



# Yukon Legislative Assembly

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## HANSARD

Wednesday, October 10, 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**

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

### GOVERNMENT PRIVATE MEMBERS

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<b>Ted Adel</b>	Copperbelt North
<b>Paolo Gallina</b>	Porter Creek Centre
<b>Don Hutton</b>	Mayo-Tatchun

### OFFICIAL OPPOSITION

#### Yukon Party

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

### THIRD PARTY

#### New Democratic Party

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

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**Yukon Legislative Assembly  
Whitehorse, Yukon  
Wednesday, October 10, 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

**Hon. Mr. Pillai:** I would like to welcome to the Assembly today Kelly Milner, as well as Lisa Preto and her daughter Sylvia. They are here for the tribute that will take place in a minute for the unFURled project.

*Applause*

**Hon. Mr. Streicker:** I would also ask members to please welcome Laura Eby, who is the manager of operations for the Association of Yukon Communities and Sam Crosby, who is the acting director of the Community Affairs branch.

*Applause*

**Speaker:** Tributes.

## TRIBUTES

### In recognition of Yukon Fur Real

**Hon. Mr. Pillai:** I rise today on behalf of the Yukon Liberal government to pay tribute to Yukon Fur Real and the drivers of the social enterprise initiative: Kelly Milner and Lisa Preto who are with us here today; Misha Donohoe — who is, I think, listening in — and also Kelly Proudfoot. We are here to thank them for their project and all their hard work on this.

For folks who don't know, Kelly Milner is a communications and media consultant and the Yukon Fur Real's project manager and coordinator and former winner of the 2016 People's Choice Award at the Banff Film Festival. Lisa Preto is a trapper, artisan and also a very good musician. Misha Donohoe is a graphic artist and designer. Kelly Proudfoot is a marketing and events specialist.

Yukon Fur Real was born from a conversation between Kelly Milner and friends from Old Crow, like Jason Van Fleet. I also know that Stanley Njootli was a key mentor on this project, and I would see his grandson, Dean Kapuschuk, with him on many occasions talking about this project.

Jason is a passionate local trapper who believes that we can revitalize the Yukon's fur industry by starting right here at home. They discussed the fur industry at length, the experience of selling pelts through big commercial sales in Toronto versus direct-to-market access here at home. They knew that to ensure trapping remains an economically viable

way of life here in the north, something different needed to be done. They also saw a growing demand for locally sourced fur products.

In the spring of this year, the first-ever unFURled event took place at the Kwanlin Dün Cultural Centre. That day, Yukon trappers and artisans filled the longhouse, proudly showing their wares. You could walk through that room, run your hands through the silken pelt of a lynx and talk to the person who trapped it about where it came from. It was also an unprecedented platform for trappers and artisans to showcase their products and connect with the public through workshops and demonstrations and at the market. It was a way of honouring Yukon's trapping history and celebrating today's fur industry. With the impressive quality of fur products on display and the high level of interest from the public on that day, it was no wonder that there were more than 1,000 attendees at the event. In one day, approximately \$65,000 in sales occurred. That was money that went directly into the pockets of our local trappers and artisans.

UnFURled was made possible through a partnership with the North Yukon Renewable Resources Council and the Yukon Trappers Association, with extensive support provided by Jason Van Fleet and Brian Melanson and collaborative efforts of many other individuals. This is great news for the industry, and I wish to thank Yukoners for supporting unFURled.

Encouraged by the success of unFURled, Kelly, Lisa and Misha collaborated on a business and marketing strategy, which is known as Yukon Fur Real. Yukon Fur Real is a social enterprise focused on supporting Yukon trappers and fur artisans while creating informed consumers who support a sustainable and ethical Yukon fur industry. It's a buy-local initiative and a brand. Yukon Fur Real purchases furs at a fair price from trappers and puts them in touch with the artisans who can turn the furs into guaranteed Yukon fur products. The marketing and branding of these products is focused within the territory, with sales driven through partnerships and events.

Trappers and artisans are able to realize the true value of fur and fur products through their sale, and customers understand and appreciate the value of wild, sustainably harvested local fur. Yukon is home to some incredibly talented craftspeople, which is evident from the art displays in this very Chamber. Yukon artisans add value to furs by producing a range of products, such as ruffs, scarves, hats, mitts, earmuffs, belts, bracelets, necklaces and more, which often include intricate beadwork.

Something else that many probably don't know is that each Yukon Fur Real product is tagged. These tags provide information such as the artisan's name, the trapping location and supplementary information relating to the final product to create the unique story of the journey from start to finish.

Yukon Fur Real was one of four submissions shortlisted for this year's Yukon Innovation Prize. The theme was social enterprise, which received 29 submissions. A social enterprise is one where entrepreneurs use businesses and commercial strategies to make positive changes to societies.

In June, Yukon Fur Real won the Yukon innovation prize. The prize money has enabled Kelly Milner, Lisa Preto, Misha Donahoe and Kelly Proudfoot to move forward and continue promoting the fur industry. To date, Yukon Fur Real has developed an online directory for trappers and artisans, conducted sewing programs to empower community members in Old Crow, Haines Junction, Whitehorse and Mayo, completed the Yukon fur industry auction plan, which will be presented in the coming weeks, and developed a business plan for an ongoing social enterprise. Yukon Fur Real is creating local employment opportunities and keeping dollars in the Yukon. It supports the creation and commercialization of Yukon products and occupies an important niche in our economy.

I expect Yukon Fur Real will continue to grow as a brand. It continues to gain recognition, and I applaud the great work they are doing.

*Applause*

**Mr. Istchenko:** It is a pleasure today to rise in this House. Any opportunity to talk about trapping is excellent, I believe.

I rise today on behalf of the Yukon Party Official Opposition and the Third Party to pay tribute to the trapping industry in the Yukon and also the Yukon Fur Real project.

Over the past five to 10 years, trapping has experienced a renewed interest in the Yukon. The Dawson fur show put on by the Dawson District Renewable Resources Council has gained momentous popularity in recent years. Accompanied by other efforts by the Yukon Trappers Association and the local renewable resources councils, Yukoners are becoming more excited to buy local fur. We have seen an increase in teaching opportunities and initiatives being brought forward by Yukon First Nations and, of course, other organizations. By instilling an appreciation for trapping in our children, we can ensure that future generations continue to maintain the importance of this industry.

In my riding, Mr. Speaker, the Kluane First Nation muskrat camp is one example that has been held annually over a decade to teach participants how to trap, skin and cook muskrat. Another initiative in my riding is the local Rangers patrol — the Haines Junction Rangers — who take the Junior Rangers out on trapping courses.

One I remember vividly from many years ago was when our trapper instructor, Alex Van Bibber, back in the day — we wound up with 24 kids who got their trapper's licence out of that course, and it was incredible.

While other events take place across the territory, I'm especially fond of these initiatives, of course, in my riding, but I would also like to recognize here today the Yukon Fur Real project, which is aimed at developing and supporting the local fur market's next steps. Fur Real buys furs from trappers at a decent rate and has them tanned. Artists pay a deposit on the furs, and they work with and sell their finished product back to Fur Real. The project is then tasked with coming up with market initiatives and events, selling finished products back to

Yukoners. You can see some products in the House today that the minister spoke about earlier.

Fur Real was a recipient of the 2018 Yukon innovation prize, and it was awarded \$60,000 this summer, which will help to continue their work — buying local pelts, supporting our local artists and organizing events. The whole initiative is very exciting and it is a modern spin on traditional trapping and selling, encompassing the entire process from trapping, to the crafts, to retailing.

Congratulations to all involved — we have two in the House here today — for all of the hard work that they put into this Fur Real project, for their hard work and ingenuity, and to all those who continue to support our Yukon trapping industry.

*Applause*

### **In recognition of Yukon municipal elections**

**Hon. Mr. Streicker:** Before I start, I just want to comment that I had been hoping to wear my Arctic Winter Games toque today to the Legislature, although my wife has stolen it with its beautiful wolf pom-pom.

Mr. Speaker, today I not only stand to recognize the hard work of our local elected officials, but also to urge all Yukoners to get out and vote on municipal election day next Thursday, October 18. If you can't make it next Thursday, the advance polls open tomorrow in all communities. Please vote.

I rise to pay tribute to local governments and the hard work and dedication of our elected officials. This includes mayors and councils in our eight municipalities, as well as the local advisory councils and our five local advisory areas.

Mr. Speaker, I am a recovering city councillor. I truly believe in the importance of local government. I say recovering, not because it was traumatic — hard, yes, but not traumatic — I say recovering because people get elected to make a difference, to improve our communities, and that desire to make things better — well, it stays with you. Local governments foster critical, informed decision-making in our communities. They are vital to our democratic system. Local governments provide invaluable programs and services to residents.

While I'm at it, Mr. Speaker, let me give a shout-out to the Association of Yukon Communities. I know our Community Affairs branch is working with the association to prepare for their elected officials' orientation workshop following the election next week.

Local governments deal with the issues that are closest to home, like dogs, drinking water, ditches, waste diversion and dumps — sorry, solid-waste facilities. Local governments make sure our towns function properly today and tomorrow. Our councils are made up of people who care, and they truly have the opportunity to make a difference and to shape the future of our communities.

I'm going to acknowledge one of those folks now — Ms. Colleen James, recently acclaimed to the South Klondike Local Advisory Council, or LAC. She has been writing poetry — laments, in fact — about the challenges of local governance.

Recently, I wrote her a response, which I would like to read as part of this tribute:

From Lewes Lake to Crag Lake and down the road to Skagway,  
the LAC makes recommendations  
that might come true one day.  
“What’s going on in Carcross?” you say

The tourists are flocking, the downtown is rocking,  
people are rowing, the clear waters are flowing  
that south wind, well, it just keeps blowing.

I’m glad the LAC didn’t get tired of yakking  
About the infrastructure lacking  
Cause now there’s a skateboard park that’s attracting our youth.

The doggie bags are on order.  
Hope they don’t get stuck at the border.  
So thanks to Colleen, I would like to reward her

With a reply poem of praise  
You make a difference with the ways  
You chair the South Klondike LACs

I know it can be hard but you have made  
A real difference. Our hearts are swayed  
Cause you turn laments into lament-ade.

*Applause*

**Ms. Hanson:** I am happy to also rise today on behalf of the Yukon New Democratic Party and the Yukon Party to pay tribute to the many Yukon citizens who have put themselves forward as candidates for municipal and local area council elections this month. Much has been said even today about the importance of the role of municipal governments in the daily lives of us all. What is not often acknowledged is how diverse the challenges are, how long the hours are and often how scant is the recognition that goes along with the burden of ensuring that our water is safe, our garbage is picked up, our roads plowed, our streets paved, our neighbourhoods well-designed — among so many other things that we both take for granted and expect our municipal politicians to deal with.

When elected, all council members swear an oath, as the Yukon municipal elections handbook states — and I quote: “The words place a heavy burden on the elected official to accept and discharge, in a conscientious and forthright manner, the duties, obligations and responsibilities of office.” That handbook also points out — as members of this Assembly know and appreciate probably more the longer one serves as an elected representative — that: “If elected, it is important to remember that you requested and received the trust of the electorate.”

The Yukon government officials who put together the municipal elections handbook deserve our thanks. They capture in plain language the array of demands placed on

those who choose to serve their fellow citizens at the municipal or LAC level. The handbook reminds candidates that it will also be their duty as an elected official to act for the whole community, not just the district or the area from which they are elected.

They are also reminded that they have a duty to strive to improve the finances, the health, the security and quality of life in their municipality or local advisory area as a whole, not just for the ones in the direct area that they live in.

As well, councillors and mayors have a personal responsibility to fulfill the obligations of their office with impartiality and integrity. We ask a lot of the people who serve. To do this, councillors and mayors are advised to become informed about the problems that face everybody in their communities. They are advised to make decisions without fear, favour or evasion and always in the best interest of the whole municipality or the local advisory area.

They are further advised to resist the pressures of groups of electors organized for selfish purposes — straight, plain language. That is what local government is about; that’s what governance is about. Municipal councillors and local area councillors also advised in this guidebook to be prepared to accept responsibility for majority decisions of council even though it may mean supporting a decision that you did not vote for. It’s a reminder that serving on a municipal council and local area council is a team sport. There is no partisan nature to that council.

