doing? Can the Minister of Tourism and Culture explain to us what private sector business the Department of Tourism and Culture is currently involved in and that she is contemplating getting out of, and is she able to explain how the creation of a new government agency removes government from that area of private sector business?

Hon. Ms. Dendys: Again, I would like to emphasize that this is a draft tourism development strategy that contains a number of proposals that were developed by a steering committee. Creating a Crown corporation dedicated to tourism marketing is just one of the many proposals within this draft strategy.

Again, I would like to emphasize that we have engaged extensively on the draft strategy and that we now need to consider all of the proposals that have been put forward. When we have a final recommended draft tourism development strategy — and I would like to remind the House that it’s the first new strategy for tourism in 18 years. It’s long overdue. We brought together all of the partners to fully consider the future of tourism in Yukon, and building a sustainable, long-term, multi-year plan is what is needed in this territory.

Question re: Tourism development strategy

Ms. Van Bibber: As mentioned, the consultations for the tourism strategy end tomorrow. We have heard from members of the tourism industry and the community that, unfortunately, the consultation period on this came during the end of their busy season, and they would like more time to review this. Will the minister extend the consultations beyond October 3?

Hon. Ms. Dendys: Thank you for the further questions on our draft Yukon tourism development strategy.

I would like to just say in reference to this particular question that this process started well over a year ago, and we have done extensive engagement through the direction of the steering committee. We started with a roundtable in July 2017 with over 50 stakeholders coming together. They identified the way the process should run. These are all the partners in the whole tourism industry, including arts, culture and heritage. They identified that they wanted to ensure that we did extensive consultation throughout the Yukon. We visited every single community. We gathered all the information that we possibly could. We gave every Yukoner a chance to speak to the tourism development strategy. We wanted to ensure that every Yukoner could see themselves in this. Again, this is a long-term strategic plan that is long overdue — the first new tourism development strategy in 18 years.

Question re: Tourism and culture initiatives

Mr. Hassard: On June 20, the Minister of Tourism and Culture attended the conference on tourism and culture ministers. In the joint communique that the Minister of Tourism and Culture signed off on, she committed to closely monitor the progress of the statutory review on the *Copyright Act* currently being conducted by the House of Commons.

Can the minister provide us with an update on the actions that her government has taken in follow-up to this commitment, and does Yukon have any concerns or has it given any input into this review of the *Copyright Act*?

Hon. Ms. Dendys: First of all, Mr. Speaker, I'm not sure that the member has all of the facts correct. I believe that it was at the ministers meeting for heritage ministers in June, which took place in Yellowknife.

I would like to get back to the member opposite on specifics about this. Perhaps he could be a little bit more clear about what he is asking and what information he would like back. I would be happy provide that to the House.

Mr. Hassard: I asked about a communique about the *Copyright Act* that was signed off on by this minister, so I would certainly hope that she understands what we're asking.

At the same time, at the meeting the Minister of Tourism and Culture also committed to strengthen work to promote safe workplaces for those working in the tourism sector. I'm wondering if the Minister of Tourism and Culture can provide this House with an update on this work. Does it include any new training initiatives or funding for tourism operators and employees?

Hon. Ms. Dendys: Last year, during our last Sitting, we actually passed legislation — it was directly related, actually,

to safer workplaces around the prevention of psychological injury in our workplaces. That will apply to every single worker who is covered under our Yukon workers' health and compensation, and I want to emphasize that for sure. I will get back to the member opposite with more information.

Mr. Hassard: That's interesting, because I thought that was for first responders but apparently the people in the tourism industry are now first responders, so let's try another one, Mr. Speaker.

At that same meeting, the Minister of Tourism and Culture signed off on a communique that stated it needed to stimulate and grow international export opportunities for Canada's cultural business, organizations and artists. As you know, Mr. Speaker, cultural products can range from crafts to films and books. According to Statistics Canada, Yukon had \$7.6-million worth of culture exports in 2016, so this accounts for 2.2 percent of the territory's total exports.

Can the minister provide us with an update on what action she has taken in follow-up to her June meeting to stimulate and grow international export opportunities for cultural businesses and artists here in the Yukon, Mr. Speaker?

Hon. Ms. Dendys: Yes, our cultural industry is very important in the Yukon. I have stated that many times during my time in the Legislative Assembly. We are moving forward on a culture review, which will begin into the new year.

The intent of that review is to look at the full cultural industry in the Yukon Territory. This is something that is long overdue — really defining what culture is in the Yukon Territory and ensuring that we are moving forward together. We want to ensure that every Yukoner can define what culture is to them and really build that whole cultural industry. It is a tremendous opportunity for all Yukoners and we are looking forward to this further engagement and for the draft of that new cultural framework.

Speaker: The time for Question Period has now elapsed.

Notice of opposition private members' business

Mr. Kent: Pursuant to Standing Order 14.2(3), I would like to identify the items standing in the name of the Official Opposition to be called on Wednesday, October 3, 2018. They are Motion No. 313, standing in the name of the Member for Watson Lake, and Motion for the Production of Papers No. 6, standing in the name of the Member for Kluane.

Ms. White: Pursuant to Standing Order 14.2(3), I would like to identify the items standing in the name of the Third Party to be called on Wednesday, October 3, 2018. They are Motion No. 288, standing in the name of the Member for Takhini-Kopper King, and Motion No. 129, standing in the name of the Member for Whitehorse Centre.

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

ORDERS OF THE DAY

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Mr. Hutton): Committee of the Whole will now come to order.

The matter before the Committee is general debate on Bill No. 207, entitled *Second 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. 207: *Second Appropriation Act, 2018-19*

Chair: The matter before the Committee is general debate on Bill No. 207, entitled *Second Appropriation Act, 2018-19*.

Is there any general debate?

Hon. Mr. Silver: I'm pleased to rise in Committee of the Whole to outline the spending requests as part of the first supplementary estimates for 2018-19.

In the spring, the government stressed the importance of supplementary estimates as an exercise in accountability. That work begins with tabling main estimates which accurately represent the spending that will occur during the year. As we know, unexpected events will happen from time to time and they will have an impact on the financial position. This year, things are no different. The story that we are telling with the first supplementary estimates is the same as the spring.

I have some notes on an overview of changes, but much of this has been recorded in Hansard during my second reading, so I am going to skip over some of the highlights of the overall changes. Again, for Members of the Legislature, they can check the Blues or Hansard to see those numbers — suffice it to say, though, that the transfers from Canada remain unchanged, and when we are talking about matching funding with Ottawa, we weighed the options carefully and made a prudent financial decision to take advantage of the money that Ottawa was putting on the table.

In evaluating how best to return to a path of fiscal sustainability and return to a surplus, this government is looking further than the next budgetary cycle. Aging infrastructure represents a real financial risk to provinces and territories. If left too long, they can severely compromise our

ability to offer the services that Yukoners require. We weighed our options carefully and decided that the most pertinent course in 2018-19 is to take advantage of the money from Ottawa that has been put on the table for green energy fund, small communities fund and the clean water and wastewater fund.

Mr. Chair, we will not allow Yukon communities to fall into disrepair or pass the burden of maintenance on to future generations and governments. This government will continue to invest in roads, bridges, hospitals and schools used by Yukoners. We are trying to put the federal funding to the best use to meet Yukon's strategic infrastructure needs.

Again, with changes to operation and maintenance already recorded in my second reading speech — except I think there was one thing I didn't mention in O&M, which was that, to support work on Yukon's climate change preparedness in the north project, a total of \$536,000 in additional spending is being allocated to the office of the Climate Change Secretariat.

I am very pleased to say that Energy, Mines and Resources has seen considerable uptake — and I have mentioned this before — in its energy rebate program, but I am going to leave all the other things in that category because we spoke about it at length at the second reading.

Decreases in O&M — in this year's supplementary estimates, there is a noteworthy decrease in O&M spending, so I wanted to kind of reiterate that. The first is that it involves a \$17.8-million decrease for Assessment and Abandoned Mines.

As the federal government takes over this work plan, discussions with the Government of Canada and affected First Nations on the management of the Faro Mine reclamation project are continuing. In the interim, the Government of Yukon will ensure that the Faro mine site meets existing standards in order to protect environmental safety and ensure human safety as well.

There are also a few notable changes that I want to highlight again in capital spending. Of the \$8.6 million in additional capital spending, the most significant amount is attributed to \$4 million for land development. These additional funds will address housing needs in the Yukon, including the completion of phase 3 of the Whistle Bend Project, continuation of phase 4 and initial work for phases 5 and 6 for Whistle Bend. The other major expense is \$3.8 million for the completion of Whistle Bend continuing care facility. This is a reallocation of funds from the 2017-2018.

The last couple of things here are that the first supplementary estimate reflected a \$6.2-million reduction in recoveries; included in these changes are a \$14.4-million reduction as part of the changes in governance related to the Faro mine. This is offset by a recovery for the Wolverine reclamation work mentioned earlier.

I would like to conclude my summary by speaking to some increases in revenue. We did see an increase in the interest rates at the moment, which resulted in \$118,000 in additional revenue on the Yukon government investments. The largest area of growth, however, was in land sales. As

result of higher than anticipated demand for lots and largely the result of a successful lottery held earlier this year, we've seen an \$8.6-million increase in revenue there.

So I will conclude my remarks by restating the purpose of the supplementary budget — while they may be used to convey any new and unexpected changes in the main estimates, they are actions and principles that are always within our control. Today our government represents the supplementary budget that does not stray far from the 2018-19 estimates.

I invite members to request further details on any of the areas included in the supplementary estimates to myself and my ministers available here. They'll try their best and I'll try my best to answer the questions to the best of our ability.

Mr. Cathers: I would like to begin by thanking the officials from Finance for the briefing on the budget, as well as all of the officials who have been part of the preparation of the supplementary estimates.

The Premier will probably not be too surprised by the fact that I'm going to begin my remarks as Official Opposition Finance critic by expressing concern with the red ink in the budget that we see here. On page three of the supplementary budget, the reductions in the net financial assets, as well as the plan to spend further into the red, are of concern to us. So could the Premier explain what the main reasons are for the changes that we see to take the net financial assets to the end of this fiscal year further downhill and what his expectation is that the number will be in the year-end totals for this fiscal year?

Hon. Mr. Silver: We have talked at length about, basically, the concept of cash for capital. There are a lot of federal pots of money that are on the table now, and those federal dollars are helping us as we work with other governments — First Nation governments and municipalities — to identify the pressures in capital assets that we face in the Yukon. Couple that with hundreds of millions of dollars — billions of dollars, really — from Ottawa that are coming at us at 25 cents our money to 75 cents their money. We believe that, with the deficit that we have inherited, with keeping up with our assets and with the pressure from climate change, as well — you not only have to redo these buildings or build new buildings, you have to build them to a new standard because of the effects of climate change — we don't want to leave any of that money on the table. If you are getting money to build these assets at a significant reduction, you might as well use those dollars because it makes sense to build it at a savings.

We are all aware that there is a very strong local economy right now, and there is a tight labour market as well. That is contributing to an overheated construction industry. There are lots of pressures when we are doing these builds. There are costs that are being influenced by factors outside of the Yukon. Also contributing to higher costs are higher prices for steel that stem from recent US tariffs and counter-tariffs from the United States. Those are some of the things that we are trying our best to work with the federal government to deal with, but, at the same time, what we can do internally is take

these federal dollars from the Canadian federal government and effectively use that money to prioritize.

What we have done in working with Community Services and all of the other departments is that we have prioritized our spending. As you know, Mr. Chair, we can only accomplish so much money out the door every year to spend on capital assets, and we want to make sure that we are maximizing the 25-cent dollars as we put those projects out to the consumers — to the private sector — who are building the assets for us on our behalf.

Mr. Cathers: That sounds nice, but it does cause me and members of our caucus, as well as a number of Yukoners, concern about the fact that the government is willing to, for short-term gain, spend on capital projects, and the ability for the current government to perhaps cut the ribbon on new capital projects and use the opportunity of photo opportunities and great fanfare to invest in capital projects across the territory while going further into the red in doing so. We recognize the value of federal dollars and the advantage of being able to leverage those dollars when we receive 75-percent federal contributions for Yukon projects. But there are limitations on how much that is actually a benefit. If we are seeing future generations saddled with the bill for the current government's decisions, that does go a long way to eating into the benefit of those capital projects. Spending beyond your means is perhaps attractive to do, but it's never a good idea in the long run.

It's very similar to one's own household budget. There are limitations to how big you can build a brand new house or how much you can afford in terms of renovations to an existing one or additions to your property. All of those may increase the net value of your property, but any homeowner who simply spends as long as the bank will approve an additional loan or a line of credit for them will quickly find themselves in a situation where they can't pay their bills. We're very concerned that it looks like the Premier is willing to take that same course of action with the finances of the people of the Yukon.

The Premier has talked about money that Ottawa is putting on the table and taking advantage of it. I'm going to ask him some specific questions about that. Is the government taking on debt, or contemplating taking on debt, to finance any of the capital construction projects in the territory? In that, I'm including not only projects that are directly being done by the Yukon government, but also those that are being done by First Nations or municipalities to which the territorial government is contributing. Has the government taken on any debt at this point in time since we last talked in the spring? Are they planning on taking on any additional debt in the near future? Last but not least, could the Premier confirm what the Yukon's current status is in terms of long-term debt at this point in time in the fiscal year?

Hon. Mr. Silver: I'll just say up front that we're not contemplating taking on any extra debt for our five-year capital plan, but it is interesting that our debt cap is at \$400 million today. Of that, \$200 million has already been taken by the previous government. It's interesting now that the member

opposite — now that he sits in the opposition — is so concerned with the debt and the debt cap, yet his government racked up a bill of \$200 million in that pursuit.