In closing, I would like to quote from a handbook promoted by the Association of Yukon Communities that I thought was kind of fun. It’s called *The Joy of Governing*, and it’s designed to help municipal and local area council members navigate their roles. The authors take kind of a lighthearted — because there are lots of cartoons sprinkled through it — approach, but they end the booklet by saying: “The job is not easy, but that does not mean it has to be still or stale... Bring your energy, your laughter, and a boundless curiosity to the table... It is a long game requiring committed players willing to think critically rather than be critical.” They go on to say: “We commend you for your personal willingness to engage in public service. Take it seriously but hold it lightly.” To that we add a big thank you to all who have agreed to place their names, their reputations, their ideas and their hopes for the future of their communities on the line and on the ballot on October 18.

*Applause*

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

## TABLING RETURNS AND DOCUMENTS

**Hon. Mr. Pillai:** I have for tabling the 2017 annual report for the Yukon Energy Corporation.

**Hon. Ms. Frost:** I have for tabling today a response to a question raised by the Member for Takhini-Kopper King on October 4.

**Mr. Hassard:** I have for tabling a legislative return in response to a question asked by the Minister of Education during Question Period on October 9 regarding a tender for school portables.

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

Are there any reports of committees?

Are there any petitions?

Are there any bills to be introduced?

Are there any notices of motions?

## NOTICES OF MOTIONS

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

THAT this House supports the Government of Yukon providing rebates from carbon-pricing payments for energy-intensive, trade-exposed industries.

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

THAT this House urges the Government of Yukon to request that Yukon's Information and Privacy Commissioner appear before the Legislative Assembly to address the concerns raised by the commissioner regarding Bill No. 24, *Access to Information and Protection of Privacy Act*, prior to the bill's third reading.

**Speaker:** Are there any further notices of motion?

Is there a statement by a minister?

This then brings us to Question Period.

## QUESTION PERIOD

### Question re: School structural safety

**Mr. Hassard:** As you know, the Liberals left the Ross River School off of their five-year capital concept. We know that the government received an engineering report telling them to relevel the school. The government apparently didn't like that recommendation so they went and got a second opinion. The Liberals can find money to give a pay raise to the Premier, but they can't find money to spend on this school.

To quote the minister from last week — and I quote: "I can assure parents, teachers and staff in that Ross River School facility that it remains safe." Yesterday, a concerned staff member was on the radio saying this — and again, I quote: "I do have concerns. I have concerns for the children that are here. I have concerns for the workers that are here. I have concerns for myself." Why won't the minister take action to address the concerns of employees working at that school?

**Hon. Mr. Mostyn:** Really, off the hop, I have to take issue with the assertion of the member opposite. We do take the concerns of our staff and the children in that school extremely seriously. The multidisciplinary team that is presently monitoring the school includes an architect, a structural engineer and a survey team. At times, we have also enlisted a mechanical engineer, an electrical engineer and a

geotechnical engineer with expertise in permafrost. There will be a minimum of two monitoring visits each year. If movements outside of normal parameters are observed, the consultants will provide recommendations on what actions should be taken, and the frequency of site visits will increase if necessary.

The school is safe for occupancy and we are going to make sure we keep a very close eye to ensure the school remains safe for occupancy. It's an issue that both my colleague the Minister of Education and I take very seriously, and we're making sure that building remains safe for the students and staff of the school.

**Mr. Hassard:** The fact of the matter is that the Liberals tabled a five-year capital concept. According to it, the Liberals have zero plans to fix, renovate or replace the Ross River School. Meanwhile, we have staff from the school with some very serious safety concerns for the children. The Liberals are telling Yukoners they need to tighten their belt and they won't spend money on an important safety issue in one of our schools, yet they wasted money on a new logo and are going to give the Premier a raise, as I mentioned.

Families and staff should feel confident that the school they rely on is safe for all of those using it. I again will quote the staff member who was on the radio, who said, "I have concerns for the children that are here."

Will the minister take action to address these important safety concerns of the people living in the community of Ross River?

**Hon. Mr. Mostyn:** Over the last several years, a number of structural repairs and interventions have been made to the school. The members opposite will know this well; they were partially responsible for the half-measures we have inherited. A recent building conditions report was completed by engineers in February of 2018 on the structure and confirms the school remains structurally stable and safe for occupancy. As I said in my earlier statement, it is absolutely critical for this government to make sure that is the case, and we are making sure that is the case. It is safe for occupancy for all staff and students. We are continuing to monitor, as recommended in the report.

The member opposite continually talks about a five-year capital concept, and I wanted to correct the record on that score. A concept is something you sort of think about and maybe will implement in the future, and that may be the thought process of the members opposite, but we actually plan and execute. We promised in our platform a five-year capital plan; we have actually delivered on a five-year capital plan that lays out the spending priorities of this government on a go-forward basis. It was introduced this year for the first time — it's the first time a government has done that. That plan exists; it will exist for the mandate of this government and, hopefully, into the future, because we have heard it's a very useful planning tool for the communities and for contractors and we're happy to have delivered on that promise.

**Mr. Hassard:** I think it's unfortunate that the minister takes this opportunity to try to spin things and use the blame

game when we're talking about the safety of the citizens of Ross River.

We do know the Liberals have found money to give the Premier a pay raise. We know they have found money to spend over a half-million dollars on a new logo, yet even though they found money for these things, they didn't want to spend money on the Ross River School so they got a second opinion. Now we have a staff member from the school saying — and I will quote them again, because I think this is very important for everyone to hear — “I have concerns for the children that are here.” Also, “I have concerns for the workers that are here.”

Mr. Speaker, that's from someone who works at the school.

Will the minister travel to Ross River to listen to the staff, parents and students about their safety concerns?

**Hon. Mr. Mostyn:** As I have said in previous answers, the safety of the school inhabitants — teachers and staff — are critical to this government and we are doing everything we can to ensure their safety. The multidisciplinary team report was received in the spring of 2018. That was a report we commissioned to make sure the students and staff were safe in that school. The team is continuing to monitor the building and will complete assessments during the 2018-19 fiscal year at a total cost of \$100,000. This multidisciplinary team that presently monitors the school includes an architect, a structural engineer and a survey team. At times we have also enlisted a mechanical engineer, an electrical engineer and a geotechnical engineer with expertise in permafrost. We will continue to do so as warranted.

As I have said before, the staff and students of that school are critical and we will have to ensure their safety. We will continue to do so.

#### **Question re: Education assistants**

**Mr. Kent:** Regarding educational assistants available to our students, I am wondering whether the Minister of Education can tell us what the estimates for the amount of educational assistants was going to be at the beginning of the school year. Also, is she able to let us know how many educational assistants are currently working in our Yukon schools?

**Hon. Ms. McPhee:** I believe I am able to do that, if I can find my note. Of course, as the members opposite know, and it is critical for Yukoners to know, the Yukon government provides a range of supports and resources to address the learning needs of all students in our schools across the territory. Educational assistants are one of several resources that schools have to support students. Other supports for schools include counsellors, teachers, learning assistance teachers and school administrators.

The information with respect to educational assistants, of course, changes from the original estimate. I will determine if I have those numbers from the beginning of the year, but I can indicate that the current allocation for educational assistants to schools here in the territory for 2018-19, as of this date — and

the date that I have this information from is actually today — is 244.67 FTEs of educational assistants.

**Mr. Kent:** If the minister, in a letter or legislative return, or perhaps next time she is on her feet, could just let us know what the estimate was going into the school year versus how many are employed now, that would be great.

Is the Minister of Education able to tell us what the current wait time is for a student who is waiting for an EA from the time they are referred until the time they receive the needed support?

**Hon. Ms. McPhee:** I appreciate that this a question that is asked, in my experience, probably every opportunity that the House is sitting and it is an important one.

The Department of Education provides special education programs through Student Support Services for student learning needs. We use a team-based approach for programs and school staff work together with families. The first step for a school-based team is to informally assess the student's learning needs. School staff put recommended strategies and plans in place and they work with Student Support Services through formal and informal assessments to provide services to students.

Because of the nature of that particular process, wait times are on a case-by-case basis. Some schools supports are delivered at the stage where the Student Support Services become involved and others are definitely started much sooner through the school program with the school administrators, teachers and parents cooperating.

**Mr. Kent:** Just to reiterate, can the minister provide through a legislative return an estimate for the numbers that they anticipated going into the year? Perhaps even just the average wait time would be helpful for us when we're speaking to our constituents.

Mr. Speaker, as you know, the minister is currently looking for up to \$3.6 million in reductions to the O&M budget at Education. Is the minister able to tell us if the government is looking for any of those reductions in program areas around educational assistants or Student Support Services?

**Hon. Ms. McPhee:** What I am able to tell you is that we are very keen to make sure that Student Support Services are completing assessments, helping students and families in whatever way they can. Opportunities for us to review the work of Student Support Services and the way in which they deliver those services are critical. I spoke last year about that happening. It in no way involves a reduction in those services. I take issue with the premise of this particular question, which says that the department is being cut by a particular number. That is not what is occurring here. The department is evaluating Student Support Services, and in fact, all services that we provide to students to make sure we are doing it in absolutely the most efficient, most student-centred way.

#### **Question re: Social assistance rates**

**Ms. White:** Last Wednesday, the government rejected motions from both opposition parties to conduct a review of both medical travel and social assistance rates. Instead, the

government said these reviews would be part of an overall Health and Social Services review. That is a big review, considering that Health and Social Services is the largest department with the largest budget. Every single Yukoner will be impacted by any changes made to this department since it provides services from birth to death. Yet my colleague questioned the minister about this review last week and until that point, the public had heard next to nothing about how or when this review would be conducted.

Let's start with the basics: Can the minister tell this House who will be conducting this review?

**Hon. Ms. Frost:** I would like to thank the member opposite for the question. As noted last week, the comprehensive review will seek to find ways to contain historical growth in order to provide long-term sustainable health care and social supports within the system that continue to meet the needs of Yukoners.

The review isn't about immediate cost-savings. It's more about program efficiencies. The discussion with respect to medical travel will be considered in the comprehensive review — note that the review will be completed in the fall of 2019.

We are committed to engaging with all Yukon First Nations, public non-government organizations and our staff, and that process is underway.

**Ms. White:** What I was looking for was the “who”; so it might be the good staff from the Department of Health and Social Services or maybe an Outside consultant might be involved. It might be that we will have an online survey presence where people can fill out questionnaires or answer surveys, but this review needs to be more than an online survey.

The scope of this review and the resulting recommendations will have impacts on people. Maybe they will be good impacts and maybe they will be bad impacts. If this government is going to talk about patient- or client-centred service, then it's critical that the real stakeholders — the social assistance recipient, the parent with an adult child with disabilities, the foster parent, the patient who has hospital experience, the community person who needs to travel into Whitehorse, the caregivers — all have direct input into the review and not just through an online survey.

Mr. Speaker, how is the Minister going to ensure those who are directly affected by the review are driving the process?

**Hon. Ms. Frost:** Mr. Speaker, just to correct the record, we are not going to focus just on online surveys. I think we spoke about a very comprehensive review, as noted by the Financial Advisory Panel. A comprehensive review of health was conducted over the course of two different occasions. This specific review will be built on comprehensive input from Yukoners, from our stakeholder partners and from individuals, as noted by the member opposite.

That's a critical component of how we do business. We must consider the input of Yukoners in the services that we provide to Yukoners. It must be comprehensive; it must be efficient; it must be timely and, most definitely, it needs to

consider opportunities and timely services for rural Yukon communities.

I would like to make note that it's not an independent review unto itself. There's some internal work that has to happen with respect to policies and directives within the department so we can look strategically at making some changes now to ensure efficiencies within the services. We are looking at an independent expert panel that will provide some feedback and strategic direction and advice for the department.

**Ms. White:** So the questions of the “who” and the “how” still stand, so maybe now I'll get to the “what”. Perhaps the most important question to ask about this review that will impact us all has to do with the terms of reference. The terms of reference are critical in that they describe, first and foremost, the purpose of the review. Are we reviewing everything in order to save money? Is it a review to look at a duplication of services or gaps in services, or maybe we're trying to identify needs that are not met by current programs? It's anyone's guess, since the terms of reference haven't been made public.

When government talks about reviews of this scale and mentions the need to look at NGOs, as the minister did last week, citizens and groups start to feel insecure and nervous about their futures. So Mr. Speaker, will the minister share with this Legislature the terms of reference and timelines for this very important review of Health and Social Services?

**Hon. Ms. Frost:** I think the questions that are being raised right now are exactly the same questions raised last week, and I will continue to reiterate to Yukoners and to the member opposite that the Management Board process previously — let me refer to the 2008 health care review, the 2013 clinical services plan, and now the Yukon Financial Advisory Panel's final recommended report, which advised that we must look for efficiencies, and that's exactly what we're doing. We will do that with input from Yukoners. We will do that with a comparative jurisdictional scan analysis of the cost drivers. As we know, we have Pharmacare, we have medical travel, physician billings, national and territorial initiatives that are happening, but we also have an aging population, and clearly we have cost drivers from rural Yukon that we're considering.