I guess that when he was in government — and sitting, I believe, even as the Deputy Premier at one point in his career — they found reasons to go into debt and I'm sure they had their justifications at that time.

Mr. Chair, the future government is going to be saddled with something. If we don't do something right now, they're going to be saddled with deficits in infrastructure. That's what we found when we got into government. There are deficits in infrastructure. Now there's money available at 25-cent dollars to make sure that we get caught up with the capital investments that we need to get caught up with — because, right now, if we don't do something about the infrastructure deficit, think about the O&M costs right now in inefficient buildings and ones that haven't been retrofitted. This building is a great example. The previous government spent some money on this building and the cost-savings — I'm sure we're going to find that there were costs up front as well to do so. We need to make sure that we look at all of our buildings and effectively use the money that we have from Ottawa.

Now, if you take a look at all the money that's lined up, one of the big concerns that we have as a government — and we would love some help from the opposition to help lobby the federal government for some flexibility on that infrastructure spending. If we got more flexibility from the federal government on some of our infrastructure dollars, then we wouldn't have to consider other options.

We can use that money as effectively as we possibly can, and so that's what we're doing. The Government of Yukon consistently spends more on services and capital spending than it receives in revenues and recoveries in order to meet the needs of Yukoners. That's what is contributing to the deficits that we have seen in recent years, plain and simple.

Yukon has relied on growth and the federal transfer payments to meet the ever-growing needs of the territory and the residents over the last several decades. This has been at the expense of developing Yukon's own-source revenue, which continues to lag significantly behind the cost of delivering services. Services continue to become costlier, even, every year with no necessary increase to our revenues.

That's the important thing that we're taking a look at. We're trying to close the gap, so we need to explore all new avenues — those raised by the Financial Advisory Panel, for example — in order to close that gap between a growing need for services and a federal transfer and taxation revenue that does not keep up with this growth.

To be very clear, the Yukon government cannot continue to solely rely on the growth of the federal transfer to solve all of our problems. The previous government took up half of our debt already, and now we're left with the \$200 million, roughly, in that account and we're hearing from the members opposite, "Don't touch it and don't ask for an extension of it." I don't know what their plan would have been to continue spending that money, because they did. We are looking at other options but, at some point, we have to make some

critical decisions to make sure that when we take a look at the debt that is going to be passed on to further governments and further Yukoners, we have to be as effective and efficient as we possibly can to minimize the negative impacts of those debts being moved forward.

Mr. Cathers: I just want to briefly remind the Premier — since we have seen the tendency, shall we say, for the Premier and certain ministers to draw conclusions from their Financial Advisory Panel's report that are different from what the panel actually said, I just want to again quote from two important parts of the Financial Advisory Panel report, one of them being an area where the government has not followed through on listening to that recommendation.

The Financial Advisory Panel said — on page 15 of the report, it recommended: "Improve comprehensiveness and transparency of territorial budgeting to include fully consolidated books and projections." Again, we see that there was no change in the format to reflect that recommendation, which the Financial Advisory Panel saw as so important that they put it in their report twice.

Another area that the Financial Advisory Panel on page 38 noted in reference to the government's financial picture is — and I quote: "But, one must interpret these numbers cautiously. The financial health of the Yukon government is stronger than its headline deficit projections suggest. There are a variety of entities that are excluded in such calculations. The full consolidated budget balance is typically stronger when net income from these entities is included.

"There are multiple entities included in the consolidated budget excluded from the non-consolidated one. In particular, Yukon College, Yukon Hospital Corporation, Yukon Housing Corporation, and other entities each generate revenue that typically exceed expenses. But this revenue sometimes takes the form of an intergovernmental transfer from the Yukon general government to the entity in question. Of the \$170 million in other entity revenue expected for 2017-18, \$120 million is a transfer from the Yukon government. With other entity expenses of just over \$140 million, there is an overall surplus of close to \$27 million. Combined with the small surplus for the general government of \$6.5 million in 2017-18, the consolidated surplus becomes over \$33 million."

Going on, again quoting from page 38 of the Financial Advisory Report, they noted the following: "This is the difference between the red and blue bars below. Over the past five years, the consolidated surplus was just over \$30 million larger than the non-consolidated."

For Hansard, the first quote that I referenced was page 15 of the Financial Advisory Panel Report.

I just want to point that out for anyone who is listening or reading here — to recognize that, in fact, as the Premier's own panel noted, the government's non-consolidated books show a picture that is not as accurate or reflective of the overall finances of the territory as the fully consolidated budget. The fully consolidated budget shows a much rosier financial situation for the government upon taking office than what the Premier likes to suggest it is.

I also have to talk about this supposed “infrastructure deficit” that the Premier has coined the term for. I have to commend the Premier, or whichever speechwriter came up with it for that clever line, but it really sounds like a convenient excuse to saddle the territory with debt and mortgage the Yukon’s future by taking on new debt.

I would note that the Premier has been hinting now that he is looking for an increase to the debt limit or planning to use some of it. That is contrary to his statements in the spring and it is concerning to us — whether the Premier is contemplating borrowing money for which future governments and future generations of Yukoners will be forced to make the interest payments.

I am going to begin by asking a very simple question: What projects is the Premier currently planning on borrowing money for or considering borrowing money for, and what is the total amount that the government is prepared to consider borrowing to take advantage of federal infrastructure dollars?

Hon. Mr. Silver: We do see a tendency from the member opposite to pick certain parts of quotes. I will read the rest of the quote from the Financial Advisory Panel report that he left out. On page 39, continuing on — and I quote: “Nevertheless, there is a marked decline in the fiscal health of the territorial government since 2015. This can be further appreciated by looking at the net financial assets of the government. Though the plot below excludes external entities, even on a consolidated basis net financial assets are expected to turn negative by 2021.”

We can continue reading there or we can just get the people who are listening and paying attention to read the Financial Advisory Panel report. There is some excellent advice in that and we plan to keep on using it as we turn this ship around.

Interestingly, this consolidated versus non-consolidated — the member opposite knows very well that we always present a consolidated budget and we always have a non-consolidated budget. We also do that in the Public Accounts. All of this information is there for the members opposite to take a look at, again, just for the record. When he talks about deficits — assets and deficits — one can just turn to the Whistle Bend facility and how the previous government planned for a 300-bed facility out of the blue. At that time, no operation and maintenance was being recorded for that. Well, after a lot of what I would call cross-examination from the NDP and some excellent and thorough investigation from the NDP and me in opposition, we finally got a number. That number did not come close to what the actual O&M was for the building, as we are finding out now.

When we talk about an infrastructure deficit, one could take a look at 15 years of not paying attention to our aging population and then having to make a massive decision. The member opposite can say that I or some creative writer is making some stuff up. I am going to respectfully disagree with the member opposite.

As far as the current debt level, our government currently has a borrowing limit of \$400 million, and this limit is set by Canada under the *Yukon Act*. The government’s corporations

are included in this borrowing limit, and this includes Yukon College, the Yukon Energy Corporation, the Yukon Development Corporation, the Hospital Corporation, the Yukon Housing Corporation and the Liquor Corporation. The member opposite mentioned two of those. As of March 2018, the Yukon government has approximately \$192 million in borrowed funds almost entirely within the corporations. In addition to reducing our level of debt, the Government of Yukon also has the ability to request an increase to its own debt limits. This is occasionally done in other jurisdictions. We have seen the two other territories ask for an extension. I believe their debt right now is to the tune of around \$1 billion each, and we are at the \$200-million level — somewhere around there.

I believe that answers all of the questions. There were a lot of statements, but I didn’t see any other particular questions in there, other than to say — and I have said this a few times, but I don’t think the member opposite is paying attention to it — that we are not contemplating borrowing. We have a five-year capital plan and we have no contemplation to be borrowing or adding to that debt cap for the five-year capital assets that are identified in our five-year plan. This is an accomplishment that we are very happy to have. A five-year capital plan brings certainty to industry and it allows a whole-of-government approach and an ability for us to work with the private sector and other governments in Yukon to maximize the amount of dollars that we can get from these federal programs that come to us to the tune of 25 cents our money to 75 cents their money.

If the members opposite are very concerned about the finances, they can help us out by helping to lobby the government and sending letters to the ministers responsible, asking for some flexibility. We have successfully lobbied the other two territories to do so. We have even successfully lobbied the western premiers to support that as well. When I go to Ottawa and speak with the premiers at the Council of the Federation, this is always top of mind. I want to thank the Deputy Premier as well for attending the last session of the Western Premiers’ Conference. I think he did a fantastic job of relaying our concerns over flexibility and we’re going to bring that message again to Ottawa when we get there for Yukon Days.

Mr. Cathers: Contrary to what the Premier stated, I have been listening to what he’s been saying, but we have an ongoing concern about some of the hints that the government has made at times. The Premier seems to be indicating that they are prepared to borrow money and even earlier in debate this afternoon mused about the debt cap and the amount remaining and talked about the government’s ability to request an increase. So I’m pleased to hear the Premier stating that they are not contemplating borrowing money for infrastructure projects. I hope he sticks to that commitment, but we will continue to ask about that because at times some of the hints and messages coming from the government appear to be foreshadowing a plan to do the opposite of that, and the Premier’s own statements to the federal finance committee last year in April — I believe it was on or about April 4 — the

Premier at that time specifically told the committee that they were interested in seeing electricity power excluded from the debt cap. Then, in conversation further with the Premier, he walked back those statements in the House — but the Premier can understand, I'm sure, because if he were in our shoes, he would entertain the same suspicion of wondering why, when someone's statements appear to contradict each other as his have. We are, of course, obligated on behalf of Yukoners to continue asking government and to see if the story is changing.

Just one minor point I should just correct the Premier on for historical record. The Premier had indicated that he thought I was Deputy Premier at some point. That is complete news to me and certainly not reflected by the history of Cabinet appointments, so just to correct that for the record.

I would also like to make one other minor point — the Premier's suggestion would have the casual listener or reader believing that the Yukon Party in office ran up \$200-million worth of long-term debt. In fact, a significant portion of that debt dates back to before I was even old enough to vote and was inherited from previous governments. The largest portion of debt that was taken on was, of course, related to the Mayo B hydro project, which the Premier should either know or could find out very easily from maybe his chief of staff or the Minister of Energy, Mines and Resources. The revenue that has come to the Yukon Energy Corporation and the reduction in carbon emissions that have come as a result of Mayo B — all of those have provided a significant economic and environmental benefit to the Yukon. The overwhelming benefits of that project, in my view, do justify the decision at the time to borrow money for it. However, one of the things government needs to be mindful of in ever contemplating any new debt is that change in interest rates can have a dramatic impact on the expected cost to future generations. Any decision by a cabinet to enter into long-term debt is a decision that burdens future legislative assemblies and future generations of Yukoners. Future MLAs, like me, may find that long-term debt taken on by a previous government is still on the books when they get to the age of voting and perhaps serve in the Legislative Assembly.

That is one of the reasons we will continue to oppose the government taking on more long-term debt and borrowing money to finance infrastructure projects. The Yukon does not need to go above the \$200-million threshold for debt that is currently in place.

I would also note that one of the sources of expected increase in revenue that we're pleased to see in this year's budget was an increase in the interest in revenue on investments. I believe the number was stated as \$118,000. I don't have that figure right in front of me, so the Premier or his deputy minister can correct that if I've recalled the number incorrectly. But that \$118,000 benefit to the territorial government from increased revenue — higher than expected revenue from investments — can easily go the other direction if the government makes a decision to borrow money.

I also have to remind the Premier, before getting on to other questions, that the decision that the government has

made to increase the size of the total number of full-time employees in the Yukon government within the first two years by over 10.4 percent — most of which have nothing to do with continuing care — is a decision that rests on their shoulders. In fact, the Financial Advisory Panel, when they were asked questions about their report, noted that with the government's future years' projections, they did not delve into all of the details of the budget. They were relying on information provided by government so they were relying on the projections provided to them by the Premier.

The Premier's favourite and almost only excuse for claiming that the previous government did not fully budget for costs is to point to the cost of the Whistle Bend continuing care facility. I have to remind the Premier that the difference between the cost estimates provided by the then-Minister of Health and Social Services in Question Period prior to the election and what the government is currently envisioning through a staffing plan that they approved is, in fact, less money than the change that we see reflected in this year's supplementary budget for two relatively small line items — one being the change in Wildland Fire Management costs and the other being in the calculations under the Public Service Commission related to employee leave and future benefits. It's a nice attempt, but they are relatively minor amounts and that does not explain the rather significant increases in spending made by government nor some of the somewhat poorly advised decisions to spend money, such as spending \$120,000 spraying water into the air literally hoping for ice and the \$105,000 on Cabinet electronic devices and so on. I won't go through the list as I did yesterday, but they do add up into the millions of dollars through poor decisions made by government.

I'll take the Premier at his assertion for the time being that they're not planning on borrowing money for infrastructure projects, which would then indirectly answer a question of mine that he did not directly answer — that being, which projects they're contemplating taking on new debt for.

The Premier made reference to the Yukon's state of indebtedness at the end of the last fiscal year. Can he confirm whether there has been any increase in the Yukon's long-term debt or new areas entered into or changes in the calculation of what that debt is expected to be as of this point in time or if that figure is still roughly accurate?

A second specific question I would ask is: What are the Yukon's current financial assets, current cash in the bank and cash and cash equivalents?