I went through the review process and I would be happy to share that again. I can provide that to the member opposite — the review span for specific phases — and we'll see the results in the fall of 2019.

#### **Question re: Community emergency medical services**

**Ms. McLeod:** I have some questions today for the Minister of Community Services about EMS. The Yukon's ability to provide EMS service in most of our communities depends on people who volunteer to serve their communities as members of the Yukon emergency medical services team.

These trained dedicated volunteers deserve our respect and appreciation, and it's important that their needs and their concerns are treated seriously by everyone. My colleague, the

MLA for Lake Laberge, wrote to the minister with concerns and suggestions regarding EMS, and I would like to follow up on a few of these issues with the minister.

There have been problems with rural EMS members not receiving uniforms that fit — in a timely manner — and a desire by some to see more training in communities. Can the minister tell us whether he is planning to take action to address those priorities and, if so, what he intends to do?

**Hon. Mr. Streicker:** I will respond in two ways. The first one is — I thank the Member for Lake Laberge for the letter last week. I did sit down with him briefly to review it. We did discuss some of those questions and concerns. I had already shared it with the department and we're working on getting a reply — so trying to respond to you directly.

We always agree that there is tremendous value on the contribution that volunteers make to improve emergency services throughout rural Yukon. That is why, through Yukon Emergency Medical Services, we continue to support community responders by supplying vehicles, medical and safety equipment, uniforms, fleet management services, station maintenance, administrative services, online education and responder training in communities.

If there are really detailed, specific concerns about uniforms, I am so happy to try to deal with those directly. I completely agree with the Member for Watson Lake that we need to support our EMS volunteers.

**Ms. McLeod:** An issue I have raised with the minister several times about EMS is regarding a regional supervisor position in Watson Lake. I've raised this issue with the minister on several occasions over the past year, including during Question Period in the Spring Sitting when I asked for a commitment that this position be kept in Watson Lake. We have now heard that the regional supervisor position may be relocated to Whitehorse. My understanding is that there has been no consultation with the Town of Watson Lake, the Watson Lake Chamber of Commerce or citizens prior to the posting of this position.

Will the minister please explain the current status of this position? If there is a plan to relocate it to Whitehorse, will he commit to reconsider that decision and keep that EMS position in Watson Lake?

**Hon. Mr. Streicker:** I thank the member opposite for the question. I am always a little bit careful when we are talking about one position because those positions are in our communities and everyone understands who they are. I always want to be a little bit careful there, Mr. Speaker.

However, I stood in this Legislature and I made the commitment that, if there were going to be changes, I would ensure that we had a conversation with the community ahead of time, including with the Member for Watson Lake. Late last week I got the letter from the Member for Lake Laberge and I turned it over to the department. I sat down with them earlier this week, and I am hoping to get a response shortly. Please let me take the time to turn to the department to find out the status of those concerns.

I continue to uphold my commitment that, if there are to be changes, we will come and talk to the members of the community.

#### **Question re: Fiscal management**

**Mr. Hassard:** Mr. Speaker, when in opposition, the Premier asked the previous government about a project that had gone 10 percent overbudget as an example of project mismanagement by the government of the day. Given the standard that the Premier himself has set, does he believe that the Minister responsible for Yukon Housing Corporation is mismanaging the Housing First project as it has come in at 44 percent overbudget?

**Hon. Mr. Silver:** This is a great opportunity for our minister to speak about the good programs that are being offered through Yukon Housing Corporation, and it is a good opportunity for me to congratulate the minister and her team for the second year in a row being the chair on a national front when it comes to housing initiatives. If there is anything further from the minister herself, then she can answer that question in the first supplementary.

**Mr. Hassard:** Apparently the Premier wasn't listening to the question, so we will try another one, Mr. Speaker.

As I said, these are standards that the Premier himself set as Leader of the Third Party, and he seemed to believe that any project that goes over 10 percent overbudget is an example of capital project mismanagement.

The Minister of Community Services is responsible for the construction of the Ross River bridge. That project went 33 percent overbudget. Did the Premier ask his minister why he mismanaged this project?

**Hon. Mr. Streicker:** I am happy to talk about the Ross River bridge. I think Ross River was the very first community that the Minister responsible for Yukon Housing Corporation and I visited. While we were there, we asked them some direct questions and found out that repairing the Ross River bridge was a priority. As we took a look at that project and understood that there were more repairs needed than originally anticipated, then, yes, of course, the scope of the project had to change, and with the changing scope of that project, the cost of the project went higher. We had a conversation with the community again to understand that it remained their priority, and this, I guess, would be a community within the members opposite's riding. We heard from that community, we heard definitively that it was their priority and we went forward with the project. We are very happy. We were there for the opening, and we were excited to see that bridge in the community. It connects both sides of the community, and I know it is important to that community.

**Mr. Hassard:** Mr. Speaker, as I said, the Premier criticized Yukon Party ministers for going overbudget by 10 percent and then called them out for capital mismanagement. However, now that he is in government, when his ministers go overbudget on their projects, it appears that all is well. Why the double standard?

**Hon. Mr. Silver:** I would say, first and foremost, that what we are seeing here is a government that actually gives

answers to those questions. I don't recall getting any answers from the member opposite's government when I asked those questions.

I think the major difference here is the difference between oranges and apples. We are experiencing a strong economy right now and there is a very tight labour market. We are also seeing steel prices that have risen over 40 percent in recent months, so we have tariffs that are going back and forth. There are different considerations now than there were in the previous government's administration. I believe the word "recession" was being used at that time.

It's a different situation and a different economy right now. We are trying to support local markets and we are trying to make sure that, when we go from boom to bust, we create programs, services and processes like a five-year capital plan that actually allow industries to flourish and for our economy to be better off than it was in the past.

I'm proud of the work that we are doing, but there is not much you can do when steel prices are rising by over 40 percent. Lumber prices have also been on the rise, with Statistics Canada reporting a 10.7-percent increase nationally in labour as well. These are just a few of the reasons why this is an oranges-to-apples comparison.

#### **Question re: Destruction Bay Marina**

**Mr. Istchenko:** I have raised the issue of the Destruction Bay Marina a number of times in this House. As you know, the government has delayed any work to dredge the marina and make it accessible. The government delays have been, of course, very disappointing for my constituents. When I asked the minister about this in March, he said that he would do more analysis of the lake level this year, but there would be no design or physical work at the marina before the assessment is complete.

Can the minister provide us with an update on the assessment, and has it been completed?

**Hon. Mr. Streicker:** I know that the Minister of Highways and Public Works will get up in a second in response to supplementary questions. I just want to begin by saying that we did go to and talk with the community. We sat down, and we actually went to the marina and discussed their concerns. When we talked with our engineers about it, one of the issues for them was to try to make sure, first of all, that the lake levels had stabilized, because we don't want to be going and doing a lot of work and then find out that work is not going to last. This is the issue of climate change and we need to be thinking about the long term, not just the immediate term.

We also needed to consider the approach, winds and dredging. There was a lot of technical work, but what I do want to begin with is to say that we heard the concerns from the community and their desire to see reparations to the marina because it is important to the community. We are engaging on that work and see it as their priority, as they have defined it. We just want to make sure that the investment is going to be one that lasts.

**Mr. Istchenko:** The issue with the marina falls under the Minister of Highways and Public Works, and it was the Minister of Highways and Public Works, in response to me, who committed that they would go back to the Kluane Lake Athletic Association and provide an update on this assessment before the end of this year.

I will remind the minister that it isn't just a convenience issue; it's a safety issue. I think doing something sooner rather than later is important. I think we actually realize that the lake isn't going to change anymore.

Can the minister provide any sort of timelines at all as to when work will be conducted on the Destruction Bay marina?

**Hon. Mr. Mostyn:** I was out at the marina this year as well. I went up the north Alaska Highway and reviewed the situation myself. I am going to rely on the experts to tell me whether or not the lake levels are changing or have stabilized. Once I get that assessment, we will be able to plan and move forward on this file a lot easier.

As I have mentioned in previous responses in this Legislative Assembly, Highways and Public Works has fixed the Sheep Mountain boat launch. That boat launch has seen significant repairs to make sure that it's useful on that lake so that residents can have access. I sympathize with the community and I understand and appreciate the Member for Kluane representing his constituents' concerns. It's important that they have a voice and I am listening.

It's a terrible calamity that our lakes and rivers are changing in this manner and that a community that has relied on and had the access to the river at such a convenient location now doesn't have that access. It's a significant problem for the community. It is a problem, I would argue, that comes about through our changing climate and we have to take action to make sure that we address that concern.

I do sympathize with the community. I have seen it first-hand. I thank the member opposite for the question.

**Mr. Istchenko:** I have good news for the minister. I'm not sure if the minister is aware of this or not, but there will be a community engagement dinner tomorrow evening at 5:00 p.m. in Burwash to discuss boat launches for Kluane Lake. The Yukon government is going to be there to present updates on this topic. I would assume the minister might have some knowledge of this. He might have something in his briefing binder.

Can the minister tell this House what those updates are? Will he be able to table the documents in the Legislative Assembly that they will present at this meeting?

**Hon. Mr. Mostyn:** My officials will be up there to deliver that news to the community tomorrow. I expect that they will get a very fulsome answer to some of their questions from the competent and well-informed staff of Highways and Public Works. I won't presume to cloud matters. I think they will be giving the answers tomorrow, so Kluane will get their response. Thank you very much to the member opposite for that information.

**Speaker:** Thank you. The time for Question Period has now elapsed.

We will now proceed to Orders of the Day.

## ORDERS OF THE DAY

### GOVERNMENT PRIVATE MEMBERS' BUSINESS

#### MOTIONS OTHER THAN GOVERNMENT MOTIONS

##### Motion No. 91

**Clerk:** Motion No. 91, standing in the name of Mr. Adel.

**Speaker:** It is moved by the Member for Copperbelt North:

THAT this House urges the Government of Yukon to increase the ceiling for the Yukon small-business investment tax credit from \$1 million to \$5 million and increase the asset limit to allow larger companies to qualify.

**Mr. Adel:** Today I rise to speak to Motion No. 91 that reads, as you have just said: That this House urges the Government of Yukon to increase the ceiling for Yukon small-business investment tax credit from \$1 million to \$5 million and increase the asset limit to allow larger companies to qualify.

When I was on the campaign trail in 2016, I was clear to Yukoners that our Liberal team was committed to diversifying the Yukon's economy, especially to reduce our reliance on global commodity prices. The need to turn the government's focus toward the economy and create conditions for our economy to grow and diversify was clear. I am happy to report to Yukoners that, after less than two years in office, our Liberal government has made great progress in our commitment to improve economic conditions in our territory. We have lowered both the corporate tax rate and the small-business tax rate. These tax reductions support local business and promote increased economic activity in the Yukon — but I can't do much about the lights.

Our Liberal government recognizes the contributions made to the Yukon's economy and we want to see them thrive. Local businesses help to create jobs and circulate wealth and enable families to put food on the table and to pay the bills. They create innovative solutions and work hard every day to provide needed services and products for Yukoners. By creating a competitive tax environment, we can support existing local businesses and also attract new business to the territory. Attracting new business to come to the Yukon and incentivizing entrepreneurs to start up new businesses in the Yukon is an important part of growing and diversifying our economy.

This past summer, our Liberal government was proud to announce an investment and partnership with the Government of Canada and Northwestel to create more reliable Internet for Yukoners, but also the Northwest Territories, Nunavut and northern British Columbia. The northern fibre network line will connect Dawson City to Inuvik, Northwest Territories, helping to close Canada's north fibre loop, which will provide more robust Internet service to northern communities across Canada. This additional fibre connection is a long time coming for our territory and was talked about for many years. Our government is proud to be advancing this project and

delivering on our commitment to Yukoners. Reliable telecommunications are vital to diversifying our economy and will help Yukoners and northern residents participate fully in the digital economy. Stable Internet can also attract and increase investment in the territory, creating jobs and other opportunities.

Another project that we have invested in, in partnership with CanNor, is NorthLight Innovation, the first innovation hub north of 60. Digital connectivity is important, but to allow our economy to truly reach its potential, we need a space where business professionals can connect in person and exchange ideas. The hub has been under construction for the last several months, and the grand opening is scheduled for next week. This is a very exciting project that is creating opportunities, but also revitalizing a long-neglected part of the downtown core. This hub will support the development of innovation and entrepreneurship through physical location, providing business assistance, collaboration, mentorship and networking opportunities. It has brought (co)space and YuKconstruct, Yukon College's Cold Climate Innovation centre and the Yukon Development Corporation together under one roof.