Hon. Mr. Silver: That was a lot of preamble for two questions. We will go the FTEs. Our government is providing the necessary services that we need to Yukoners and the fact that demand for many services is increasing — well, this is expected, especially when a population is growing. We do have 242 FTEs that were added in the 2018-19 fall estimates. The member opposite says that very little of that was for continuing care, yet 186 of those were in Health and Social Services, specifically in support of continuing care facilities and increases to home care. The member opposite said that they properly budgeted for Whistle Bend. I believe the

number we were told at the time by the member opposite's Minister of Health and Social Services was that there was some money internally, but the budgetary number that they gave us at that time was \$4 million. I don't know how \$4 million is going to pay for 186 new employees — wait a minute; that's only for a 150-bed facility. Imagine if it was actually a 300-bed facility — but I digress.

Just to correct the record, not a lot of those — I forget the wording from the member opposite, but the major share of those 242 FTEs were for two things — one was for health care, specifically the continuing care facility, and 29 of those were education to provide for teachers and educational assistants and support staff in response to enrolment based on growth.

We heard from the Member for Takhini-Kopper King that we need more money for teachers and more money for education assistants. We have added 29 new teachers and educational assistants.

Also, of that 242 number of additional FTEs, 27 were also distributed among different departments to support things like the new sexual assault response team, the Family Information Liaison Unit and the family medical program. All of these are very important services and programs that we think that Yukoners want us to provide. We hear from the members opposite their fear of cutting, but yet they're also saying not to hire these people. I don't know how that would work where you don't hire the people for the services and programs that are desperately needed that are important to Yukoners, but yet at the same time — it's a confusing narrative from the member opposite, but I will leave it at that.

We believe in these new FTEs. We believe that we need the support staff for continuing care facilities and also the increase in home care. I believe that, with the increase in home care with the whole-of-government approach and collaborative health care model trying to keep our elders in their communities as long as possible, this is a cost benefit right across the government as well. This is as opposed to a 300-bed facility where all of our aging folks that are supposed to come from every single community — we're trying our best to keep them in their communities that they come from for as long as possible with a suite of health care services to provide for mental health, addictions and also keeping people in home care as long as possible. I think these are important FTEs. I'm proud of the work that they do.

If it is not health care services or the education, I wonder if the member opposite would not want us to have that new sexualized assault response team or maybe the family liaison information unit as well. Interestingly enough — and I can't reiterate this enough — these new FTEs do provide support directly to Yukoners. That has been carefully balanced against alternative options for the efficiency of delivery of services. Whereas in the past it may have been more about cutting ribbons and getting buildings out there before election campaigns, it is all about the delivery of the services — it is the programs and services that you have to basically maintain — most importantly. We believe that these FTEs were carefully balanced against alternative options for that effective

delivery of services. The largest area of growth is in continuing care and in education — two things that I know the member opposite holds near and dear to his heart, and I know that his constituents do as well.

I previously quoted a number that is before Public Accounts are finalized. I expect a small adjustment when talking about the current debt levels, but we have to wait — the opposition as well — to get those numbers from the Public Accounts. We will get that with the tabling of the Public Accounts very soon — to answer his secondary question.

Mr. Cathers: The Premier and I are unlikely to reach agreement here this afternoon on Whistle Bend, but I do have to remind the Premier that — unless he wasn't paying attention to the information provided by the former Health and Social Services minister in April 2016 — the minister noted at that point that the costs for Whistle Bend O&M were expected to be \$28 million — and that was also reported by local media — which is \$24 million higher than the number that the Premier cited earlier today. It is an attempt to find an excuse for the cost increases, in my opinion, but I do have to remind the Premier that with every one of those 482 new full-time equivalent positions, which government has added — or is it 484? I forget which number the Premier provided in the first two fiscal years. The decision to hire almost 500 new government staff and to approve each and every one of those staffing plans for the variety of departments that were affected was a decision that this government made and has to own and has yet to properly explain in detail to Yukoners.

I am going to move on to one point I wanted to touch on before leaving the area of federal projects and the value of getting 75-percent federal contributions to infrastructure projects. I do have to point out to the Premier and his Cabinet that a decision to push ahead with those projects quicker — and whether it is taking on new debt or spending down the surplus, there is a challenge with their decision to do that in the short term. That is that, with the trade dispute that is going on between Canada and the United States and the 25-percent tariffs on steel and aluminum, we are seeing building materials come at a significantly increased cost for anything that is built with steel and aluminum for some of those projects. Perhaps there are some that they were able to order and secure before those tariffs kicked in, but for anything after the fact that has been hit by a 25-percent cost increase to imports — and in some cases, as we have heard from certain Yukoners, including companies that sell boats, certain products are being hit twice with the tariffs on steel and aluminum as raw materials are exported from Canada to the United States and shipped back as a finished product.

That should cause the current government to take a hard look in the mirror and question whether proceeding as quickly as they can with spending federal dollars on capital projects is, in fact, even a good idea until the tariff issue has been fully resolved. Again, perhaps the Premier has heard something that I have not through internal sources, but, as of the latest media reports that I have read, it seems that, even with the new NAFTA agreement being concluded, the matter of the tariffs

on steel and aluminum has still not been resolved at this point in time. I would encourage the government to consider that.

I am going to ask two specific questions related to the number of government employees. Could the Premier tell me the current number of full-time equivalent positions and whether there has been any revision to the total number of FTEs they plan on hiring in this current fiscal year? Secondly, are there any Yukon government employees who are currently on a paid secondment to another level of government, whether that is the federal government, a First Nation government or a municipality? If so, what is the total amount of wages being paid by the Yukon taxpayers for all of those positions that are effectively supporting the operation of another level of government?

Again, I would note that it is not necessarily a bad thing if government is choosing to send someone on a paid secondment, but it is a decision that government should be transparent about — anytime that government is assisting another level of government, whether federal, municipal or First Nation, and is not obligated to do so and is passing the bill on to Yukon taxpayers.

Hon. Mr. Silver: There is a lot going on and then a question at the very end — so you will have to excuse me while I'm trying to coordinate my notes here.

It is not whether or not we agree on FTEs. We have been very clear on the new FTES. We just stated what the new FTEs are for and we can give a comprehensive breakdown of every single one — not a problem. We just explained what every single one of those FTEs is for, and then I sit down and the member opposite says that we're not giving any information on the FTEs, so that is interesting. It is not that we're agreeing or disagreeing. It is just that the member opposite is not listening to the answers.

I think his words were — pushing projects out the door in this economy that has some increased prices. On the contrary, Mr. Chair, it is not about pushing projects out the door; it is about sustaining a Yukon economy and making sure that we always put in our budget the amount of money that we actually can accomplish based upon the abilities of our construction industry. I don't know if the member opposite has noticed or not, but we have levelled off the predictions that they used to make in capital assets and we have made a more holistic approach to a real number that actually is accomplishable by the industries. In that, yes, I will agree that there are definitely some pressures right now, and the pressures are due to the economy that we're in.

He mentioned specifically steel and aluminum. Yukon doesn't produce our own steel and aluminum products, but the direct impacts of new US tariffs on our particular companies — that would be small. However, there is a noted increase to the construction cost of materials; he's absolutely correct in that. As US tariffs and Canadian retaliatory tariffs — they have the potential of increasing costs for our local construction activities. They also increase the price of some of our imported goods, as well, and the department will continue to monitor the trade disputes and keep an eye on that. We are hearing that there are positive conversations moving forward

to reduce those tariffs. I don't know if the member opposite would have us stop using 25-cent dollars for capital projects but that's what we're doing. We know that these are some of the things that we cannot necessarily affect, but what we can do is that we can prioritize our spending so that we cap the amount of money that we say we're going to put out for capital projects so it actually reflects the reality of what Yukon can actually accomplish and then, furthermore, prioritize — not push out the door — the money that we do spend on these projects so that hopefully every single project is using 25-cent dollars as opposed to money that isn't recoverable. That's what we're doing.

Again, the overall steel prices — yes, they have risen. They have risen quite substantially in the last several months — 40 percent. That is affecting the cost of materials and the price of manufacturing items that use steel. The International Monetary Fund is warning us that the current wave of protectionism is the biggest risk to the global economic outlook, which is a concern to our local mining sector, given the relationships between the global performance and the demand for materials. Again, we agree with the member opposite. The threat of US tariffs on vehicles — we are so happy to see that being rolled back because the consumer is going to get hit by all of these things.

Again, what we're doing here — the things we're trying to control, the things that we have control over — the way in which we organize our budgets. We've talked about how we don't want to have two budgets a year. If you have two budgets a year where you have capital projects coming out from the summer that weren't talked about in a budgetary cycle, not only is it uncertainty for the industries that are trying to build these facilities, but it's also a lot more work and overtime for the public servants whose job it is to get the tendering process going, the architectural work, the engineering work. It's a Herculean effort to do so. A five-year plan is also helping with the certainties there as well.

What we've done is that we're making decisions that are based upon evidence in planning. We've put human resources into our Department of Finance to make sure that the decisions are made based upon evidence and that the scrutiny is there. Projected O&M and capital expenses are given over a five-year schedule as opposed to one year at a time. Keeping all major budget items, as I mentioned, in the mains is extremely important. All of these things add to us reducing our costs and increased efficiencies.

Again, leaving those supplementary budgets that we are supposed to be debating here in the Legislative Assembly right now for unforeseen expenses is really important stuff, in my opinion. I think we're doing a very good job. There are the variables that you can control and the variables that you cannot control, and these are the ones that we can — and I give kudos to my Department of Finance for their work with the Department of Highways and Public Works and their work with Community Services and all departments — Economic Development — working together on a whole-of-government plan so that we make sure that we are maximizing the dollars we spend on behalf of Yukoners and, really, on behalf of

Canadians because, as we all know, most of our revenue comes from Canadian taxpayers.

The member talked a bit about NAFTA. We have provided representation at all negotiation rounds and remain in close contact with Global Affairs Canada to address issues that are very significant to Yukoners. We have shared extremely relevant consultation information with chambers of commerce, for example, to ensure that Yukon companies are aware of the opportunities to voice their concerns on Canadian trade actions, including regulatory tariffs and trade remedies. We have provided representation at all negotiating rounds and remain in close contact with Global Affairs Canada to address issues significant to Yukoners. As I mentioned earlier today in Question Period, when we had a phone call just the other day with the Prime Minister of Canada and all the other premiers, he again thanked all of the premiers for putting partisan politics aside and having a Canadian effort at the regional level — reaching out, as I just outlined here, to our partners, to Global Affairs Canada, to our American counterparts, whether in the Senate or the public servants therein. We believe that it really helped in this whole process.

My big thing — and the big thing from all of the premiers right from the beginning — was modernization. If this is an opportunity for us to take a look at modernizing the agreement, modifying with modernization, that's really important. As you can recall, Mr. Chair, NAFTA began before there was even an Internet. What a great opportunity to take a look at chapters of this agreement that actually take a look at e-commerce. I want to thank the people and the good folks in IGR for the reports that are coming in as we go through the details of this comprehensive agreement.

But the modernization details — the agreement includes a new digital chapter that governs important aspects of e-commerce and digital trade, recognizing the economic growth opportunities for this important sector. Modernization also includes intellectual property and telecommunication chapters involving corporate industries and technologies like biologics and 5G services that didn't even exist, as I said, 25 years ago.

The agreement contains a new customs administration and trade facilitations chapter, standardized customs procedures, compelling parties to digitize and simplify customs procedures for traders. It's a very important concept for jurisdictions like us that live very close to the American border.

Also there is a new small- and medium-enterprise chapter recognizing the fundamental role of SMEs in maintenance, maintaining economic dynamism and competitive processes. So again, a lot is going on in the NAFTA file.

I'm just touching on some of the things that the member opposite brought up before he went into, I believe, the next thing, which was the FTEs. I believe he asked what the total was of all FTEs. All FTEs in Yukon government — 4,913 in total.

If we went back to the 2016-17 budget, which would be the last budget of the Yukon Party — at that time, there were 4,414 FTEs, including an increase to Education at that time as

well. At that time, for Education, there were 968.2 FTEs. I believe that increase was done outside of the mains, for sure. We had to budget for those increases. There was a decision made by the previous government, but we had to budget for it.

The numbers went from 968.2 full-time equivalent teachers to 1,104.9. Again, these individual teachers were in their seats in their classrooms before the election even hit, and it was one of those “when you think you know where you stand as far as the budget and the conversations that are happening in the Legislative Assembly” — that was a big one for us to know that these teachers were hired and not accounted for. That's something that we had to account for — the numbers I identified there. If the member opposite wants me to break them down per department, I would be happy to.

Mr. Cathers: Yes, I would appreciate a breakdown by department of the FTE count and I appreciate that information.

I would just like to move on to a somewhat specific question about communications infrastructure, but it also relates to what the government's plans are generally and, as it affects more than one department, I would appreciate if the Premier could provide an update on it. As the Premier will recall, the issue of cell service for Yukoners — cellular phone service — has been important to people across the territory, as well as to a number of members of this Legislative Assembly, including the Member for Watson Lake, the Member for Kluane and me, based on what we hear from our constituents.

As the Premier knows, in the past the expansion of cell service beyond the Whitehorse area into communities where it wasn't economically attractive or viable for cellphone companies to make that move was done through the Yukon government going to tender and working in partnership with the private sector to support that expansion. We have, in the past in this Assembly, brought forward motions urging the government to expand cell service.

At the time when we did so and debated a motion, the government amended it to remove the specific references to cellphone expansion in certain areas and make a more general pronouncement about looking for ways to improve communication in the area. We did welcome the fact that there was a general interest in supporting communications improvements, while we were disappointed to see the specifics removed.

Revisiting that topic, since it has been quite some time since the discussion initially began, I would like to ask the Premier about whether government is looking at doing — as I have asked and as the Member for Kluane has asked — supported by our colleagues — for the government to partner with the private sector to expand cellular phone coverage to people without service in areas, including Grizzly Valley, Deep Creek, Fox Lake, Ibex Valley, Junction 37, Champagne and Mendenhall.

Is the government willing to look at expanding cell service in any or all of those areas? If they are looking at only some of those areas, could the Premier indicate which ones they are considering and when they anticipate taking that step?

Hon. Mr. Silver: It's an interesting question in that there is nothing in the supplementary budget that says anything about cell coverage. Again, we did a comprehensive main budget where we tried to get all of our considerations up front and nothing in the supplementary estimates, but I have to give the member opposite credit: This is a good way of getting questions that he might want to put at the table there for his whole caucus to talk about in Question Period. Maybe it didn't make the mark, so he is bringing it up in general debate here.

What I will do is — I don't have those numbers here — I am prepared today to speak to supplementary estimates and the money therein. We have gone above and beyond this year. We have given a briefing to the members opposite when it comes to Energy, Mines and Resources, for example, which doesn't have a supplementary consideration. We did get asked by both members opposite if we could have a Committee of the Whole debate on these types of items. The problem with that is that doesn't happen in the legislative process in the parliamentary system. If you're out of Committee of the Whole and if you're talking about a budget, you're talking about budgetary increases, and if there is nothing to vote on at the end, that is not the place to have that conversation.

So we're happy to have the ministers here in general debate being able to answer questions, but again, the ask was interesting from the Yukon Party in that I don't recall — and they can correct the record if I am mistaken here — if they have ever had a Committee of the Whole debate on a department that didn't have an explicit expense in the supplementary budget. I don't think that has ever happened. What we have done is — that's why — we do agree that there is a lot of money in the supplementary budget as far as recoveries, when it comes to federal funding and exchanges of responsibilities from Ottawa, so we agreed it was important to have a briefing on those numbers. I do know that the opposition asked a lot of extensive questions on that and we can get to those questions absolutely. I have a list here, but I would — if it pleases the opposition — like to give an opportunity to the minister responsible to weigh in on any new opportunities for cell coverage in the Yukon, if that's okay with the members opposite.

Hon. Mr. Pillai: Yes, at the direction of the Premier, I will indulge the Member for Lake Laberge. Certainly, seeing these particular details concerning a plan forward when it comes to increased communication coverage are not identified within the supplementary budget, but out of respect to the individuals in the communities that were named throughout the member's riding, I can let the House know that certainly we are looking at different avenues that may be available to our outlying communities, whether it is just outside of Whitehorse or in the Watson Lake region or in the Kluane region.

What we are closely watching at this time are decisions made by the CRTC on what subsidies they will continue to provide or where they may re-allocate funds at a national level. At this time, the Department of Economic Development continues to engage. We also have had multiple conversations

with Northwestel. We have identified potential opportunities to enhance existing infrastructure that is in place that may give us the strength within that existing infrastructure to add on areas, such as Deep Creek or the Grizzly Valley subdivision — or even potentially outside the Kluane region.

We are also looking at what the long-term communication strategy is going to look like for the Yukon. I will touch upon the fact that we are moving — Mr. Mosty and I — the Minister of Highways and Public Works, sorry — are working on our fibre redundancy. I think that in the short run we will also see — which the Minister of Highways and Public Works has alluded to before — major investment in low-lying satellite infrastructure.

There are about four existing companies that are now looking at significant investment in the short run and we will have to take that into consideration, ensuring that we can build communication infrastructure through fibre at this particular time — which will back up the entire north of Canada — and what the opportunities are as that line is enhanced and then understanding what CRTC's decisions will be, as they look at a modernization and digitization of the entire Canadian communications network. Thirdly, we are looking to see what is going to happen in the short run for investment in new technologies, all the while taking into consideration the platform of infrastructure that is in place and are there tweaks and opportunities. That certainly is information that has been provided to me from Northwestel. I would love to debate and discuss this and talk about policy, but probably at a point when there is a number in a budget that actually correlates to this topic versus sort of an ad-lib discussion on communications in the Yukon, but I am happy to do that for the good people of Lake Laberge, Watson Lake and the Kluane region.

Mr. Cathers: I do appreciate the response. I understand that the minister is probably not in a position to make specific commitments based on what he indicated earlier without talking to his Cabinet colleagues, but I would just note to the minister, as well as to the Premier, that this is an issue that my colleagues — the Member for Kluane, the Member for Watson Lake — and I hear from our constituents quite regularly. It is a concern. They believe, as we did in the past and do now, that the expansion of cellular phone service provides safety benefits, economic and lifestyle benefits to Yukoners when government supports that. Those areas that we identified are ones where we hear from people regularly who would like to see improvements in those areas and would very much appreciate concrete action by the government as quickly as possible to address those areas.

I would just add that when I refer to hearing from constituents regularly, just this morning, I heard from two constituents in the Grizzly Valley-Deep Creek area asking for an update on cellular service and whether we had heard anything from the government in that regard. I would hope that the government would recognize this request from a large number of Yukoners in rural areas and take that into consideration, as you're developing your capital budget for the next fiscal year. I would hope that you act on this priority,

in whatever form that action takes precisely. The people who are in these areas would very much like to see cell service, not just see government thinking about future cell service.

I would just remind the Premier that, although the questions I have asked do stray away at times a little from the specific line items in the budget, that is actually very similar to what the Premier did in opposition and what long-standing practice is in this Legislative Assembly. It is traditionally used — debate on the budget has for many years been used as an opportunity by MLAs of all stripes to raise issues that are generally related to the budget and the operations of those departments and to bring them up either in Question Period or in general debate on the budget, and that is exactly what I'm doing and what other members of the Official Opposition caucus will be doing during our opportunities to debate various parts of the budget.

Also to the best of my knowledge, the Premier had indicated that we requested a Committee of the Whole debate on departments that don't have appropriations in the budget. To the best of my knowledge, that request did not come from the Yukon Party. It has been long-standing practice to debate the budget in a way that occurs now. In lieu of departments having appropriations in the supplementary, the practice has been to ask those questions in general debate. As the Premier will know from talking to the clerks, that is in fact procedurally the way that members should raise questions related to departments without new appropriations, if they wish to do so, which is exactly why I'm straying into some specific issues of other departments, because they are either multi-departmental or related to departments that do not have new appropriations here in the supplementaries.

In the area of land development, I have a few questions related to that area. The Department of Energy, Mines and Resources does not have new appropriations in the supplementary. There is a transfer of some of the responsibilities to the Department of Community Services. I would just ask, since it is a crossover in this fiscal year — a transfer from one department to the other — which responsibilities have been transferred from Energy, Mines and Resources to Community Services? Secondly, in the area of rural land development, what is being done in that area and in which communities? In the City of Whitehorse, is the protocol with Whitehorse around land development in effect and is it being followed?

Hon. Mr. Silver: I'm going to go over a few of these things again. That's a question specifically about which I would like to hear from the Minister of Community Services. He can give you a more comprehensive analysis of that work.

I will start with apologizing. I've done it already this time. Yesterday, I mentioned one of our members by name. I just heard another minister do it as well. I'm going to start a little competition here. It's like a swear jar. Whenever you mention somebody by name, we'll put some money into a jar and donate it to charity. Maybe that will stop us from doing so. I apologize for that. I did it yesterday.

When it comes to the cell service, I'm happy to hear the member opposite advocating. I am looking through the

casework and I'm not seeing that as casework from the members opposite for economic development. There is one casework in the last year here to economic development, I believe. I could be wrong, so I'm just wondering if my records show the complete story here. If the member opposite can let us know because it is an important issue for his riding and for other ridings — specific questions about specific ridings here. I think he mentioned Watson Lake, Lake Laberge and another region as well. I don't see the casework on that. If they can show me when they've been asking those questions that would be great. It is important.

Again, as we prioritize, the hope is to have 5G service as we see the modernization of NAFTA and the change in the name there. It would be good to have a priority list and, again, have that advocacy coming from the representatives from each one of those communities.

Now, I do have to push back a bit on the concept when I was in opposition, I would do the same. Well, I didn't; I really didn't. For one, being in the Third Party, it's hard to get some time during debate because you have to go after the Official Opposition. So really, I tried my best to keep my questions succinct. I remember when I saw that ministers were going on and on and not answering the question, I would just list them. I would say, "Look, here are some questions that I'm getting from Yukoners. Here's a question. Here's a question." I would just list them all and then that would be it. The members opposite could either take the time to answer those questions or not.

I don't remember spending more than a couple of minutes per question and sitting down. I wanted to get some answers. But if that did happen, let's just say this: Just because it's the long-standing tradition doesn't necessarily mean it's the most effective use of our time. We have a job to do — both sides of the House — to debate the supplementary budget. We also have a job to make sure that the issues from the individual MLAs come to the Legislative Assembly as well. We also have a job to do, which is to legislate. I think that last part we've been kind of sorely not really doing our responsibility so well over the decades. There is a lot of antiquated legislation and a lot of general debate in these supplementary budgets.

I would suggest that a more effective use of our time is to use general debate to talk about why we're here, which is the supplementary budget — to use Question Period and motions and other parts of the Legislative Assembly that are designed to bring the questions and the concerns forward from the communities. There needs to be more letter-writing campaigns and casework from individuals to get answers from the government.

There are lots of different ways to advocate, I believe, and maybe the opposition does or does not agree that we have some catch-up to do in legislation. We're trying our best to do so.

Let's continue down that road. I will pass things off to my Minister of Community Services, because rural land development has been transferred to Community Services and the minister can elaborate on that if it pleases the Opposition.

Hon. Mr. Streicker: Mr. Chair, I'm hoping that I heard the question correctly and my apologies if I didn't. I'm happy to get up again.

I thought I heard both Whitehorse and outside of Whitehorse, so let me just start with that. Next year, we're anticipating for Whitehorse 132 single-family lots, 52 duplex townhouse lots and 19 multi-family lots, as well as 35 commercial lots. One of other things I'll just mention is that the department has said to me that we should start talking in terms of units, rather than lots, because it gives a better representation of the type of housing that we are providing for or facilitating.

With respect to the rural land development unit, I asked for an update earlier this week and I'm expecting one shortly. The information that I have I don't believe is as current as it can be; I'll give what I have right now and then I will offer — maybe when the Department of Community Services comes up through Committee of the Whole, we can revisit this question.

We have lots coming available sometime this fall in the Village of Mayo; I believe they are very close. Sorry — not in the Village of Mayo, but outside the Village of Mayo. I think it is 19 country residential and five agricultural lots. There are some that should be coming forward in Grizzly Valley. Some of those are dependent on other work. We have planning work going on in Dawson, Carmacks and Watson Lake. I don't have a projection on the number of lots, but as I said, I will try to get that information shortly. What I will say is that in talking with each community and, specifically, the municipalities of Watson Lake, Teslin, Haines Junction, Mayo, Dawson and Carmacks — am I missing one? The only one that hasn't asked for lot development is Faro, so in all of them there is an interest for lot development. We're working with them and I'll try to get an update for the member opposite when I get the chance.

Mr. Cathers: Thank you Mr. Chair. I appreciate the information from the Minister of Community Services on that.

Just on the issue of cell service — the Premier made reference to not having casework on the issue and typically, for those who are not familiar with the process, casework is usually generated in response to a letter from an MLA or an e-mail. In that case, no, I don't believe we've directly written a letter on that issue, but we raised the topic of cell service a number of times in the Legislative Assembly, including calling it for debate in this Assembly where members then voted on the amendment proposed by one of the government ministers and then on the final motion.

If the Premier would like us to also send him a letter on the topic, I know that I would be happy to send him one — as would, I am sure, my colleagues the Member for Watson Lake and the Member for Kluane — on behalf of our constituents if that makes it easier for the Premier and officials on this issue. Again, we raised the issue of cell service very early during this term.

I rose in the House in April of 2017 to urge the government to continue supporting the development of communication infrastructure in rural Yukon, including

improving access to emergency services by working with the private sector to expand cellular phone coverage to people without service in rural areas, including Grizzly Valley, Deep Creek, Fox Lake, Ibex Valley, Junction 37 and Mendenhall. I missed at that time mentioning the area of Champagne, but it has since been added through the work of the Member for Kluane to that list of areas where people would like to see cell service. We are happy to follow up with a letter if that would potentially help us advance the case on behalf of our constituents.

In the area of land development, I am not going to spend much time here since I know that some of this, due to the transfer to Community Services, will no doubt have an opportunity for debate during general debate on that budget. Since the Minister of Community Services made mention of the potential of lot development in Grizzly Valley, I would just like to reiterate a request that I had made to the Minister of Energy, Mines and Resources, as the minister responsible for zoning, on behalf of constituents who purchased lots in the first phase of that development. There are a number of people who are concerned by the plan to develop 11 lots in phase 2 of Grizzly Valley as lots owned for dog mushing. Some of those people have indicated to me that they were not aware of this plan when they purchased the lots in phase 1, and that would have affected their decision to purchase it. I have heard from a number of people who are very concerned about the impact on property values. I have heard from some who are seeking legal counsel to see whether they have the potential for compensation if government does proceed with that plan as is. I should note as well that I have heard from one constituent on behalf of her and her spouse who do support the development of those lots.

The request that I would make — and I am not asking for an answer right now unless the Premier wishes to give it — is that government re-consult on the plan to proceed with 11 lots in phase 2 of Grizzly Valley to be zoned for dog mushing operations and simply ask the public and specifically send letters to every single resident of Grizzly Valley subdivision and other areas within the normal radius of 1.6 kilometres to ask them whether they want those lots to be developed as dog mushing lots or changed to a rural residential designation or, as a third option, to develop some of them for dog mushing, but have the others developed with rural residential zoning. Again, as the Premier will hopefully appreciate the concern that people have is that if there are large-scale dog kennels zoning allows for, some people who have rural residential lots are very concerned about the potential noise disturbance and the potential impact on their quality of life.