This dynamic space promotes an entrepreneurial culture of innovation and commercialization and will support the development of innovative business in the Yukon and help more products come to market. The mentorship and networking opportunities it provides will encourage the development of new programs that can address other business skills, gaps and needs.

Through this streamlined support, we expect the hub to attract more start-ups and entrepreneurs to help our small businesses grow. Investing in NorthLight Innovation supports our government's vision of an innovative and collaborative knowledge economy. With the exchange of ideas, expertise fosters individual success and a collective strength.

To help us foster a culture of entrepreneurship that will result in incubation, commercialization and the export of Yukon-made innovative products, these are just some of the projects we've been working on. They're exciting initiatives. They demonstrate our government's commitment to diversifying our economy and encouraging economic activity.

We are also encouraged by how the current state of the economy in our territory has helped us to bring a lot of new people to the territory. Last week, the Premier and Finance minister released the interim economic and fiscal outlook, and it's really worth the read.

Our population is growing; it's now over 40,000. Our economy is one of the strongest in the country with projected GDP growth this year at 2.5 percent. We are experiencing record low unemployment rates; tourism numbers continue to grow. The Yukon is in an enviable position in Canada, Mr. Speaker, and we need to seize the opportunity. In particular, we need to look at how we can increase investment in Yukon businesses.

That's why I brought forward this motion today to urge the government to increase the ceiling for a Yukon small-business investment tax credit from \$1 million to \$5 million

and to increase the asset limit to allow larger companies to qualify.

The small-business tax credit investment is 20 years old, having been introduced under the New Democratic Party in 1999. The purpose of the tax credit is to stimulate the economy by incentivizing investment in local business and helping them to grow. I think all parties can agree that it has been successful for Yukon companies and investors and helped to diversify the economy.

Yukoners will recognize some of the businesses that have benefitted from this program, including Yukon Brewing and Air North — two of our favourite local companies.

After 20 years, I think it is important to look at how the tax credit works to make sure that it still remains effective in today's economy and our tax regime. We need to modernize this tax credit to make sure that it allows Yukon businesses to capitalize on the increasing economic activity and opportunities in our territory. Increasing the tax credit will help Yukon businesses raise more money and allow more Yukoners to invest in the Yukon and Yukon companies. Increasing the asset limit to allow larger companies to qualify will make more Yukon businesses eligible for the program and allow them to take advantage of it for projects that they are working on and to grow their businesses.

The proposed changes to this tax credit will make it work better for Yukon companies and local investors, which will, in turn, stimulate economic growth in our territory while contributing to the diversification of our economy. These are the goals, I believe, that members of this House share, and I hope that this motion will receive the support of the members opposite.

**Mr. Istchenko:** As I rise here today to speak to Motion No. 91, put forward by the Member for Copperbelt North, I will be really short in my remarks, as it does seem to be kind of a straightforward motion. I know my colleagues have some questions that they would probably like to ask when the Premier is in general debate later this afternoon.

Regarding this motion — as you know, this was a platform commitment of the Liberals. They don't have the greatest record of meeting their platform commitments, so we're happy to see them make an effort on at least this one.

I will, off the top, indicate that we support this in principle, but we do have some questions that I hope the minister or another member of the government will be able to answer when they get up to speak.

Some of the questions are: Are there legislative changes required to make these? If so, when is the government planning on bringing forward those legislative changes? Will the government publicly consult on these legislative changes before bringing them forward?

We know that the *Canadian Free Trade Agreement* has some stipulations about tax credits that different jurisdictions have — what those limits are, et cetera. How does making these changes to the Yukon small-business investment tax credit impact the *Canadian Free Trade Agreement*? Is this allowable under the agreement?

I have the same question regarding the *Comprehensive Economic and Trade Agreement* with the European Union and the newly signed agreement with the United States and Mexico. I am hoping that the government, throughout the course of today's debate, can provide us with some answers to those questions.

Finally, I am wondering if the government has done an economic impact analysis of these changes and whether or not they can provide those to the House.

With that, I will close off my remarks and I look forward to hearing from the government on these questions.

**Ms. Hanson:** On behalf of the Yukon New Democratic Party, I am pleased to rise today to provide general support for the concepts outlined in Motion No. 91, put forward by the Member for Copperbelt North. We are pleased, of course, to see recognition of the value of the small-business investment tax credit, which, as the member correctly identified, was put in place by a New Democratic Party government almost 20 years ago.

Over the course of the past seven or eight years, my colleagues and I in both this current government and the previous Legislature have advocated for the government to do the financial analysis with respect to increasing the threshold for the small-business investment tax credit. We had raised it, and it was also part of our platform, Mr. Speaker, with due deference to my colleague and friend from Kluane. The Yukon NDP had indicated that we think that increasing the small-business investment tax credit does hold great potential for increasing the ability of local businesses — and I put the emphasis on “local businesses” — to both generate additional revenues necessary to grow their businesses without having to seek financing from Outside — more expensive financing from a large financial institution. We saw that when Air North was seeking to have the previous government look at this small-business investment tax credit when they were attempting to — and when they did — purchase additional aircraft as a way of raising funding to make those purchases without having to go Outside for that.

We do question — and it's unclear from the member opposite's opening remarks — exactly what the implications are and the kinds of scale when we talk about the application of this in terms of increasing the asset limit to allow larger companies — there's certainly a difference between larger companies and small businesses in the territory. Most businesses in the Yukon are small businesses, according to Revenue Canada. It's my understanding that if you are 500 or less, you're still going to be qualified as a small business. Then it covers just about everybody, probably including Air North, but if we're talking about larger companies, then we would have real concerns, because why would the Government of Yukon be looking to subsidize Goldcorp, or any of the big mining companies?

The question in my mind is: What is the intent here? How is that going to put increased value — because we are talking about ultimately making an investment here through the

means of denying revenue to the Government of Yukon coffers, through these credits.

So it's foregone revenue, and that has lots of merit and you can make the solid argument, in terms of the return with respect to the multiplier effect, when we start talking about small businesses in the community, but if your asset base is someplace else, we're going to question this really seriously.

To that end, I echo the comments made by the Member for Kluane that we would look to see before government implemented this kind of measure that they have a solid analysis by the Department of Finance tax division that will support both aspects of what's being proposed, so \$1 million 20 years ago — does that equate to \$5 million in the member's mind now? Is that backed up by financial analysis? To put a value to the concept of what a larger company is and where those assets are based — define a larger company in the Yukon that meets that definition, because if you're going to start inviting large companies to the Yukon and saying you're going to take a benefit of us forgiving your taxes, I don't think you are going to find too many Yukoners willing to do that. Sorry. One of the avenues that you have just spent a heck of a lot of money on, all on our behalf, was the Financial Advisory Panel, but one of the key elements, of which this government refuses to acknowledge, is how you generate revenue. It's not just how you cut spending. We need to be really clear that when we're getting ourselves into the areas of providing incentives for investment, they are investments that will benefit Yukon and not necessarily benefit businesses that are based elsewhere.

As I said at the outset, we're comfortable with the concept of the approach that was put in place. The basis is strong — the strong base that was there 20 years ago still holds merit and we see it working, but we're unclear about the additional line that has been added to this motion. I would ask that the member and/or other members of the government explain the expansion that is meant to increase the asset limit to allow larger companies to qualify. How big is "big"? How big is "larger"? That aspect is difficult to — without that kind of substantiating data, it does give me and the New Democratic Party real pause. I'm not saying that it will cause us to vote against this motion, but we do look to the government to elaborate on that, because it is an area that we have seen governments across this country fall prey to and we're a relatively small government. We can't afford to get caught in some of the scams that have occurred across this country, quite frankly. All of us in this Legislative Assembly could probably name a few.

We look forward to the government member or members clarifying the intent of the second part of this motion and, of course, we support in principle the first part. We would look to the analysis in terms of the amount — the threshold — that has been identified here and what the rationale is for \$5 million versus any other number. The concept of increasing the small-business investment tax credit is one that we have supported, campaigned on, discussed and debated in this Legislative Assembly over the last number of years to date. We didn't receive support previously; we are happy to see that

aspect being supported, but we look to see what is intended by the balance of this motion.

**Hon. Mr. Pillai:** Mr. Speaker, I would like to thank my colleague, the Member for Copperbelt North, for bringing forward this motion for debate.

Certainly, as Yukoners know, one of the major planks of our platform in 2016 was creating good jobs in a sustainable environment. I will endeavour to touch on some of the questions that were put on the table today by the Member for Kluane. I think there are some good questions there and I will do my best to speak to — I will politely say — the concerns and questions that were put on the table from the Leader of the Third Party and just touch a bit on why the idea of looking at a change like this is appropriate at this time.

Our Liberal government is committed to balancing economic diversification and environmental stewardship. We recognize that a thriving and prosperous economy should support major innovators, visionaries, and those capable of expanding Yukon's economic competitiveness and creating good jobs. Ensuring Yukon has a favourable tax regime is one way of providing that support as well as encouraging investment in Yukon businesses so that they can grow and increase efficiencies and capitalize on gaps and opportunities in the local economy.

That is why, early on in this mandate, we reduced the corporate tax rate from 15 to 12 percent and it is also why we reduced the small-business tax rate from three to two percent. We continue to have discussions with our local chambers of commerce and the business industry about further changes and innovative tools to best support Yukon small businesses.

These changes are a demonstration of our work to encourage economic activity in the territory by creating a favourable tax environment for those who do business and create good jobs in the territory. It's a very fluid conversation concerning what's happening right now across the border and how Canadians, whether they be at the regional level or at the national level, are looking to try to ensure that the country or the regions continue to be competitive with some of the broad, sweeping changes that we've seen in other areas in North America.

Another way of encouraging economic activity is to look at how we encourage investment in Yukon businesses. One of our campaign commitments was to increase the ceiling for the Yukon business investment tax credit from \$1 million to \$5 million and increase the asset limit to allow larger companies to qualify. Of course, that is the subject of the motion this afternoon. I am happy to rise and share my thoughts as the Minister of Economic Development. When I took on that role, the Premier gave me explicit instructions in my mandate letter to encourage economic growth and diversification by aligning program funds and supports to attract new investment to Yukon businesses.

I want to just take a minute and thank the Department of Economic Development and all of the 53 or 54 people who are in that department who have been working extremely hard to take white paper work that has been done over the years —

to take their ideas and put them into reality on a number of innovative ways that the department can tweak and be more efficient. They have been working hard throughout the department. I truly appreciate that work. That's a way that we are going to meet some of the items that were outlined in the mandate letter — when we talk about aligning program funds and ensuring that the department is nimble, yet can support real diversification in our economy.

I believe that increasing the small-business investment tax credit and looking at how to revise the eligibility criteria to allow more Yukon companies to qualify would be an excellent way to follow through on this directive. Of course, we touched on the fact that the small-business investment tax was introduced by the NDP government in 1999, although from some of the comments today from the NDP, I would say that the government in 1999 was a bit more business-friendly. I will do my best to speak to some of the points made by the Leader of the Third Party.

It was good then and I think it's still a good idea now. It's an economic stimulator that is good for Yukon companies and for investors who support local businesses. It has been a successful tool for local companies and investors. Since it was introduced, the tax credit has helped Yukon-based companies raise almost \$10 million in capital. It has helped to grow local businesses and diversify Yukon's economy. Some of Yukon's most iconic and successful homegrown companies that my colleague touched on have benefited from this program, like Air North, Yukon's airline, as well as Yukon Brewing, our first local brewery. Encouraging investment and growing local businesses and diversifying Yukon's economy are the objectives of our government and we strongly support that.

At the same time, we want to ensure that the tax credit is effective when it comes to supporting local businesses and encouraging Yukoners to invest in Yukon corporations. Aside from minor tweaks, the tax credit has not substantially changed since it was introduced almost 20 years ago. Our Liberal government believes that we need to look at changes that will modernize this tax credit to make sure it's working within the context of Yukon's current economy.

We hope that members opposite support the idea of modernizing this tax credit and will be supporting this motion today. A lot has changed in 20 years and we're in a good position, as outlined in the interim economic and fiscal outlook released last week. In 2018, the Yukon is a desirable place to live and work. We are seeing good population growth, almost 2.1 percent. Preliminary numbers have our population cresting over 40,000 people and our economy is one of the strongest in the country. We have to modernize our toolbox when it comes to a limited number of items we have to work with, such as this tax credit.

When we look at the projected GDP this year of 2.5 percent and the out-years at almost over double that, we will continue to have to provide new and innovative ways for local companies to grow.

Even Yukon's average weekly earnings have averaged almost \$1,100 over the past six months, and that's the fourth highest in the country. When you look statistically at the

number of people in our population who are working, it's almost the highest in the country — of people who are available to work. Even today's numbers just out — the magnitude of our building permits, based on last year to this year. We continue to see growth in other sectors. Even mineral exploration estimates from Natural Resources Canada are expected to increase by 4.4 percent.

These are all signs of growing interest in our territory and they represent how exciting things are in the Yukon.

We want to make sure that we capitalize on those opportunities presented by this increased economic activity, including updating our programs and services in order to diversify our economy. Tomorrow night will be a very good example of that. We're going to be in a position where Members of the Legislative Assembly can attend the opening of a 25,000-square foot innovation hub — at least one company, before we have even had the grand opening, has already scaled up and have been invited to one of the most preeminent opportunities to be an accelerator and to have access to more investors, and they're hiring more local people. That was the commitment we made.

You need bold people in the departments, and I commend the people at Economic Development for all the work they have done on this. In many ways, some of those same staff members were also working on dealing with the fibre file, which was a long-standing item in the Yukon. They were carrying both those packs up the hill and have done a phenomenal job in both cases to see those projects — one to a point where it can start to be built and the other one built and filled, and now already doing what it's supposed to do.

I have been approached by Yukon businesses that are interested in accessing the investment tax credit. We have had good discussions. Business costs have increased over the last 20 years, and we want to make sure that we are encouraging investment in local companies rather than inadvertently limiting that. It is clear that the tax credit could be modernized in a number of ways will better support Yukon businesses. Increasing the investment tax credit will allow more Yukoners to invest in local businesses and to help Yukon businesses raise money in light of the increased costs of business today compared to 20 years ago. Increasing the asset limit will allow larger companies to qualify and will allow more Yukon businesses to take advantage of this program. Of course, modernizing this tax credit to make it work better for Yukon companies and local investors will encourage economic growth and contribute to diversifying our economy. The time is right to do that, and I believe all members of the House should support these objectives.

As for some of the questions from the Member for Kluane — I'm sorry if I have missed a couple of them. I think the general discussion was: What is the mechanism that would be used to make this amendment and change? From my due diligence — and we certainly can discuss this — but it looks like potentially a legislative change would be in order to do this work. Of course, with a legislative change comes a series of protocols, and I think that those protocols would help to meet the concerns of the Member for Kluane. That ability, of

course, when you bring legislation to the Legislative Assembly to debate the merits of it, to challenge the data that backs up — in cases — or at least to get a thorough understanding of what the justification is for those legislative amendments — and really an opportunity to debate. I think things like an analysis of the economic opportunity and impact of such a change would be something that we would have an opportunity to speak to.

In certain cases, the question was: Would you talk to the Yukon public on this particular topic? I think that certainly I would sit with the officials and there would be a consultation process that would occur. What I have learned in the Legislative Assembly to date is that, when you are making amendments like we are bringing forward in this Sitting — which have to do with the *Forestry Act* and the *Territorial Lands (Yukon) Act* and are fairly technical in nature, but, at the same time, I believe, don't have a mass impact on all Yukoners, but maybe on sectors — but being respectful that this does give a tax advantage, we would have to take a look at how broad — yet ensuring that we had an efficient and effective conversation with Yukoners. It is not something that I am against, but at the same time I think there is a tremendous amount of work happening in government. The different communications individuals at the Executive Council Office and others have a tremendous amount of work that they are undertaking. I think we would be respectful and we would look to see what the appropriate conversations should be. I'm sure that if we didn't undertake those in a way that didn't suffice, the members opposite would certainly outline that during the debate on the legislation.

I think that the legislative changes and the economic impact — and, of course, with any legislative change that we were going to take forward, there would be a legal analysis. I appreciate the Member for Kluane highlighting the fact that, of course, there would be a cross-reference versus the potential implications to the CFTA and how that played out. That would be something that we would have the Justice department undertake, and they would work with our officials and policy teams to ensure that a tool that was enhanced in this way wouldn't put us offside to other jurisdictions.

Concerning the comments from the Leader of the Third Party, I don't want to be disrespectful, but I did sense there was a conspiracy theory that was put out there about how the big companies are going to come in and we're putting together this tax incentive. That's really what we heard. The member opposite can go back and review the comments in Hansard — that's sort of what I heard.

I think that this jurisdiction is a place where, when we meet with individuals Outside who invest in the Yukon — because there is a tremendous amount of money that comes from banking groups and investors that help us fuel the economy. What I have heard previously is that — whichever government it is — governments in Yukon understand that they need to support local businesses. That's really what it was.

The only reason I bring it up is that, when I look at what's happening with an investment from Goldcorp and how this

summer — seeing how many young Yukoners and generations of Yukoners are currently at work, I was shocked at the comment from the member for the Third Party — if this is about Goldcorp. Of course, we're going to ensure that we keep our regulations and our environment safe, but at the same time, to sort of put the focus on one organization, I think, is a little bit — I don't think that really makes our territory welcoming. As a company, they have done great with Tr'ondëk Hwëch'in and continue to work with other First Nations in their traditional territories. I will say for the House that this potential amendment is because long-time Yukon businesses have come to us and they want to increase projects that they think are good, projects that maybe the Leader of the Third Party doesn't support, but projects that I think the Official Opposition probably supports and projects that we in government support.

Some local businesses want to ensure they have the ability to grow; they want to continue to invest and they want Yukoners to be part of that success, and that's the great part of this initiative.

Certainly, we can get into the details on assets, and that would be something that would take place when you table legislation and you have that real robust debate on it. Right now, what I am trying to see at this point is where we are at. I think our government is sort of at the door, and people have come to talk to us about it. We have had meetings with businesses. I hear from the Official Opposition that there are some questions concerning legislation. The question is for the Leader of the Third Party that this —

**Some Hon. Members:** (inaudible)

**Hon. Mr. Pillai:** I must have hit a soft spot. I think that this is a great NDP tool. Do you support it or not? Is this a different way of doing things? I will leave it at that. I have certainly listened, and we will see if anybody else would like to speak to this motion.

**Mr. Gallina:** I wanted to take a moment to reiterate some of the points that the government members have made here today and to address some of the questions raised by members opposite. I won't be very long in my remarks.

I do appreciate the opportunity to rise in the House today to speak to Motion No. 91, urging the government to increase the ceiling for the Yukon small-business investment credit. As members had mentioned during the 2016 territorial election campaign, Yukoners did identify that they wanted opportunities for businesses to thrive in the territory, and this is one way that we can support that effort.

In listening to Yukoners, this initiative was made a priority and became a platform commitment. We pledged to raise the amount of credits issued under the small-business investment tax credit from \$1 million to \$5 million. As other members have mentioned, since its inception in 1999, the small-business investment tax credit has helped Yukon-based companies raise almost \$10 million in capital. The tax credit has helped to grow businesses in the Yukon and to diversify the economy. Local businesses help create jobs, circulating

wealth and enabling Yukoners to put food on the table and pay bills.

I would like to thank the Member for Kluane for his comments on this motion. The points he has raised are valid and through debate today, I believe some of the questions have been answered by the minister responsible. I recognize that there are other questions that will be addressed as the government explores these tax incentive options.

On the matter of Liberal campaign commitments, I would just like to bring to the attention of the Member for Kluane that we do take our platform commitments seriously, and there are a number of commitments that I believe that we have delivered on for Yukoners. The five-year capital plan is an example. That plan helps industry stakeholders plan their business moving forward. It signals certainty so that they are able to establish their business moving forward here in the territory. Reducing the small-business tax rate from three percent to two percent — reducing the small-business tax rate is a commitment that we campaigned on, and we have done that. Reducing the corporate rate from 15 percent to 12 percent is another commitment that we did make in the election, and I am happy to stand here and say that we have done that.

We used our trade agreement exemptions to promote regional economic development and ensure that Yukon businesses have opportunities to bid on 10 \$1-million procurement opportunities. We have worked with industry, First Nations and Yukoners to finalize the Yukon tourism development strategy and guide our investment in the tourism industry.

I recognize that there are still discussions and there is still work being done on that strategy, but I believe that will be completed during this mandate — surveying our visitors to gather data in support of evidence-based decision-making and further investments in Yukon's tourism industry.

I would also like to thank the Member for Whitehorse Centre for her comments. I agree that a thorough analysis should be conducted and will identify some of the questions that she has raised and will allow for evidence-based decision-making as the government moves these tax incentives through this House. I also agree that this tax regime should be benefiting Yukon businesses and not businesses abroad. I think we can all agree on that.

Our economy is one of the strongest in the country, with a projected GDP growth this year of 2.5 percent, as other members have mentioned. We are experiencing record low unemployment rates, tourism continues to grow, mining operations are ever-increasing and emerging industries, such as information technology, are on the rise. The Yukon is in an enviable position in Canada and we need to seize this opportunity.

In particular, we need to look at how we can increase incentives and investment in Yukon businesses. Ensuring that Yukon has a favourable tax regime is one way of providing that support.

In closing, I do believe it is important that we modernize this tax credit to make sure it allows Yukon businesses to

capitalize on the increasing economic activity of opportunities here in the territory. I look forward to support from members on this motion.

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

## INTRODUCTION OF VISITORS

**Hon. Mr. Streicker:** I am wondering if we could please welcome Mr. Kells Boland, a constituent from beautiful Mount Lorne-Southern Lakes, into the House today.

*Applause*

**Mr. Hassard:** It is a pleasure to have the opportunity to stand today to speak to Motion No. 91. I thank the Member for Copperbelt North for bringing this motion forward.

As mentioned earlier by my colleague, the MLA for Kluane, this appears to be a straightforward motion. The Member for Kluane did provide some questions that we felt were important to be answered. The Leader of the Third Party has also provided some questions.

Unfortunately, I don't think that the minister — he partially answered those questions, but didn't fully answer those questions. Maybe if he would have had the opportunity to have staff here today, he would have been able to provide us with a bit more comprehensive answers.

I think the important thing out of all of this today was the fact that the Official Opposition, as well as the Third Party, had agreed that the motion in principle was worth supporting and would support; however, I am not going to speak for the Third Party. Maybe they felt those questions were answered. I didn't — but anyway.

Again, I think the Official Opposition is in a position to support this motion in principle, as I said, and I hope that in the future we see this motion move forward as long as it can do so in a legal and fair manner. It is unfortunate that the government wasn't able to answer these questions or didn't have this information before bringing the motion to the floor of the Legislature so that all members and all Yukoners had the opportunity to receive the information before voting. At this point in time, thank you, Mr. Speaker, and I thank the Member for Copperbelt North for bringing it forward. I hope to see this motion pass.

**Speaker:** If the member now speaks, he will close debate. Does any other member wish to be heard in the debate on Motion No. 91?

**Mr. Adel:** Mr. Speaker, I would like to thank my colleagues from across the way for their input today.

I understand that, in modernizing this idea brought forward by the NDP in 1999, it is going to take some time to look at it. A good idea is still a good idea, though I think we need to bring it forward. The multiplier effect of being able to take this from \$1 million to \$5 million has a cumulative effect if it is fully subscribed for \$20 million of fresh investment for Yukoners and Yukon companies. I think that is a positive step

forward for Yukon businesses that are looking to take that next big step forward.

I hope that my colleagues from across the floor, our department here and the minister — what we've done so far in getting this forward — can work together on this when it comes to the floor of the Legislature and answer the questions in a more robust way. I encourage them to move this forward because I believe that this is very important to increase Yukoners' involvement in the business of growing of our own economy.

With that, Mr. Speaker, thank you very much.

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

**Some Hon. Members:** Division.

### Division

**Speaker:** Division has been called.

### Bells

**Speaker:** Mr. Clerk, please poll the House.

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

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

**Hon. Mr. Pillai:** Agree.

**Hon. Ms. Dendys:** Agree.

**Hon. Ms. Frost:** Agree.

**Mr. Gallina:** Agree.

**Mr. Adel:** Agree.

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

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

**Mr. Hutton:** Agree.

**Mr. Hassard:** Agree.

**Mr. Kent:** Agree.

**Ms. Van Bibber:** Agree.

**Mr. Cathers:** Agree.

**Ms. McLeod:** Agree.

**Mr. Istchenko:** Agree.

**Ms. Hanson:** Agree.

**Ms. White:** Agree.

**Clerk:** Mr. Speaker, the results are 18 yea, nil nay.

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

*Motion No. 91 agreed to*

### Motion No. 315

**Clerk:** Motion No. 315, standing in the name of Mr. Hutton.

**Speaker:** It is moved by the Member for Mayo-Tatchun:

THAT this House urges the Government of Canada to ensure Yukon has flexibility to work with First Nation and municipal governments to spend federal infrastructure funds in the best way to meet community and territorial needs.