Unless the Premier wants to provide me with an answer at this point, I would just simply leave that request there and encourage the government to seriously consider doing public consultation on those questions that I asked and asking Yukoners, in light of the fact that the plan to release 11 lots with dog-mushing zoning was set in motion a dozen years ago and there has been significant development in the area and change in the community since that time — to revisit the issue and respect the concerns of my constituents in the area.

I am going to move on to other topics. I am going to touch briefly on the issue of emergency medical services. The reason that I am bringing it up now, rather than in the Department of Community Services, is that the questions that I have relate as well to not only other departments, but in fact to all departments.

In the past, I raised the issue in debate both with the Premier and the Minister of Community Services about EMS rural volunteers and the issue of staff of government departments to volunteer. One of the issues that I hear coming up as a continuing concern is that in some cases, staff of government departments are not able to volunteer during the daytime due to their other job duties. While I understand the argument can be made for them to perform the job for which they are normally hired and not be interrupted, the capacity in rural communities is very strained for EMS and, in some cases, the end result we are currently dealing with is that there are increasing gaps in coverage. Allowing employees of Energy, Mines and Resources, the Department of Tourism and Culture or the Department of Highways and Public Works, who are in non-critical service jobs, to have the ability to close their office and respond when emergency calls would, in some cases, reinstate and provide that service.

I would ask if the Premier can provide an update on that and, if he is not able to, if he could in fact seriously work on a whole-of-government approach to improving the ability of government staff who are in non-critical roles to close their office temporarily to respond to a call or leave whatever duties they might have in the field or elsewhere.

I would also ask — since, again, though it relates to Community Services, it is of great importance in the Premier's riding of Klondike and throughout the territory — whether the government is taking steps on the ability of rural volunteers to deploy by helicopter — including in situations where they don't have specialized training, but are dealing with a more low-risk general operations situation that could be critical in a time-sensitive situation.

If the Premier or the Minister of Community Services is able to provide information at this point, that would be appreciated. Or, if the Minister of Community Services wishes to reply during debate on Community Services, I would accept that as well. I am simply asking on behalf of people who are concerned about the issue.

I would note, as the Minister of Community Services will be aware, I did raise a number of other issues in a recent letter to him. Due to some of the sensitivities around them, I am not going to reiterate those issues here. I just look forward to the minister responding to my letter.

Hon. Mr. Silver: I appreciate from the member opposite the opportunity to answer those questions in Committee of the Whole when the Department of Community Services comes up. I want to thank him for his advocacy on the Grizzly Valley subdivision and the concerns of the citizens there and the expansions there. We will take that under advisement as well. To maybe expedite the time here today and hopefully get the NDP up to have some questions as well,

I really do appreciate the opportunity to answer both of those questions at Committee of the Whole in Community Services.

Mr. Cathers: I'm going to just move on to another area where I don't believe there are appropriations for in the budget that my colleague — I believe it was the Leader of the Official Opposition who asked questions yesterday about the capacity of schools in the Whitehorse area, including Hidden Valley School, Golden Horn Elementary School and others in Porter Creek that have pressures on capacity. There was a tender for a portable to be installed this year and other schools that had requested it that had not received a commitment. Can the Premier or the Minister of Education — since Education is not coming up for debate — provide us with information about what steps, if any, the government is taking to respond to the request from schools, including Hidden Valley, Golden Horn Elementary School and others in the Whitehorse area, as well as any that I may be missing in other parts of the territory?

Hon. Mr. Silver: I will give an opportunity to the Minister of Education to answer the question, but I do want to correct the record. I do have a February 15, 2017, letter from Mr. Cathers — sorry, there is \$10 toward the jar already — from the Member for Lake Laberge, and this was a conversation about expanding the 4G mobile service into 18 communities looking ahead. There was a written question in the Legislative Assembly from the Member for Lake Laberge and the question on expanding to Grizzly Valley, Deep Creek, Fox Lake, Ibex Valley, Junction 37, Mendenhall and Champagne and, just for the record, I will read in what the response was at that time from the minister responsible, as my member gets ready for her question.

Dear Member for Lake Laberge: "The Government of Yukon is committed to enhancing connectivity and bandwidth for all Yukon communities. We have recently completed an extensive project expanding 4G mobile service to 18 communities. Looking ahead, our main priority is the installation of a diverse fibre optic line that will improve the reliability of emergency and cellular services across Yukon including in the areas you reference in your written question of January 12, 2017.

"As well, we are pleased with the results of Yukon's intervention with the Canadian Radio and Telecommunication Commission (CRTC) that defined both fixed and wireless broadband as a basic service. The CRTC is now developing a funding program to aid rural communities obtain services on par with other Canadians. We are monitoring the development of this program and opportunities to further invest in communication infrastructure in Yukon. Sincerely," Minister of Economic Development.

This is great. So again, I appreciate from the member opposite clarifying that there was a written question that was provided to the Legislative Assembly. He is right. There was debate here. I was wondering if there was a paper trail. I'm sure I saw it somewhere. I was just kind of a little bit perplexed when I looked into my book of casework and didn't see it. This is what it is instead. It was an answer from the

Minister of Economic Development to the Member for Lake Laberge. Thank you for that opportunity, Mr. Chair.

If the Minister of Education could answer the last question from the member, that would be great.

Hon. Ms. McPhee: Thank you very much, Mr. Chair. I understand the question to be about portables primarily for Whitehorse-area schools. We simply don't have the enrollment pressures in the rural schools that we have here in Whitehorse now. I can indicate in response to the question, particularly for Golden Horn, that we're well aware of the space pressures that were coming with respect to Golden Horn. It is at or near capacity. The information I have may not be up to date today, but there are three spaces for grade 1 students, so there's not much space there at all.

We anticipated purchasing a portable for use at Golden Horn school early in the spring of 2018. We tendered that purchase and there were no responses. Our subsequent investigation revealed that there are virtually no portables available in western Canada for purchase, so we attempted to deal with a portable that is owned by the Department of Justice — or the one-government approach, assigned to the Department of Justice — and we thought we would be able to retrofit that particular portable. The determination was made that this was not feasible.

We worked with the Golden Horn school to repurpose some space that they have there. There are some other efficiencies happening with respect to that. There are some conversations with teachers at the YTA for the purposes of allowing an extra student. There are classroom limits, of course, in the YTA collective agreement with respect to the student numbers in classrooms. So there are a number of things — repurposing another space that was used as a music room at Golden Horn, for instance, and attempts were made.

I understand that we have now managed to sort out the situation at Golden Horn for the purposes of this year but, of course, we have pressures in the schools here in Whitehorse with respect to space. We are working with our partners at Highways and Public Works to purchase not one portable, but to find a method by which we might purchase four or five portables, so that we have them available when these pressures arise. I hope to have more information on that soon. There is, of course, a process for appropriating funds to do such a thing. My department and I are working with Highways and Public Works to figure out the best and most efficient way to do that so that we're not trying to purchase a portable that isn't available but, in fact, we might have some efficiencies if we buy more than one or find a place that will sell us — or create for us — more than one.

Mr. Cathers: Thank you; I appreciate that information from the minister and note that, for all of us who have constituents affected, both for this year and for next year, in terms of the school pressure, I am pleased to see that the minister has a plan at least for acting on that pressure.

In the area of Highways and Public Works — I will just touch briefly on — most of the items that we have questions for will be raised by the leader of the Official Opposition at a later point, but I'm just going to briefly touch on and not

necessarily expect a response at this point in time, but remind the government again of these ongoing issues and the fact that my constituents would very much welcome capital investment in these areas.

The highest priorities on the list include seeing a walkway added to the Takhini River bridge on the Mayo Road, seeing turning lanes added in response to the ongoing request for turning lanes in Hidden Valley, at the entrance to Grizzly Valley and Boreal Road and, last but not least, to see some significant investment in Takhini River Road to upgrade its condition. It's an area where the road was never built to real road standards so much as it was plowed in. The increasing traffic in the area and some roughly 50 households down the road and traffic to the Trans Canada Trail is creating significant pressure on the road and it is often in very poor shape. So we will leave those issues there and welcome a response, if the Premier wishes to give it and, if not, encourage them to consider those priorities very seriously when they are looking at capital projects.

I'm going to move on to another area, and that is the area of a project that appears to cross departments here, primarily in the area of the Yukon Development Corporation, but also affecting policies housed in Energies, Mines and Resources, as well as, in some cases, being a matter of First Nation Relations, which would be handled by the Premier.

We've heard about the innovative renewable energy initiative, and the minister indicated yesterday that the \$1.5-million fund is fully subscribed for this year. Over the past two-year period, it has provided financial support to 10 projects across the territory. All the information that we've heard on that is certainly interesting, but the question that I have in addition to the capital costs of that is, for any of these power purchase agreements that have been entered into, what is the rate being paid for that power and is the rate being paid being passed on to rate-payers? If it is not being passed on to ratepayers, how is that being funded and out of which budget is that coming — out of the Yukon Development Corporation? Are any subsidies associated with covering the costs of premium purchase agreements not yet in the current budget but anticipated for future years? Any information that the Premier or any of his ministers could provide would be appreciated.

At this point, we have seen the capital announcements, we have seen the information about the expected reduction in fossil fuels in some cases, but we don't have any information that we have seen yet on the public record about what the rates for power purchase are and who is paying the bill for that. This is in light of the infamous example in Ontario with the Liberal government there paying, in some cases, as much as 80 and 90 cents per kilowatt hour for green energy. We are not attempting to paint the government as necessarily doing that; we are simply asking for transparency. What is the rate being paid for power purchase? Is it a premium? If so, what is that premium and, ultimately, who is paying the bill?

Hon. Mr. Silver: I will turn things over to my colleague, the Minister responsible for Yukon Development Corporation and Yukon Energy Corporation to answer those

specific questions. I appreciate the member opposite advocating for his community. As far as capital plans, we will take his advice for our five-year capital plan as far as the things that he put on the table today for his community. I do want to get back to him, and I want to thank the Department of Finance for coming up really quickly with some numbers here. The member opposite was talking about how most of the debt that this government currently owns was done before he was of the age to vote. Just to clarify the record here, Mayo B, which was mentioned, was under the Fentie government and it was \$100 million for that project. Now, the Fentie and Pasloski governments — for a YDC loan, it was a \$39-million commitment. That was for LNG and other things as well. Also, from the Fentie to Pasloski governments, there was another \$40 million for the hospital. There are expenses that happen all of the time. The member opposite is correct when it comes to housing to the tune of about \$4 million and capital leases to the tune of about \$10 million. That does pretty much get up there pretty close — my math is pretty good here. That is getting close to \$200 million.

I will ask my colleague, the Minister responsible for Yukon Development Corporation, to answer the specific questions.

Hon. Mr. Pillai: I believe there were a number of questions cobbled together. What I believe the Member for Lake Laberge was alluding to is the structure of the independent power production model. He also touched on our work at Yukon Development Corporation and the good work of the individuals who are leading some of our renewable energy projects. I think that for the most part these are great conversations to have throughout the Fall Sitting. Certainly, Yukoners have waited a long time to see an independent power production strategy in place. I will have an opportunity to talk a bit about what was in place when we started this work and some interesting things that we have come to understand as well — deficiencies and some flaws that we'll talk about.

So, really, there wasn't ever an independent power production. A lot of that work had some real challenges. I will probably save that for a later discussion.

Of course the IREI program — it is more complex than just speaking about is the ratepayer going to have an increased cost or are they not. When we do things such as replace the streetlights in Old Crow and we reduce the diesel use by 5,000 litres, certainly that doesn't lead to any increase to the ratepayer. There are a number of projects where we are really looking at trying to decrease our reliance on fossil fuel and then, as we fund some of these projects, they are two different entities.

The member opposite knows well from his work at YDC and YEC that there are discussions that will happen between Yukon Electrical — ATCO — that will proceed in the Kluane region or in Old Crow. They have worked with Yukon Development Corporation and Energy, Mines and Resources to be part of that dialogue around what is the most efficient model for us to purchase renewable energy and offsets. What we have looked to do is to ensure that we have a model that

does not put a burden on to the ratepayer and, at the same time, helps us move away from some of the current fuels. In a place such as Old Crow, you can imagine — it's not only the cost of the fuel, but the cost of the transport of that fuel when you are flying it in. The supply chain has a number of different areas. I know that the members opposite may be intrigued and I don't believe that they had come up with a solution on how one can actually increase your portfolio of renewable energy without putting a burden on to the ratepayer, but I believe that this is the model that we have been able to put in place and that is really because of the good work of the people at the Energy branch, working with the leadership at the Yukon Energy Corporation, Yukon Electrical and the Yukon Development Corporation.

Of course, once again, I don't believe the supplementary really — it sort of speaks to this area — but really we're talking about a policy dialogue and debate. I look forward to that conversation and I look forward to highlighting some of things that we have been able to unveil about the work that was done over the last couple of years on this IPP — really interesting facts that we should discuss so that people of the Yukon can know where we really were and where we really are now.

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 Bill No. 207, entitled *Second Appropriation Act, 2018-19*.

Mr. Cathers: If you will bear with me, I'm just finding my place in my notes again.

I would just note in the beginning that the Premier made reference to some debts at the tail end of his speech. It was somewhat interesting that, in referring to them, he made a couple mistakes in terms of suggesting that certain items were applied and affected the current long-term debt of the government. That includes that the Premier made reference to a loan to the Yukon Development Corporation and was forgetting that the loan was in fact provided by the Yukon government to Yukon Development Corporation specifically to avoid it affecting the debt cap, and the revenue from interest on that loan in fact goes as well to the Yukon government.