**Mr. Hutton:** I am pleased to rise in the House today to introduce Motion No. 315.

In the fall of 2017, the Government of Canada announced \$2 billion in funding as part of the low carbon economy fund,

an important part of the *Pan-Canadian Framework on Clean Growth and Climate Change*. This \$2-billion fund supports projects submitted by provinces, territories, municipalities, indigenous governments and organizations, business and both not-for-profit and for-profit organizations.

Other programs, like the federal government's Investing in Canada infrastructure plan, includes up to \$600 million to the Yukon over 10 years to fund green energy, improved water and waste water, community and cultural infrastructure, public transportation and northern community development. The realities of living in the north — whether in an urban centre like Whitehorse or rural communities such as Mayo or Pelly Crossing — are different from down south. I know the value of these facilities and recreational infrastructure in our communities — the Mayo Community Centre, the Link Building in Pelly, the old Carmacks Recreation Centre — social and absolutely critical pieces of infrastructure for our communities.

While infrastructure funding from the federal government is good news, the fact is that, here in the north, we require flexibility to access and implement this money. Currently many of these federal funds do not allow us to spend money on public buildings. Under the *Yukon Recreation Act*, the Yukon government is a primary supporter of recreation facilities in Yukon communities. These are our community halls, our recreation centres and our gymnasiums. These spaces are the heart and soul of our communities, Mr. Speaker. They are where we gather to share news, to celebrate, to stay active and to mourn the passing of other people in our communities — as we have suffered over the past year.

Recreational infrastructure in our communities is incredibly important. These spaces are where communities come together. From community halls to gymnasiums and playing fields, these spaces provide opportunities for Yukoners to lead active, healthy lifestyles, and these spaces contribute to positive well-being and an enhanced quality of life. It's especially important in these days of the fentanyl crisis and the opioid crisis that is going on and cocaine in our communities. Our young people need some healthy alternatives. They need programming in these facilities. They need things to do other than stand on a street corner and wait for a drug dealer to approach them.

These spaces foster personal, social, economic and environmental benefits for Yukoners. Yukoners who live in rural and remote communities deserve the same access to services as those in southern urban centres. We know that infrastructure projects are costly; however, we do have a responsibility to advocate for our rural communities — our rural communities' right to invest in these spaces.

This government is playing catch-up in rural communities, Mr. Speaker. Infrastructure needs in our communities have been addressed very sporadically, if at all, over the past 15 years. We need the flexibility to work with First Nation and municipal governments and plan for the spending of federal infrastructure dollars in the most efficient

way possible to meet the needs of communities and to meet the needs of the territory.

This spring, our government met with municipalities and First Nations to discuss local priorities for infrastructure investments. The feedback we heard, along with input from our government, has been combined into our government's multi-year plan for the Investing in Canada infrastructure program. With this plan now in place, we're able to move forward with potential projects, ensuring alignment with our long-term plan for infrastructure development.

As part of this government plan, \$34.7 million has been targeted for community, cultural and recreation funding. Another \$270 million has been targeted for rural and northern funding to improve the quality of life for Yukoners residing in rural communities. I'm very pleased to see that such a significant amount of our infrastructure funding is focused on the rural communities. This is really a new thing for us in the rural communities.

I'm also happy to see that municipalities and First Nations are having a greater say in what this funding will be used for. In the past, when communities and municipalities received funding, they didn't have a say in what the funding would be used for or how they could access it. This government has made a commitment to work with municipalities to find community-generated solutions to community problems.

Furthermore, the increased flexibility from the federal government that we have asked for has the potential to bring our communities closer together. First Nation governments and municipalities submitting joint priorities and co-applications for community development projects bring our communities together, and when Yukoners work together, they can tackle any issue.

The cost of aging infrastructure is another issue that all rural Yukoners are all too familiar with. In 2015, under the previous government, the outdoor skating rink in Carmacks closed due to safety concerns. It brought an abrupt end to the skating season for Carmacks residents, and the repair or rebuilding of a rink became a high priority for them. The community of Carmacks considered the ice-skating rink to be more than just a hockey rink. It provided a year-round heated space that doubled as a place to host community events, a place for families to gather for recreational events as well as a place that attracted visitors from other communities. This Liberal government recognized that repairing or rebuilding the Carmacks rink was a priority for the community, and I am proud to say that this government has worked diligently with the community of Carmacks to champion this project and has successfully accessed federal funding to rebuild it. Through this partnership, we were able to help to secure \$16.55 million to see Carmacks' dream of a multi-use, year-round arena come to fruition. I would like to take this opportunity to thank my colleague, the Minister of Community Services, for the collaboration on this project. The residents of Carmacks are looking forward to having this much-needed community building constructed so they can once again enjoy recreational and social activities in a communal space in their community.

This motion gives flexibility, not only to the Yukon government to work with the federal government to spend federal infrastructure dollars, but to First Nation and municipal governments as well. It will ensure that Yukoners have access to as much federal money to put toward infrastructure funding as possible. It ensures that thousands of unspent dollars are not left on the table rather than in the communities where these dollars are needed.

As a representative for rural Yukon residents, it is very important to me that we work with communities to access these much-needed infrastructure dollars, not only for today but for the communities of tomorrow. I encourage the members opposite to vote in support of Motion No. 315 today.

**Ms. Van Bibber:** I rise to speak to Motion No. 315 as brought forward by the Member for Mayo-Tatchun. The motion reads: "THAT this House urges the Government of Canada to ensure Yukon has flexibility to work with First Nation and municipal governments to spend federal infrastructure funds in the best way to meet community and territorial needs."

I understand the government's desire for flexibility. Under the first Building Canada fund, there was a little more flexibility afforded to the territory in choosing infrastructure projects to be funded under this program. This model was seen as fair, balanced and well-liked by those in the department who were tasked with identifying projects to undertake and to see them through to completion.

Under this model, 75 percent of expenses were funded by the federal government, leaving the territory to fund the remaining 25 percent. With the change in federal government came a new infrastructure funding model. The 2014 New Building Canada fund, or NBCF or BCF2 — all these acronyms — saw changes that required the territory to cede some of the control over project approval back to the federal government.

Municipalities could submit priority infrastructure projects for funding, and the Yukon government would narrow those projects into a list that would have to be then submitted to the federal government to be approved. The process took a lot longer. When this new model was introduced, the number one priority for the Yukon government was fighting for the funding distribution to remain the same.

We wanted to ensure the federal government continued to support the 75/25 funding arrangements. This was the desired model for the territory, and negotiations centered around ensuring this funding model remained. The concerning part of this motion is that there is no mention whatsoever about ensuring the funding model remains to ensure that the federal government continues to fund 75 percent of the infrastructure while the territory covers the remainder.

As there is no mention of this at all, it is troublesome. The idea of flexibility often comes off as a good thing, but in this case, we have no idea about what is meant by the words "for future funding".

This government issued a news release on July 20 of this year. It also addressed the desire of this government for more flexibility from the federal government when it comes to investing in infrastructure.

Again, in principle, this sounds good, but we wonder if the government is off-handing costs to the municipalities. Without knowing all the details, it is hard for us to support this motion. That is like signing an agreement without first reading the fine print. There is no mention of ensuring the Government of Canada pays 75 percent and the Government of Yukon pays 25 percent.

I believe that, in order to support this motion, there should first be an assurance that the important details are not omitted. With this being said, I would like to put forward a friendly amendment to the motion.

*Amendment proposed*

**Ms. Van Bibber:** I move:

THAT Motion No. 315 be amended by:

- (1) inserting the word “priorities” after the word “community”; and
- (2) adding the phrase “, through actions including keeping the current cost-sharing balance of 75-percent federal funding and 25-percent funding by the Yukon government” after the word “needs”.

**Speaker:** If the copies of the proposed amendment could be distributed to all members for their review, I will take an opportunity to review the proposed amendment with Mr. Clerk.

It has been moved by the Member for Porter Creek North:

THAT the amendment to Motion No. 315 be amended by:

- (1) inserting the word “priorities” after the word “community”; and
- (2) adding the phrase “, through actions including keeping the current cost-sharing balance of 75-percent federal funding and 25-percent funding by the Yukon government” after the word “needs”.

The proposed motion as amended would read:

THAT this House urges the Government of Yukon to ensure Yukon has flexibility to work with First Nation and municipal governments to spend federal infrastructure funds in the best way to meet community priorities and territorial needs, through actions including keeping the current cost-sharing balance of 75-percent federal funding and 25-percent funding by the Yukon government.

**Ms. Van Bibber:** Thank you, Mr. Speaker. In speaking to the amendment, I would like to note that priorities and needs are different ideas. Further, the needs of the territory may not necessarily be reflected in the priorities of the community and vice versa. I believe it is important to acknowledge both community priorities and territorial needs in this motion and have thus reflected this in my amendment to the motion.

I would like to reiterate the importance of ensuring that this funding arrangement also remains in effect. In doing so, First Nations and municipalities are assured that they will not be forced to fund an infrastructure project, potentially going into debt or being forced to raise taxes. Further, we wouldn't want a community with less money to be denied funding for an important project because the Government of Yukon won't provide funding.

This current funding model has long ensured that infrastructure projects are successful. The responsibility for ensuring infrastructure is reflective of the needs of the territory and each community within should rest with the territorial government. There should be no financial burden placed on municipalities or First Nations other than to share their priorities with the government.

The lack of details in both the July news release and the original motion are problematic to us. The government would like flexibility, or wiggle room, but will not provide further details on what kind of flexibility it is seeking.

I would like to acknowledge once again that flexibility can be a good thing, but without certain parameters in place that safeguard the financial model of the infrastructure program, flexibility can be detrimental to other levels of government in the Yukon.

I hope that this government will consider my amendment as a friendly addition to what I believe may have been an oversight on their part. I would encourage members to take a close look at the motion as it was originally worded and see that there could be a future problem with the lack of detail as it was submitted.

I look forward to hearing further thoughts from other members on the amendment and what I see as an important addition to this motion.

**Hon. Mr. Streicker:** First of all, I have risen in the House before and I will say again that if members wish to introduce amendments, I welcome them. I invite them to come and talk to me ahead of time. I will express a small concern that this will leave us in a position of not being able to support the amendment, despite the good intentions.

The first part of the amendment as proposed is talking about priorities. That's fine. We do talk to all of our communities to identify what their priorities are. We have always worked to respect that local decision-makers have the best knowledge about what local priorities should be, so that's great.

The second part of the amendment says that we would keep the current cost-sharing balance of 75/25. I will deal with the latter half of the amendment where I really run into problems, but the first thing I want to note is that our gas tax fund, which we have with the federal government, is 100-percent federally funded. No, I am not going to go for a 75/25 model there. We will stick with the 100-percent model. I would hazard to state that our communities, our First Nation governments and our municipal governments prefer gas tax funding over all others.

I don't want to confuse things. I am pretty sure that what was referenced here was talking about the infrastructure funds that we have going forward — for example, the Investing in Canada infrastructure plan, but even with that one, if we are able as a government to advocate to get a stronger portion, then I think we should try to keep that opportunity open. I do agree that it is good that we have the 75/25 model.

Let me talk about the addition of the words “funding by the Yukon government” in the language of the amendment, which is the one I am most challenged by. The reason is that I have stood in this Legislature and said before that the amount of money that the federal government has offered to this territory and is willing to invest in this territory on a 75/25 split would be too much for us as a government to spend. We have to do one of several things: We have to look for that additional money, we have to leave money on the table or we have to turn to municipal and First Nation governments to see whether they wish to take up that opportunity.

Let me, first of all, give some assurances to the members opposite, because the first thing I believe I heard the member for Porter Creek North say was that we have not provided any assurances that we wouldn't force a community to spend money. Well, let me just say unequivocally here on the floor of the Legislature that we will not force a municipal or First Nation government to spend money on infrastructure.

We certainly will seek to provide them opportunities and they can choose. If they don't wish to spend that money, then that is their discretion, of course. We took the split of the Investing in Canada infrastructure plan funds, which is in total nearly \$600 million, and we stated to our partners in the communities that we, as a government, could provide the 25 percent on two-thirds, or \$400 million of that \$600 million, over 10 years. We assured them that we would continue to work on finding more dollars so that we would be able to continue to be the one that provides the 25-percent portion, but that we would also not seek to leave money on the table. So if that meant we were not able to find those funds, we would provide the opportunity for those other governments, should they wish to take it. There is a deep infrastructure deficit here in the territory. We need to invest.

Let me talk about one of the flexibilities, which I was going to talk about on the main motion, Mr. Speaker, but which I will choose to talk about right now on the amendment — because the Member for Porter Creek North was talking about how she has not heard from us what those notions of flexibility are, so let me list one. When we worked with the federal government and sought flexibility in the original negotiation dialogue with them, we asked for stacking. Stacking, as it turns out, would be a great tool for our communities because of the gas tax fund. If you are able to stack on it, you can leverage those funds and, right away, we would see that those funds could double or triple, because the gas tax fund could be leveraged.

We were able through that negotiation with the federal government to get stacking for our First Nation governments. We were not able to get it for municipalities. However, even last month when I was at the ministers of infrastructure

conference, that was exactly one of the issues I put on the table — noting the issues that are relevant to the North and, in particular, the Yukon, and noting our issues with small communities, which are distant from one another, and that those issues made a case for stacking for our municipal governments. I will continue to work and advocate to see if we can get that flexibility.

So we've put that notion out there. I will list off other ways in which we're seeking flexibility. It's not about wiggle room. I'm standing up; I'm saying very explicitly what that money looks like and what we're trying to achieve with it.

Unfortunately, because I would always like to see us seek an even stronger deal, I wish to thank the federal government for agreeing to the 75/25 split. That isn't everywhere in Canada by any means, but it is across the north. Although I will continue to work stronger, I note that gas tax is 100 percent, and I note that the wording in the latter part of the amendment would try to put the balance of all of the spending back on to the Yukon government, which would send us too far into debt. We don't have those funds as we project forward.

**Mr. Cathers:** I would like to thank my colleague, the Member for Porter Creek North, for bringing forward this amendment. It is unfortunate to hear that the government is not going to consider it a friendly amendment. It was intended to reinforce what has been the practice — one might even call it a principle — in terms of federal funding agreements with the Yukon government for infrastructure, whereby, over the last number of years, we have seen a model of 75-percent federal funding and 25-percent Yukon government funding.

I was a little surprised that the minister interpreted the wording moved by my colleague, the Member for Porter Creek North, as being a reference to the gas tax fund. The gas tax fund itself has been a separate agreement that has specific sharing put into place as far as which portion of the gas tax funds go to municipalities as well as to First Nations, with a very small portion retained by the territorial government. We did not feel, and I do not feel, that the wording proposed in the amendment was a reference to the gas tax fund. Perhaps if the minister wished to clarify that, it could be done either through his comments on the record or through making a minor subamendment to this to address any concerns he has, rather than simply voting against it.

I do appreciate the offer extended by the Minister of Community Services for members to share with him planned amendments to government private members' motions; however, I would note that the reverse practice does not typically happen in this Assembly. The government members do not typically share planned amendments to opposition motions when they are planning on bringing forward those amendments. Again, we respond to those amendments to our motions when the government brings them forward and when we are in a different situation — when I was on the government side of the floor — we also considered opposition amendments when we felt that they were constructive. There were numerous times when we either agreed to them or made

an amendment so that we could support the proposed amendment brought forward by another party, so I would just encourage the minister to reconsider the plan to vote against it.

I would note and echo the comments made by my colleague, the Member for Porter Creek North, of the importance of recognizing the limited fiscal capacity and financial capacity of Yukon First Nations and Yukon municipalities.

It is important to maintain that principle for large infrastructure projects, we believe, of the Yukon government and the federal government helping First Nation governments or municipal governments build up their asset base and address the needs of their communities and citizens, while recognizing that, in the majority of cases, those other levels of government do not have the financial capacity to contribute substantially to those projects without potentially going into debt and then placing a burden on future generations of their citizens and future councils, whether at a First Nation level or municipal level.

In speaking in support of the proposed amendment to Motion No. 315, as moved by my colleague, the Member for Porter Creek North, I want to also address another concern that we have received related to the government's plans for infrastructure. To that end, I am pleased to introduce a subamendment to the amendment proposed by my colleague.

*Subamendment proposed*

**Mr. Cathers:** I move:

THAT the amendment to Motion No. 315 be amended by:

(1) inserting the number “(1)” after the word “including”; and

(2) adding the following words after the phrase “Yukon government”:

“(2) providing for the long-term financial health of the Yukon government by not increasing the territory's debt limit; and

“(3) ensuring that the Yukon government is not required or encouraged to borrow money to finance infrastructure projects.”

**Speaker:** The Member for Lake Laberge has copies for distribution? Thank you. If those could be distributed for the review of all members, then I will review the proposed subamendment with Mr. Clerk.

It has been moved by the Member for Lake Laberge:

THAT the amendment to Motion No. 315 be amended by:

(1) inserting the number “(1)” after the word “including”; and

(2) adding the following words after the phrase “Yukon government”:

“(2) providing for the long-term financial health of the Yukon government by not increasing the territory's debt limit; and

“(3) ensuring that the Yukon government is not required or encouraged to borrow money to finance infrastructure projects.”

The motion with the amendment and the subsequently proposed subamendment would read:

THAT this House urges the Government of Canada to ensure Yukon has flexibility to work with First Nation and municipal governments to spend federal infrastructure funds in the best way to meet community priorities and territorial needs, through actions including:

(1) keeping the current cost-sharing balance of 75-percent federal funding and 25-percent funding by the Yukon government;

(2) providing for the long-term financial health of the Yukon government by not increasing the territory's debt limit; and

(3) ensuring that the Yukon government is not required or encouraged to borrow money to finance infrastructure projects.

Member for Lake Laberge, on the subamendment.

**Mr. Cathers:** In speaking to the subamendment, I would just note that, in our caucus discussions, we chose to bring forward these two points separately but collaboratively, because we believe they are both very important issues that need to be recognized and considered on their own merits. We're providing an opportunity for the Liberal government to be very clear on where it stands on these matters.

The first important issue in the amendment brought forward by my colleague, the Member for Porter Creek North, is, of course, the issue of who is paying the cost under the federal infrastructure agreements. She proposed the 75-percent federal funding, 25-percent Yukon government funding structure — which I support and I am pleased to contribute to by adding the portions that specifically relate to the Yukon's debt limit and encouraging the federal government to not increase that debt limit, as well as ensuring that the Yukon government is not required or encouraged to borrow money to finance infrastructure projects.

We believe these are both important issues. How the government responds to this — whether they choose to support them or vote against them — will be very telling, in my view, about their views on these issues.

I would note that the Premier and his colleagues have given out mixed messages about their plans as they pertain to federal funding agreements, the use of infrastructure dollars and, specifically — and very importantly — whether they are prepared to borrow money to finance infrastructure projects and leave the bill for that to future governments.

We've been clear about our views on that topic — that the Yukon government, in its current financial situation, should not be borrowing money for infrastructure projects or, of course, to pay operational costs, as happened under a previous Liberal government. There was a time, as members will recall, where they were borrowing money short-term simply to meet payroll during a time of financial shortage.

I would note as well that, when I speak specifically to the government not being clear about their views on this topic, the Premier and some of his ministers have given mixed messages on the issue of infrastructure dollars. The Premier has spoken, as have some of his colleagues, about their view that it is important not to leave federal infrastructure money on the table.

We know the Premier, last year in April 2017, told the federal Finance committee that he would be looking for federal help in removing power — that being electrical generation — from being considered under the Yukon's debt limit. Of course, the majority of Yukon's current long-term debt is related to amounts that were borrowed through Yukon Development and Yukon Energy Corporation, and that would substantially increase the ability to borrow money.

Again, our question when we first debated this and which continues to be a question today is: If you have no intention of using that debt room, why are you making it a priority to ask the federal government to change it?

The Premier, since that time when I raised it with him first in the spring of last year, indicated that he didn't plan to do what his comments to the federal Finance committee would lead one to believe the government was planning.

Recently in debate last week, I asked the Premier in general debate specifically about whether the government was planning to borrow money for infrastructure projects. At that time, he was clear that he had no intention of doing that but, later that week, his comments seemed to be contradicted by his own reply to the Leader of the Third Party when, in debate with her, he said that he had raised the concept with Minister Morneau about indexing increases to the government's borrowing limit to increase along with the size of the economy — that being pegging it to the GDP.

So again, there have been mixed messages on this, and we are providing an opportunity for the government to be very clear on these issues and on each point that is laid out here.

I would also have to reference just some comments made in introducing the motion by the Member for Mayo-Tatchun, wherein the member indicated that there had not been consultation previously around community priorities under previous governments. I know the member —

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

### Point of order

**Speaker:** Order. The member can stand. You have to be recognized. You may have a wonderful point but I have to recognize you or not.

The Member for Mayo-Tatchun, on a point of order.

**Mr. Hutton:** I don't believe the member opposite is speaking to the subamendment that he proposed. He is speaking to the original amendment.

**Speaker:** Member for Lake Laberge.

**Mr. Cathers:** I would remind that I was briefly referencing comments the member made that directly relate to the subamendment and to my comments on the subamendment.

**Speaker:** How do they directly relate to the subamendment and your comments on the subamendment?

**Mr. Cathers:** Mr. Speaker, if I am provided the opportunity to resume, I will directly close the loop on this and connect the dots.

### Speaker's ruling

**Speaker:** I will provide you with some limited opportunity to connect the loop.

**Mr. Cathers:** I would note that the subamendment I brought forward is related to the long-term financial health of the Yukon government as well as borrowing money for infrastructure projects. As it relates to those infrastructure projects, I think it's important to briefly correct the record and note that, in fact, past governments have done consultation with municipalities and First Nations on their priorities.

In the amendment brought forward by my colleague to which I'm bringing forward a subamendment, there is a reason why the member specifically inserted the word "priorities" after the word "community", because the intention of her amendment was to ensure that community priorities were considered and not just the needs that might be determined by the Yukon government or federal government. It was directly referencing and reinforcing that those projects should reflect community priorities.

I am pleased to support her amendment and strengthen it with a subamendment that we decided to bring forward, which speaks specifically to the financial health of the Yukon government. Again, as members will note in front of them, the motion, if the amendment that I proposed were accepted, would add the addition of urging the Government of Canada to provide for the long-term financial health of the Yukon government by not increasing the territory's debt limit, and (3) ensuring that the Yukon government is not required or encouraged to borrow money to finance infrastructure projects.

Mr. Speaker, I will wrap up my comments, but note that we will be taking note, as will Yukoners, of where the Yukon Liberal government stands on the two specific issues as asked by my colleague, the Member for Porter Creek North, as to where they stand on the issue of who pays the bill for community infrastructure projects and also the issue of whether the government supports our request to not change the territory's debt limit. Perhaps the musings that the Premier has made to the federal finance committee and in debate with the Leader of the Third Party are more reflective of the government's plans, and perhaps the government secretly intends to look at borrowing money and plunging the territory further into debt.

**Hon. Mr. Streicker:** Mr. Speaker, I'll try to be brief. First of all, what I want to say is that whenever an amendment is proposed in this Legislature, I think all of us here consider it. I don't think that it is appropriate to suggest that we don't consider it — anyone here. Second of all, the Member for Lake Laberge suggested that the reverse practice doesn't

happen about amendments, but I know that, maybe it does not happen all the time, but it certainly does happen — I myself have done it. I think it is a way that improves this Legislature if we can find a way to dialogue ahead of motions coming here. I don't think it will always happen, but I do think I have made an effort on that front and I have seen my colleagues do the same.

The member opposite talked about the gas tax fund — how it doesn't apply — but it does, in my mind. It is an infrastructure fund; it is a federal infrastructure fund; it's a 100-percent federal infrastructure fund and I'm very glad it is there. I was hoping, as he stood to make a subamendment, he would address that issue, but he didn't.

So the subamendment keeps in place the issues that I've already stated. In fact, Mr. Speaker, when I stood to talk to the first amendment, I talked about debt and I expressed concern around debt. Then the subamendment came up from the members opposite — and it is new for me to see a party propose an amendment and then subamendment on itself, after having dialogued. So they chose to do it in this manner — okay — I'm still trying to sort through why, but that's fine. I don't need to understand motives, I just need to understand whether the wording is something that we can support or not.

Debt is important. All governments need to be concerned about debt. I am glad that we will not ever force a municipal or a First Nation government to take on debt. I think we too need to be concerned about debt — that was exactly the point I made. Here the subamendment is talking about trying to make sure we don't have debt, and I'm amazed because the debt that we do have today is debt that was incurred under the members opposite when they were in government. Okay, it's curiouser and curiouser, Mr. Speaker.