He also made reference to debt related to the Yukon Hospital Corporation but forgot that most, if not all, of the debt that he was referring to was actually paid down early during the last term of the Yukon Party government to avoid it being on the books.

Mr. Chair, with that correction, I would just note that on the IPP in terms of the cost — we're asking about the innovative renewable energy initiative. We received a bit of information in reply but we didn't actually get the key piece

of information, which is what it's going to cost taxpayers or ratepayers and who is paying the bill. The question remains: For all of the projects that have been undertaken by the government — some 10 projects under the innovative renewable energy initiative — what is the cost per kilowatt hour being paid, and is that being paid by the ratepayers or is it being paid by taxpayers, or is it a split between both?

Information on that would be appreciated because it is a question that Yukoners deserve an answer to.

Hon. Mr. Pillai: I thought it was quite clear that there are a number of projects that are being financed — I think the first part of the question was focused on the IREI program, which is \$1.5 million that we are letting through Yukon Development Corporation. It focuses on a number of projects right now. We are looking at the capital expenditures of a series of different projects, and I appreciate the opportunity to speak to the good work that the people of Yukon Development Corporation are doing. I think that the Member for Lake Laberge wants to have an understanding of these projects and, of course, inevitably he is digging into a different area, which is the relationship between either Yukon Electrical or Yukon Energy.

The Teslin biomass is a fantastic program that is being put into place and we are trying to ensure that this community has a holistic approach. I know the Member for Pelly-Nisutlin is a big supporter of this type of work in his community. It is a \$400,000 commitment. There was \$75,000 provided in 2017-18, and then another \$325,000 in the 2018-19 budget.

The KDFN wind project is something that you might have heard the previous government speak about, but in order for that project to go forward, you have to have the mechanism and that is why we are talking about this IPP model being in place. We didn't have that in place, so now, of course, we are moving forward to be in a position where we can provide, though the Yukon Development Corporation, \$485,000 over the two-year period and then, as well, \$950,000. We are really getting behind the project, but making sure that the right tools are in the toolbox so that it can actually be done — not just announced, but you can actually move forward on this. The Member for Kluane and I were both at the groundbreaking this June. It was a great event, and I was happy to be there and share that day with him. I am sure that he was very excited to finally see this project get to a place where you break ground and start to build it.

On Kluane, \$581,000 was committed. Also, you probably have seen a bit of news, Mr. Chair, about Haeckel Hill. We took some aging infrastructure that was in place that wasn't doing what we needed it to do. We have been working with Kwanlin Dün First Nation on their project with the private sector entering a great joint venture. As of this year, there will be \$485,000.

I am also excited to talk a little bit about Southern Lakes. First is Carcross/Tagish First Nation — another project we're working on — and \$125,000 to wind data collection on Montana Mountain. We have had one year of data collection that was already in place. Normally to finance these wind projects, you need two years of strong wind data. We're happy

to partner with them. They are doing some of their own work on looking at how you can have appropriate transmission in place and how you can potentially look at a market, not only in Whitehorse, but also at a market potentially in Alaska. I think that, in my first couple of months here, the Member for Kluane asked me if we would be looking at the Alaska transmission opportunity. We've really deferred that work and are supporting the Carcross/Tagish Development Corporation to do that due diligence. It's not a big priority for us now — but certainly providing the expertise that they would need to understand what the capacity of the current mine is that does go from Whitehorse to Carcross and what upgrades potentially would be needed, based on the magnitude of the infrastructure project that could be in place on Montana Mountain. But once again, I am excited and happy to be involved in that.

Once again, Teslin street lights — this IREI funding agreement wouldn't affect, per se, the cost because we are really reducing the cost for Yukoners — say, \$47,000. LED — working with ATCO in Old Crow is a \$54,600 investment. It's just a great project. I also really appreciate the thoughtfulness of our teams when you take into consideration that sometimes there is concern over the brightness — knowing that they have the right filters on those lights so you can still see those amazing northern lights in Old Crow but yet not have to ship in over 5,000 litres of new diesel on an annual basis — and you take into consideration the cost for Air North.

This is, in many ways, a story of good, prudent fiscal management. It's a story of ensuring that these communities have less burden when it comes to the costs that they're dealing with, and also always respecting — I think the Premier has touched on this throughout his whole opportunity to speak to the supplementary budget. There seem to be some twists and turns where the story is looking to be told in a way where there hasn't been a respectful approach to the fiscal state of the Yukon's finances. What the numbers and the facts really are — that's what it is. It's something that I think is welcomed by many Yukoners.

Sorry to indulge, but it was interesting hearing a former conservative government today during Question Period talk about the fact that they don't want to see efficiencies in government. I would think that it would be something they would be looking to do with their senior managers on an annual basis but, for some reason, that's not the case.

But going back to the Yukon Development Corporation, we're also looking at biofuel. That's \$50,000 on biofuel.

Some of the other funds that have been taken into consideration when we look at models where we can have independent power production purchases — of course, we did the geothermal work — Yukon Geological Survey. Not only do they provide great data to ensure that we have a vibrant mining sector, but they also led some of the work on drilling projects in both the Member for Lake Laberge's riding, as well as in the Pelly-Nisutlin riding with Ross River — so two projects we're also excited about.

Once again, I think that the member opposite would remember, as he formulates his question, the structure and

language speaks to not being in a position, as I remember — and I apologize; I truly apologize. No disrespect to this important Chamber, but I don't have the language in front of me, because of course I didn't know I would be speaking to this particular topic today — but how we were not to be in position to put a burden to, I believe, onto the ratepayer. So it's kind of a tough situation — how do we move to renewable? There were some comments that alluded to other jurisdictions — great lessons learned — what happened in Ontario, what happened in other jurisdictions where it was almost an open market on renewable with a fixed cost.

What I can say to Yukoners — and I don't think I want to pre-empt now. The first commitment that we made is that the IPP model would be in place by the end of the calendar year. I once again commend all those who have worked on it — very significant work. We'll touch on the details of that work, but the bulk of it — the magnitude of that is extraordinary — but also to the fact that we understand that every dollar at the kitchen table needs to go as far as it can. Families are making sure that they can save where they can. We're trying to figure out — and I think our team and all the expertise that we have in the Yukon have come together to figure out a way that we can use specific resources that we have and how we ensure that the model that we use gets us to a place where we have those great renewable energy projects and, at the same time, we don't put that burden onto the ratepayer.

So that's the model. As much as I think it would be a great day to have a debate, I think there are other things — with respect to the Third Party, they probably have some questions. There are some other members from the Yukon Party caucus who want to ask some questions. I can say to Yukoners today and put it on the record that the model we're looking at doing is not about putting an extra burden onto the ratepayer, but we are building a model with all our partners that can put these projects in place. The member opposite can call me out later this fall if I've misrepresented the work we're doing, but I feel very comfortable. I think it would be prudent to ensure that the Department of Energy, Mines and Resources gets a chance to complete that important work before we have a thorough and lively debate about the values and the value proposition we've put together on that at this particular time.

I hope that answers some of the questions. Again, I apologize for the lack of detail, but I think it is a bigger conversation in the near future.

Hon. Mr. Silver: Just for clarity's sake, on the issue of the debt the member opposite brought up, I wasn't mistaken in the number; what I was mistaken in was what it was for. It wasn't for the LNG, but if you do go to the Public Accounts from the 2016-17 budget, the March 2017 new consolidated financial statements, there is a line item there still from the Yukon Party, which was the Yukon Development Corporation other long-term debt — the numbers are identical. It was \$39 million for LNG; it's \$38.7 million.

The only thing I was mistaken in was that this line item is not for the LNG plant but is part of the debt cap from the previous Yukon Party government.

Mr. Cathers: The Premier actually might want to look at the age of some of the debts that are still noted on the books, but spending a lot of time debating this is not going to really achieve much in comparison with the other priorities that we would like to get to.

I would like to thank the Minister responsible for the Yukon Development Corporation for the response about the IPP, but unfortunately, in that response the key bit of information that we're still missing — which I hope to hear from the minister later this fall, based on his indication — is: What is the cost per kilowatt hour? If the bill is being passed on to taxpayers, then that is something that people have a right to know. In the case of whether it is a private sector entity or a First Nation development corporation or any other type of enterprise that is qualified as an IPP, it may be reasonable to pay a premium rate for renewable energy, but the key question is: How much of a premium, for how long and at what cost? That is something that I believe firmly the public has a right to know.

That is the case, for example, with the microgeneration program. We put in place the policy and the structure that does pay a premium for renewable energy. It has been a very successful program, but we were transparent about what the cost was per kilowatt hour and left people to judge for themselves whether they thought that the premium paid for home-generated renewable energy was a reasonable expense on behalf of government or not. This is an area where, before contracts are entered into and before the government spends too much more than the millions in capital it has already contributed, one would reasonably expect that there is a business plan or an operational plan for any one of these projects that has estimated costs and revenues. Otherwise, no one in their right mind would proceed down the road of spending millions of dollars on a project without having the faintest clue what its costs and revenues are expected to be. We look forward to the government, which did run on transparency, actually living up to that commitment and providing that information to the public.

I am going to revisit the area of cellphone service just briefly — I thank the Member for Watson Lake for drawing this to my attention — in the area of the request for expanding cellphone service to rural areas, including in the ridings of the Member for Watson Lake and the Member for Kluane and myself.

Another thing that reinforces our argument that government should do so is, in fact, the government's own draft tourism strategy, which noted on page eight in the area of infrastructure that: "Safe, reliable roads and community infrastructure are extremely important to visitors navigating Yukon. Maintain current assets while exploring opportunities for new and improved infrastructure such as pull outs, viewpoints, waste management, wireless technology and connectivity." All of this is an argument for expanding cell service to those areas.

I thank the Member for Watson Lake for pointing that out, as well as her continued work on this issue on behalf of her constituents.

I am going to return to another area that the Premier was not happy to see come up in Question Period yesterday and today — that being the memo from the Department of Finance to all deputy ministers, which was leaked to CBC.

We have seen it. It was a letter that was sent out advising departments to provide cuts across departments of one percent and two percent. Now, the Premier indicated earlier today that he hadn't seen the letter before it was tabled in Question Period or perhaps before it was on CBC, but according to the letter, it states very clearly that Management Board approved an ongoing one-percent reduction in O&M and directed ministers to work with their departments to achieve these savings beginning in this current fiscal year and made reference that the Management Board has confirmed direction to work toward achieving overall savings of one percent and directing departments to submit plans to achieve ongoing operation and maintenance savings of up to two percent. That information is there. Unless the letter is factually wrong, the letter very clearly refers to a Management Board decision and, of course, as the Premier knows very well, the members of Management Board are all — Management Board is composed of members of the Liberal Cabinet. The fact that the Premier, when asked about the letter, is refusing to respond to the policy content of it, the question on behalf of Yukoners is: Is government looking at two-percent cuts across all departments?

As a number of my colleagues have mentioned, that would have a significant impact on the Department of Education. As I mentioned earlier — and I am going to revisit again — if departments are being asked to look for cuts, what sort of cuts are being looked at? Are they looking at layoffs? Are they looking at reductions of services?

In the area of health care in particular, the growing pressures on our health care system due to an aging population and increasing costs are something that are a challenge. However, they are across the country a challenge. Every province and every single territory is dealing with increasing costs of the health care system. Now, the reason why those budgets keep going up — instead of other provinces and territories doing what seems to be the Premier's solution of just freezing the budget — is that other jurisdictions understand that if you don't fund those costs, there are very serious impacts within the health system.

A two-percent cut to the O&M budget for Health and Social Services would total over \$8 million in terms of its financial impact. The question remains, is the Premier planning on cutting funding for Health and Social Services by over \$8 million? If not, why did a letter from a top official direct all departments, including Health and Social Services, to look for ways to cut their budget by two percent? How will people on the wait-list for continuing care beds get the care they need if that budget for health is cut by two percent? How will wait times improve? How will wait times for individual procedures such as cataract surgery improve? For people who are looking for improvements to the medical travel program, how are those supposed to occur in an environment where \$8 million is cut from health care?

The average increase to provincial budgets across the country for health care has often trended in the neighbourhood of seven percent per fiscal year going back to the early 1970s, and this is a challenge for every single jurisdiction in the country.

A few of the things that contribute to the growth of health care costs are: the aging population; the cost of payroll increases for staff; increased costs such as, for example, the significantly increased cost of chemotherapy drugs that are both newer and more effective, but also substantially more expensive; the cost of medical equipment; the cost of modernizing health technology; the cost of health care infrastructure; and, ultimately, if you are focusing on improving quality of health care outcomes as a primary goal, simply slashing the budget does not achieve that end. Question number one is: Is the Premier actually denying knowledge of this letter that was leaked to CBC? Question number two is: What departments are on the chopping block for the two-percent cuts? Is it every single department? What do they plan to cut?

Hon. Mr. Silver: I stand by all of my statements so far. It was the first time that I saw that letter. Again, there is Management Board. The member opposite knows this. There are Management Board considerations that we are not to be speaking about here in the Legislative Assembly, and I won't.

It is very interesting how the member opposite read the leaked document and still is talking about a two-percent slash right across all departments when the letter itself stipulates exactly not to do that. That would be foolhardy to do that.

I don't know if the member opposite is just choosing to hear only parts of the argument that just help him with his narrative that he wants some cuts or that the only thing we can do is to do cuts. I have stood up in this Legislative Assembly and talked about what I saw from this letter, which is articulating the departments' views themselves about how to find efficiencies. I will tell you, from the corporations and individuals who have been texting me about this supposed leak and this supposed Scooby Doo and the mystery van solving this mystery — in the end, everybody is saying yes. The Yukon Party doesn't want you to raise taxes; they don't want you to find efficiencies. Again, at every path we are looking at there is a scrutiny here from the mystery van folks.

Ultimately, when I read this letter, I hear about a whole-of-government approach taking a look at efficiencies. If you can find efficiencies, guess what happens? You reduce costs to the departments.

The member opposite cannot get off that train. He is like a dog with a bone, Mr. Chair. He believes that the only possible way to reduce funding to departments is cuts — that's it. That is his priority. He can go down that road if he wants. When I read the leaked document, I didn't see "cuts" written anywhere. Those are his words. The Yukon Party keeps saying "cuts", and we disagree with the Yukon Party. We should not be cutting programs and services. They said you shouldn't put any money toward Education or Health and Social Services for full-time equivalents. We disagree. We need these programs and services and we need to hire the

people for the buildings that the Yukon Party committed us to. It is an interesting narrative. It is interesting that this is their new bone, and I will stand up and defend this one until the cows come home. I don't think they are going to get any traction on this one, in my opinion, because what I am hearing from Yukoners is, "Yes, you are looking for efficiencies. That's great. Keep looking for efficiencies. That is what you were told to do. That is what we want you to do." We will continue to do that.

Again, to have the departments work on a whole-of-government approach to find those efficiencies — who better to find those efficiencies than the good people who work for each of those departments, who care about the programs and services that they provide for Yukoners and who have the best knowledge?

I don't want to portray any incompetence here, but I had a letter from a public servant who had just retired, who said, "You know, I just retired from government after 30 years. I have lots of efficiencies I can tell you about. Now that I've retired, I'm going to tell you about those."

It's great. I said, look, we need you to feed into the review process and we need to hear from you. Tell us where you think that we can have efficiencies that won't — and this will dismay the member opposite — equate to cuts in programs and services, which is the narrative that he's trying to put out there for the Yukon public. I really don't agree with that type of politics, Mr. Speaker. I think that you can actually have efficiencies to reduce budgets but not cut programs and services.

To respond to the member opposite's first point with energy, yes, we are committed to good capital planning. That's the commitment that we will keep. Again, as far as the leaked documents go, we deal with an awful lot of decisions. We have a lot of processes that the members opposite might not be familiar with — Cabinet committees on priorities and planning being a whole other level of scrutiny put in there. The member opposite is familiar with the Cabinet committees on legislation, the Cabinet and Management Board. We have the DMRC as well making decisions and lots of documents that we are considering and lots of variables and options that we are considering. They have a piece of paper leaked and that's what they're going from. They say "cuts"; we say "efficiencies." That's the moral of that story, Mr. Chair.

Mr. Cathers: The Premier can attempt to parse words all he wants, but what the document actually said was "reduction". Apparently in the Premier's mind a reduction isn't a cut, but Yukoners are concerned. Again, the question that this government has been remarkably unwilling to live up to its campaign commitments around improving transparency on is when people hear that the government is looking at cuts, they want to know what's on the table. If the government is looking for imagined efficiencies in place, people want to know: Where is the government looking? Does the government see it as an efficiency to cut a program that they are depending on for whatever that program or service is? The Premier again can attempt to spin it all he wants, but the typical practice in letters of this type going to deputy ministers

— past practice has been to set their target for an increase to their O&M funding, not to see a decrease in their funding.

So they've had their targets slashed, and that is a cut to the budget that, in the case of Health and Social Services, would be over \$8 million in a department that is already strained and a health system that is already strained — both within the health system and the Hospital Corporation. They are already at a period of significant pressure due to an increased number of patients and an aging population, issues related to substance abuse in Yukon communities, including both chronic alcoholism and the growing opioid crisis that exists here, as well as across the country. All of those things are placing strain on our health system. There are opportunities for improving patient outcomes through investing in new technology and upgrading systems.

A few of the examples of these in the past include the investment in teleradiology, the MRI machine, the CT scanner and the replacement CT scanner, the 811 Yukon HealthLine and telehealth being expanded to all Yukon communities. These are a few of the examples of the areas where we increased funding when in office to invest in technology and focus on the quality of care and availability of services for Yukon citizens. Does the Premier really think you can cut two percent from health care and meet those growing needs? How does that relate to ongoing requests we've had from the Hospital Corporation during appearances, such as the request that they've had out for a few years already to update the Meditech system? How will government even contemplate technological improvements to meet needs of the Hospital Corporation or in other parts of the health system if they're looking at slashing the budget by two percent? If the Premier knows that certain areas or certain departments are not having their budgets cut, why will he not simply provide that information and clarity to Yukoners who want that answer?

I'm going to move on to another area here. When we talk about cuts to areas, we have to look to one of the most glaring examples of this Liberal government spending money on things that at best are non-priority items for Yukon citizens and that is, of course, the development of the new logo that moved the sun over one letter and was mocked on national news for the cost of that project. The cost of the logo and website we have heard was in the neighbourhood of half a million dollars, but the past information and cost estimates we've received don't appear to account for things that we've heard from government employees this year have been rolled out as a result of the implementation of the new logo, including costs of new signage to replace previous signage that wasn't in need of replacement, the cost of new letterhead — we had heard a commitment from government when this was launched that they would use up all the old letterhead before purchasing new letterhead. We have heard reports that letterhead, in fact, across at least some departments was not used. It was immediately recycled and new letterhead was ordered. We have heard about and seen new vehicle wraps and vehicle signage as well as name tags and clothing, all with the new logo on and, in many cases, clearly appearing to replace items that had the old logo and were perfectly

serviceable and functional. The question in that area is: What is the real cost of the new logo and visual identity? It certainly appears to be upwards of \$500,000 for the website, the visual identity and the logo.

As it relates to the website, while the long-term vision may be for a streamlined single website, in fact, it's caused confusion and frustration for Yukon citizens in the last number of months as people are forced to look at two different government websites and find that, in some cases, if there is a link from one to the other, those links don't always work. People are complaining that they're finding it even more complex than before to get the information that they're looking for.

The Premier mentioned in the spring that, I believe, 11,000 pages needed to be transferred from the website to the new site, so the question is: How many pages have been transferred? How many need to be transferred and how much more is this going to cost Yukon taxpayers on top of the bill that appears to have been run up in excess of the half-million dollar cost that the Premier referred to earlier?

Again, while government is doing this, people across the territory are asking the question: Why is government looking at two-percent cuts to the Department of Education, to the Department of Health and Social Services and, in fact, across departments, while they are simultaneously spending money on things that are, at best, nice to have? It really does not make sense — as another example of government being out of touch with the priorities of Yukon citizens through spending, such as the \$300,000 spent on the Financial Advisory Panel, whose recommendations they are cherry-picking from and, in many cases, choosing to ignore and simply going down another direction. As the Leader of the Third Party suggested — and I would agree — that it seems they may just be ignoring the report and going a direction that they intended to in the first place. It looks to me that, as much as there was information in the report that is useful and did, in fact, confirm much of what we have been saying about the state of the territorial finances, if government isn't going to do anything with the recommendations, it looks just like an exercise in trying to find somebody to hide behind and blame for the tough decisions.

I am going to move on to another area, which is the question of what Financial Advisory Panel recommendations the government is planning on following and which ones they aren't.

Last, but not least, there is the area of a project that was very much welcomed and wanted by the people of Faro, which was the plan to build the Faro RCMP detachment. As the Premier knows very well, that project was not only designed, but it was actually tendered and was stopped. We were only unable to award the project due to the federal component of that build going \$120,000 over the federally approved spending limit for that project. The Yukon government was prepared to proceed, but we ran into a challenge with getting the federal government to be willing to honour their commitment to the project if we did proceed with the project being over their budget. That project was put on

hold then, pending work by the federal government. First, we hear that it has been cancelled, then we hear that they are doing a reassessment of priorities even though the RCMP and the Department of Justice had fairly recently completed an assessment of the state of detachments and infrastructure, and then we hear this year that Faro is actually losing their RCMP detachment and being reduced to a satellite office — losing that operational capacity in their community — and that the Faro detachment is now not happening, despite being designed, and government instead is proceeding with an RCMP detachment in Carcross.

Now, I agree that the Carcross detachment should be replaced. It was, in fact, something that we had been aware of in government and were considering doing around this point in time, so I would not criticize the construction of a detachment in Carcross.

What does the Premier have to say to Yukoners who look at this decision and see that it appears to be a politically motivated decision, cancelling a project in the riding of the Leader of the Official Opposition and putting one in a community held by a member of the Liberal government? What does the Premier have to say to the people of Faro about why that decision was made, because it does appear to be a capital-P political decision?

Hon. Mr. Silver: Mr. Chair, I think we're hitting a new low here.

The Minister of Education has answered this question. I feel like it is Groundhog Day here. She has answered this question before. The people of Faro were part of the stakeholders group. The whole conversation — maybe the former minister is so out of touch on this file that he is not following the bouncing ball. I'm happy with the progress. I'm happy with the minister and her responsibility here — and actually progressing on RCMP assets that the previous government didn't move forward on.

I think we're done there. The member has answered that question in the Legislative Assembly ad nauseam.

Let's go back to some other stuff here. It's just so fascinating — the narrative that is being created here.

I just finally figured something out, though. I think the member opposite didn't read the document that was leaked or doesn't understand the difference between reducing the rate of growth and cutting a budget.

Take a look again. In the document, they are not talking about drastically cutting a budget. They are saying to reduce the rate of growth. Is the member opposite saying that we shouldn't reduce the rate of growth — the growth that's unsupported by the amount of revenues that we take in? I just don't understand the narrative here.

Again, every household and every business looks at efficiencies, and what we're hearing from the member opposite is: Don't do that. Then we are hearing this very confusing narrative in which they are making it sound — maybe that's what it is. Maybe they are trying to make it sound — no, I wouldn't propose that. I couldn't see them stooping to that. But to clarify, I believe the leaked document does talk about reducing the rate of growth, which is different

from the narrative that we are hearing from the Member for Lake Laberge.

Let's go on to the visual identity as well. I'm happy to talk about this. Again, when we are talking about efficiencies, this is a great example. When you have a one-government approach to a new visual identity so that every individual department doesn't spend money — operations and maintenance money — on creating their own visual identities, their own logos and the whole nine yards, this is a cost-saving over the long range. Yet the Yukon Party, or at least the Member for Lake Laberge, is making it sound like this is a huge expense that is over and on top of — if you take a look at the long-range forecasts — and I'm sure he has, and he has seen in these long-range forecasts that operations and maintenance expenses are growing. They are not being cut by two percent, Mr. Chair. They are growing, but they're growing at an unsustainable rate. I think he knows that. I would assume he would know that, with his time spent in government, but it is a pretty confusing narrative that he's putting out here today. It is just interesting to note.

Now, let's go into some of the expenses. This is a great example of the whole of government working to find some efficiencies in the government when it comes to our visual identity. Time will tell and history will tell if this is a cost-saving or not, but it makes sense to me that, if one government is using a tried, tested and true logo through Tourism and Culture and using that as a whole-of-government approach to how we're going to move forward with all governments to one logo and one label, it is going to be a cost-saving in the long run.

He makes it seem like the Tourism and Culture logo was the old logo for the Yukon government, and he knows very well that it wasn't. Yet we see this narrative from the Yukon Party time and time again — trying to confuse the old logo for the Yukon as a whole with the Tourism and Culture logo; therefore, we just moved something small. Actually, the old logo had a gold pan in the middle of it. Remember that, Mr. Chair? I think you remember that. It had a whole theme with the Y and the K.

No, it was a completely different logo — not just moving the sun here and there or the O there. But I think he knows that. Again, it is interesting the narrative he is putting forward, knowing full well that it was borrowing from a tried-and-tested logo from the Tourism and Culture department that is an internationally recognized logo, and the cost-savings for us to use that as we move forward.

Our aim was to have a visual identity for the government and build upon the Larger than Life logo. This has given us a great opportunity for that and it will be a cost-saving. I am repeating myself because it seems like I have to for the member opposite.

External research and internal review showed that this was an attachment to the Larger than Life logo that was going to work. The contract — and we will go over some numbers. The member opposite asked for some numbers, and we will talk about the upfront money here. The contract with Outcrop Yukon to design the visual identity was \$76,880. As part of

the preparation work, we conducted a branding audit at a cost of just under \$40,000 — \$38,590. This was also with Outcrop Yukon. We also issued an \$8,465 contract to design templates. The total project cost was \$123,935.

Our old logo was more than 35 years old and was the only element of a visual identity that we even had. As a government, we have matured past just having that as just a logo. It didn't provide us with the tools and templates that we need to create a unified professional look for our government. Having visual identity standards and templates means that we no longer have to design public communications material from scratch every single time — a cost-savings, Mr. Chair. This is a way of curtailing the growth from all of the departments that we have seen from under the previous government. Again, it is an efficiency that we are finding from the departments, and I am so thrilled to be working with such a progressive approach with all of the departments in mind.

We are taking a phased-in, cost-effective approach to this. We will use existing material that has the old logo on them as much as we can in the transition — as much as we possibly can — again, a cost-savings, Mr. Chair.

Moving on, I am not sure if he asked about this, but I might as well do the whole gambit here for the visual identity and the yukon.ca branding. Our new website, yukon.ca, provides us with the platform to deliver on key government priorities, including the expansion of e-services right across the territory. We have identified the most popular tasks that Yukoners want to accomplish online through our web statistics and through our citizens feedback and user experience and testing. I am very proud of the government for the consultation levels that they went through to get this information.

The Executive Council Office 2018-19 contracts with the contractor Yellow Pencil were valued at \$25,129 for the initial development of the content of the design guide and staff training sessions.

Ongoing maintenance of the website will cost about \$75,000 per year, which is half, Mr. Chair — the member opposite is not paying attention to this, but we might have to repeat it to him later — that is half of what it cost in the past to run the old website. Maybe I'll wait for him to pay attention, because this is part of the dialogue here, the debate. I don't know if the member opposite heard that or not, but the costs now, as far as the maintenance of the website, are \$75,000, which is half of what it used to cost.

Here is another example of us finding efficiencies to curtail the growth of the government departments, and I think we're doing a great job of it. Again, I want to give that credit to the folks in Finance and ECO and the whole-of-government approach that we have had to finding these efficiencies.

Nowhere in this statement did you hear "a cut". You know, I don't think we have cut a program or service. We have a website — we have a better website. We have actually expanded, because now, as opposed to just having an old logo and just the logo as our only visual identity, we're now creating a unified professional look for the whole of government, having a visual identity with standards and

templates for a modern digitalized world at a cost-saving to government. I don't know if this will be lost on the member opposite, who seems to be too busy with some other conversation over there to pay attention to the answers, so I am sure we'll hear the questions again.

Mr. Cathers: I hate to disappoint the Premier, but I can multi-task and listen to him while reading my notes as well or talking to one of my colleagues. I heard exactly what he said, but unfortunately, Mr. Chair, the problem is that the Premier's explanations fall flat. The suggestion that spending money on a new logo, spending what the Premier just told us — \$123,000 just on the redesign and paying someone to look at government's existing logo — that is just not a good use of taxpayers' money in a year when you are literally sending out a memo to departments talking about ongoing reductions in operation and maintenance spending.

The Premier said no, they are still growing the size of budgets, they are just reducing the rate of growth. That is not what this memo says. The memo says Management Board approved an ongoing one-percent reduction in O&M and asked departments to look for a two-percent reduction. You can attempt to spin it all you want, but a reduction is a cut and Yukoners are wondering what is on the table. We know that there are growing requests and Yukoners know that when the Premier is talking about reducing the budget of Health and Social Services by two percent, he is talking about cutting the budget by two percent, no matter how he may try to spin it.

So the question is one that is important to people. We know Yukoners are happy to see Whistle Bend Place finally constructed — and congratulations to the staff involved in it, and I thank them for the tour. Along with hundreds of other Yukoners, I toured the facility and appreciated the many people who were actually coming up to me and thanking us for the work done on that project, at a time when, in fact, literally — in spite of the Premier conveniently forgetting it — one of his star Liberal candidates was trotting around with a petition, seeking a stop-work order on the construction of the 150-bed facility for Whistle Bend. The Liberals were, in fact, cheerleading a stop to construction of that facility. If they had succeeded, we would still be waiting for that project.

But the question, then, still remains in terms of both the waitlist for continuing care and within the hospital. We know from the reports of the now-retired chief of medical staff at Whitehorse General Hospital of the number of times that Whitehorse General Hospital was at or over capacity. It has been running at over 100-percent capacity on a number of occasions throughout the past year and a half-plus. That includes, according to the last report from the chief of medical staff, an average rate of 96-percent occupancy. The government has still not — unless they've changed something recently — provided the hospital with the resources to address the fact that the hospital is staffed based on an assumption of 75-percent occupancy. We've heard concerns from physicians. We've heard concerns from nurses. We've heard concerns, as well, directly from Yukoners who were affected themselves or whose families are affected as they are either in

the hospital waiting for a bed in continuing care or on the wait-list for continuing care waiting for a bed.

As I mentioned, one of my constituents recently contacted me and, despite needing to be placed in continuing care, he still had not heard when he could even expect that he would be off the wait-list and into the facility. We've asked the government — to no avail so far — for a timeline on when they expect to fill Whistle Bend.

Instead of the Premier focusing in the budget or in the budget speech or even in his responses in general debate on talking about what they're doing in these important areas of health care, we hear them talking about cuts to health care. The health care review is presumably aimed at finding those cuts and two percent cuts across departments. So it is our obligation — even if the Premier may wish to make ridiculous references to Scooby Doo and trivialize this issue, there are Yukoners who are very concerned with this and are feeling the health effects right now. It is our obligation on behalf of those Yukoners to seek the answers to the questions and to ask for a timeline. I would contend that it is the Premier's obligation and the Health minister's obligation to provide answers to Yukoners who are in need of beds in Whistle Bend or other health care services or treatment on what government is doing to address the situations they're facing.

For my constituent who has been waiting for two years for cataract surgery, this is a situation — again, I would remind the minister to not mention the name of the individual in this Legislative Assembly — where she is one of many across the territory who are on this wait-list and they don't want to hear talking points about visual identities. They don't want to hear talking points about a whole-of-government approach or the Premier claim that a reduction isn't really a cut. They want action and they want transparency from government on whether government plans to invest in improving the services that they need and when they plan to do so. That is unfortunately not what we're hearing.

I would ask the Premier if he would agree to call the Hospital Corporation to appear before the Assembly this fall and would also note in referring to the visual identity that the \$123,000 that was spent just on the design and review of existing government logos is money that could have been much better spent in a long list of areas, anywhere from expanding the facilities or resources at schools to increasing funding for our health care system. The very fact that the Premier is claiming that the memo that was leaked does not refer to a cut to department funding is quite simply arguing that black is white, because the memo was very clear about what, in fact, is being asked for.

Mr. Chair, I would ask the Premier in the area of the health care system — I'm going to point to a couple of areas that I just highlighted within the health care system. Will the Premier assure us that there will not be a two-percent cut to continuing care? Will he assure us that there will not be a two-percent cut to the Hospital Corporation? Will the Premier assure us that there will not be a two-percent cut to medical travel?

Hon. Mr. Silver: I will give a little math lesson to the member opposite. He's talking about health. A two-percent savings on a 10.2-percent increase is not a cut. It's still a growth, so that answers his question right there.

Bed pressures is an interesting one. The member opposite was talking about bed pressures. Now, bed pressures were identified and funded by the previous government, but they weren't budgeted for, interestingly enough. They were funded, but yet that money was never budgeted by the Yukon Party. That's another pressure we found ourselves in that we had to budget for. You talk about increasing costs to O&M. There are reasons for these increasing costs, especially when the government funds these situations — maybe in an election year; I believe maybe even in an election year — but yet doesn't budget for it. There are teachers as well — the teacher hires that happened. These are increases to O&M pressures that we're dealing with.

Again, we keep on hearing the member opposite believing that we're going to take the budget and cut the budget by two percent when really what we're doing is reducing the rate of growth. So again, a two-percent — which the memo talks about — savings on a 10.2-percent increase, which is happening in Health and Social Services, does not constitute a cut in the budget. Now, the member opposite should understand that. I think he does. What we're hearing is that they're against —

Some Hon. Member: (Inaudible)

Point of order

Chair: Mr. Cathers, on a point of order.

Mr. Cathers: I think the Premier may be lost and looking at the wrong document because there's no mention of an increase in this memo that he's referring to. There's only mention of "cuts".

Chair: Mr. Silver, on the point of order — I don't think there is one.

Hon. Mr. Silver: I think you just took my fire from me. I don't hear a point of order there.

Chair's ruling

Chair: There is no point of order.

Hon. Mr. Silver: Thank you. I guess that's it then. Again, we're answering the questions. They don't like the answers, I guess. You know, again, looking at the long-range forecasts, I don't see a cut. I see budgets moving forward. The round brackets would mean decreases, but I don't see any decreases.

The O&M in all departments is increasing, so this narrative that the Member for Lake Laberge is trying to pursue is just not true.

Some Hon. Member: (Inaudible)

Point of order

Chair: Mr. Cathers, on a point of order.

Mr. Cathers: The Premier appears to have contravened Standing Order 19(h) of charging another member with

uttering a deliberate falsehood when he said that I'm attempting to do something that simply isn't true. I would ask you to have him retract that comment and apologize for it.

Chair: Mr. Silver, on the point of order.

Hon. Mr. Silver: Mr. Chair, I'm merely pointing out a factually incorrect statement from the member opposite. I'm not assuming that he did it on purpose. I'm not saying he is trying to lie in the Legislative Assembly, which is what that Standing Order is for. I'm merely pointing out the fact that the member opposite is incorrect in his assumption that this document constitutes a cut in a budget.

Chair's ruling

Chair: On the point of order, I believe Mr. Silver has found the appropriate words to describe what he wanted to say.

Hon. Mr. Silver: I think they might have a point of order still rumbling back there. They are still talking about your decision, I believe. I'll let the member talk if he has a problem with that.

Mr. Cathers: Thank you, Mr. Chair. No, I don't think there is a point of order. I thought the Premier had sat down and so I guess I'll ask another question here.

Mr. Chair, I think the issue here that the Premier seems to be misunderstanding — or he is choosing to use a narrative that is more convenient — is that in fact we are asking the question of the Premier, as I did repeatedly, about what is on the table for cuts. If indeed there are certain things which are of limits and that government is not prepared to consider cuts to, then he has an opportunity to state it. If they are not contemplating cuts to Health and Social Services, the Premier can roll that out. If they are not contemplating cuts to certain parts of Health and Social Services, like to continuing care or medical travel or to their funding to the Hospital Corporation, the Premier has a perfect opportunity to stand up and roll it out and say, "No, I recognize that the needs in continuing care are going to grow and we're prepared to in fact see an increase in that section of the budget." The Premier has an opportunity to say, "I have heard from the Yukon Medical Association and the Yukon Registered Nurses Association and health professions about the pressures at the Yukon Hospital Corporation and their needs for technology, and we're going to increase our investments in those areas." He has ample opportunity to do that and to relay those concerns. He has the opportunity to stand up and say, "I have heard loud and clear from the Legislative Assembly about the importance of medical travel. We remember that we voted unanimously for the Member for Watson Lake's motion to see a review of the medical travel program. We recognize that the program hasn't seen significant updates in over 10 years, and we're prepared to increase the support in those areas in recognition of what Yukoners have been asking for, and that area will not be cut."

He had a perfect opportunity to do that if he wishes to do so, but the letter that was leaked by a whistle-blower — the reason it was coming forward, I would assume, is that whoever leaked this had the same concern that we did in

reading what it actually says. I would encourage any Yukoners who are wondering about the content and hearing the Premier say, “No, no, no — we’re really going to increase the budget. We’re not really talking about cuts, it’s something else.” That isn’t what the memorandum actually says.

In any one of these areas, the Premier has ample opportunity to stand up and make clear what is and what is not on the table — whether there are areas that government recognizes, as we have, that there is a need for increases in those budget areas, not cuts, he has the opportunity to do that if he wishes to again engage in cooperative debate.

As I mentioned earlier, I did provide him with the opportunity to agree to have the Hospital Corporation appear as witnesses in the Legislative Assembly and if he would agree to that request, certainly when they come we could ask them whether their problems have gone away overnight or whether they are still facing the pressures of a high rate of the beds in the hospital being occupied by patients who should be in continuing care.

Another area we could hear from the Premier or perhaps the Minister of Health and Social Services on is if they are prepared to look at expanding the home care program to meet the needs we have heard from Yukoners in those areas.

All of those are examples of both the clarity the Premier could provide and the issues that are of concern to health professionals and other Yukoners.

The Premier can claim the government is being transparent, but when they’re not being transparent, unfortunately, that’s just a talking point.

In these areas the Premier can suggest that I’m like a dog with a bone or make references to cartoons on TV, but these areas are ones that people are genuinely concerned about and that people who are waiting for surgery they need or care within the health care system or a continuing care bed are genuinely concerned and genuinely worried about its effect on their lives. It’s not unreasonable for those people to ask of their government that they receive answers, including a timeline for when government expects to move people into the Whistle Bend care facility. Which people are likely to go first? Are people from Macaulay Lodge going before everyone on the wait-list? Is it a mix? How quickly do they intend, respectively, to be able to alleviate the bed pressure at Whitehorse General Hospital by moving people there who should be in continuing care to continuing care?

Second, how quickly do they expect to move people off the wait-list into the Whistle Bend facility and when do they expect the people currently on the wait-list to be fully into the facility?

Third, what are the timelines for moving people in from Macaulay Lodge? I will just note in wrapping up my comments that I know, of course, that new people will be added to the wait-list at some point in time, but the people who are currently there are asking for answers and they deserve them from government.

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

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

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair’s report

Mr. Hutton: Mr. Speaker, Committee of the Whole has considered Bill No. 207, entitled *Second 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 5:28 p.m.

The following sessional papers were tabled October 2, 2018:

34-2-68

Advocacy in Bloom — 2017/2018 Annual Report — Yukon Child & Youth Advocate Office (Speaker Clarke)

34-2-69

Yukon Liquor Corporation Annual Report — April 1, 2017 to March 31, 2018 (Streicker)

The following legislative returns were tabled October 2, 2018:

34-2-143

Response to matter outstanding from discussion with Mr. Cathers related to general debate on Vote 51, Community

Services, in Bill No. 206, *First Appropriation Act 2018-19* —
Medevac (Streicker)

34-2-144

Response to matter outstanding from discussion with
Mr. Cathers related to general debate on Vote 51, Community
Services, in Bill No. 206, *First Appropriation Act 2018-19* —
EMS response by helicopter (Streicker)

34-2-145

Response to matter outstanding from discussion with
Mr. Cathers related to general debate on Vote 51, Community
Services, in Bill No. 206, *First Appropriation Act 2018-19* —
Grizzly Valley subdivision (Streicker)