The challenge that I have in continuing — and in dialogue with my colleagues, quickly, about the subamendment is that it is still formed on the notion that we would restrict the federal government funding to 75/25, where the 25 would be Yukon government — we have never said that. We said that it would be 25 percent in the Yukon and that we would, as much as possible, fund that 25 percent up until the point where we couldn't sustain it from a debt perspective. I hope that is as clear a message as possible. The member opposite suggested that he would attribute motives to not supporting this subamendment, but I stand up and I state clearly that our motives are not about the debt limit here. Our motives are around increasing the flexibility to support our communities. That is what we are trying to do.

By the way, I will also say, from a side conversation, that the Member for Mayo-Tatchun was very supportive of the word "priorities" in there and agreed with that portion of the amendment that came across.

Mr. Speaker, sorry — we are not supportive of the amendment. We are supportive of being conscientious around debt, and we are supportive of maximum flexibility for our communities in investing in infrastructure that is needed here in the territory.

**Speaker:** Is there any further debate on the subamendment?

Are you prepared for the question?

**Some Hon. Members:** Division.

#### Division

**Speaker:** Division has been called.

#### Bells

**Speaker:** Mr. Clerk, please poll the House.

**Hon. Mr. Silver:** Disagree.

**Hon. Ms. McPhee:** Disagree.

**Hon. Mr. Pillai:** Disagree.

**Hon. Ms. Dendys:** Disagree.

**Hon. Ms. Frost:** Disagree.

**Mr. Gallina:** Disagree.

**Mr. Adel:** Disagree.

**Hon. Mr. Mostyn:** Disagree.

**Hon. Mr. Streicker:** Disagree.

**Mr. Hutton:** Disagree.

**Mr. Hassard:** Agree.

**Mr. Kent:** Agree.

**Ms. Van Bibber:** Agree.

**Mr. Cathers:** Agree.

**Ms. McLeod:** Agree.

**Mr. Istchenko:** Agree.

**Ms. Hanson:** Disagree.

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

**Speaker:** Mr. Clerk, I need to confer with you.

**Ms. White:** Disagree.

**Clerk:** Mr. Speaker, the results are six yea, 12 nay.

**Speaker:** The nays have it. I declare the subamendment negated.

*Subamendment to Motion No. 315 negated*

**Speaker:** Is there further debate on the amendment?

Are you prepared for the question on the amendment?

**Some Hon. Members:** Division.

#### Division

**Speaker:** Division has been called.

#### Bells

**Speaker:** Mr. Clerk, please poll the House.

**Hon. Mr. Silver:** Disagree.

**Hon. Ms. McPhee:** Disagree.

**Hon. Mr. Pillai:** Disagree.

**Hon. Ms. Dendys:** Disagree.

**Hon. Ms. Frost:** Disagree.

**Mr. Gallina:** Disagree.

**Mr. Adel:** Disagree.

**Hon. Mr. Mostyn:** Disagree.

**Hon. Mr. Streicker:** Disagree.

**Mr. Hutton:** Disagree.

**Mr. Hassard:** Agree.

**Mr. Kent:** Agree.

**Ms. Van Bibber:** Agree.

**Mr. Cathers:** Agree.

**Ms. McLeod:** Agree.

**Mr. Istchenko:** Agree.

**Ms. Hanson:** Disagree.

**Ms. White:** Disagree.

**Clerk:** Mr. Speaker, the results are six yea, 12 nay.

**Speaker:** The nays have it. I declare the amendment negated.

*Amendment to Motion No. 315 negated*

**Speaker:** Is there further debate on the main motion, Motion No. 315?

**Hon. Mr. Streicker:** I would like to begin by thanking the members opposite for their proposed amendments. I understand their interest and concerns, and while we were not able to support the amendments, there were aspects within that I think are worth acknowledging — for example, the priorities.

When I heard the Member for Mayo-Tatchun make his remarks that the previous government didn't consult or engage with communities — I myself was a member of a municipal government at that time, and I know that they did come around and have those conversations. The concern that we have is that we want to ensure that there is transparency. I think that there were some concerns about the transparency at the time.

I also would just like to say that, with respect to those priorities, we have been doing a lot of work in talking with our communities so it is very important. I'm going to take this moment just to highlight other flexibility avenues that we are exploring — based on the concerns raised by the Member for Porter Creek North — that I can give some assurances. I hope that, when we use words here, they are treated as a commitment.

Let me just say that the Infrastructure Development branch is a great group of folks. They provide services in infrastructure development, flood, erosion and drainage control, dealing with disaster mitigation. They administer the federal infrastructure funds, including the design and construction of infrastructure projects in Yukon, and it usually involves working with local governments, both municipalities and First Nations.

Let me also acknowledge that under the — I might get it wrong because I'm not sure if it's the old Building Canada fund or the old New Building Canada fund, but it was under the previous government that the 75/25 percentage split — 75-percent federal dollars and 25-percent territorial dollars — was negotiated, and that was a great deal. We have gone forward and negotiated it again under the small communities fund, and we have also negotiated it under the Investing in Canada infrastructure plan. We continue to seek it out.

The small communities fund will provide approximately \$342 million to support Yukon infrastructure over the next six

years. That is a 75-percent-Canada and 25-percent-Yukon split. The clean water and waste-water fund agreement provides \$68.5 million for water and waste-water projects. That is nearly completed. It will be completed in 2020. The Investing in Canada infrastructure plan will provide almost \$600 million in new infrastructure funding over the next 10 years. These are significant investments and they have been needed.

We have signed a bilateral agreement with Canada, and again that is on a 75/25 arrangement. We are taking steps to ensure that planning is aligned with municipal priorities, First Nation priorities and our community priorities.

The ongoing partnership with Canada, municipalities, First Nations and unincorporated Yukon are helping to build a more sustainable future while we address core infrastructure priorities for roads, clean drinking water, green energy, solid waste, waste-water management, disaster management — both at the territorial and local levels. Solid waste management and green infrastructure, including water and waste water, highways, bridges and local roads will continue to be invested in under the small communities fund.

Projects will continue to be subject to the Canada/Yukon approvals processes. I noted, for example, that the Member for Porter Creek North commented on those processes and that there are some challenges with those processes. We work with our federal partners at all times to try to streamline those processes, not only for us but for all of the territory.

As I have noted, we have signed a bilateral agreement with Canada for the Investing in Canada infrastructure plan that will provide nearly \$600 million in new infrastructure over the next 10 years. The categories for this plan include: public transit, green infrastructure, social and cultural infrastructure, and rural and northern communities.

Let me just provide a little more detail on those. First of all, there is \$34.7 million for community culture and recreation infrastructure and \$269 million for rural and northern communities. We get a much larger share of this than other provinces do because we are in the north. This also happens to include \$50 million for the Arctic energy fund. There is \$276 million for green infrastructure, including climate change mitigation and resilience, greenhouse gas reduction and environmental quality. There is over \$13 million for the Whitehorse transit network.

In the spring of this year, we met with First Nations and municipalities to discuss how these and other infrastructure funds will be allocated and to address local infrastructure priorities. That was the point. Through these meetings, we have developed a long list of priorities from our partners. What we will be doing next is building the Investing in Canada infrastructure plan, taking those priorities as identified by our communities and building it into our five-year capital plan.

In the last week of the month of September, I attended meetings in Halifax, Nova Scotia, with all the ministers of infrastructure from across the country. I'm sorry — all of the ministers were invited. Not every one of them was there, but we certainly had a great turnout.

I will tell you that the key issue that we discussed was flexibility. I will comment on some of the things that I put forward to talk about — our need for flexibility here. First and foremost, let me talk about stacking. I mentioned it already, but we continue to seek the ability for our municipalities to stack. Secondly, there is a caveat in the terms of agreement that talks about administration buildings. We discussed that, here in the north, our administration buildings are often our community centres; they are often gathering places; they are often our sports facilities. We talked about how they work in different ways, especially in our rural and remote communities. In fact, earlier in September, we had the Deputy Minister of Infrastructure and Communities visit the Yukon. We toured with her and visited some of our communities to point out this issue with our infrastructure, and we made some ground there.

We also talked about needing flexibility around diesel dependency for our communities. We actually have negotiated that into our agreement, and we went over that with our federal partners and we made sure that it was still solid.

We gave examples of northern circumstances. One of the issues that I talked about was the Ross River School. I talked about how that school was built in 2000, how permafrost degradation and thawing have led to that building having challenges, and how we will continue to focus on ensuring that our students and staff are safe. For the long term, the life of that building is never going to extend to the life that it was originally designed for. That was a crystal-clear example for all of the folks at the table — just to talk about the issues of climate change and how we are up against them when it comes to our infrastructure.

We talked about the importance of working together with other jurisdictions, about how access to some infrastructure funds might work best if we bundle up some of our projects and seat them as larger, overall projects. We talked about making sure that we could deliver on the outcomes that the federal government was trying to achieve but providing us with the flexibility to support our communities across the territory. We agreed that we would make flexibility the number one priority working forward with this table — and we gave that agenda to the minister and he agreed to work on it — while still seeking to get moving so that we don't miss the coming construction season. The federal minister — Minister Champagne — is new to the file, but he is very energetic and enthusiastic. He seems dedicated to it, and he agreed to visit the Yukon in short order. I don't have a date yet, Mr. Speaker, but I do want to note that it is important to bring our federal partners here so that they can see what is happening on the ground.

We definitely will continue to negotiate and advocate for flexibility with our communities. We know that their priorities often change over time and are fluid. While we do build in a five-year capital plan, we recognize that the out-years should have that flexibility to accommodate things that arise or change over time.

We also want to acknowledge that there are elections from time to time — both here, territorially, but also

municipally. We gave a tribute today that next week, we will have municipal elections across the territory, and that may result in new priorities being set. We will be revisiting that with our municipal partners and First Nation partners as issues arise.

I think it is very important that we build all of this into our five-year capital plan so that we can help our business community to see the directions that we are heading in — the private sector — so that they can ramp up and prepare and can take advantage of those opportunities here in the territory so that we can help to build the capacity of the territory itself.

I will acknowledge that we have the 75/25 agreement with the federal government on the Investing in Canada infrastructure plan, but that will never prevent me from trying to continue to advocate on behalf of our communities to get the best deal that we possibly can for them.

Finally, Mr. Speaker, I just want to confirm again that, however we work toward investing in our communities, we will never force a municipal or First Nation government to invest in something that they don't wish to invest in. We respect that order of government as a representative government that has the authority to treat their funds as they wish. We won't be meddling with that, but we will continue to provide opportunities for them, especially if they are able to leverage their own investments to get more in infrastructure out of them.

Finally, I just want to say that one of the lenses that we continue to need to put on this is to look at how — not just the investment in the capital, because we can see, for example, that there was a period of time many years ago when we invested in several pools across the territory. That was a great investment, but now those pools are all coming up. What we need to make sure of is that, for every capital investment that we make, there is asset management in place, and we always need to analyze the operation and maintenance budgets that are associated with those facilities.

I landed with a waste-water treatment facility in the community of Dawson, which has an outrageous O&M budget each year. What we need to do as we invest around the territory in infrastructure is look for those opportunities where it will actually bring down O&M costs. That is more sustainable. Again, that will be done in partnership with our municipalities and our First Nations.

**Ms. Hanson:** I just rise to speak to Motion No. 315 from the Member for Mayo-Tatchun.

I had it at the top of my page when this discussion started so long ago: “Who could disagree?” That was the question that I had posed to myself in putting my notes together for responding to this motion, and I still hold that.

I would put out just a couple of comments with respect to this motion and to the debate that has subsequently ensued.

I think that, as much as — and I respect and I hear the minister opposite talking about the importance of maintaining flexibility and respecting the priorities — the “community priorities” were the words that were used — that there may be times when the fundamental relationship between the

Government of Yukon and the municipality, and the Government of Yukon and a First Nation government, means that the Government of Yukon has to step aside.

In fact, that funding relationship is directly with the Government of Canada. I use that in the context of when there are programs that are made available, if not for the Government of Yukon stepping in, the majority of the funds would be available to First Nation governments.

We have seen in the past — and I have experienced in the past — where that has been problematic for the federal government to try to finesse that. I put that out there that there are times when the relationship is very different. Municipalities are a creature of the Yukon; First Nation governments are not — the relationship is fundamentally different.

I know and I believe that the government does respect that, but I think it is something that — because history has a sad way of sometimes repeating itself — unless we remind ourselves, we get ourselves caught in that.

I would also seek an undertaking from the ministers opposite that — as they give effect to this motion and to the notion that the Minister of Community Services put forward on respecting community priorities — it would be very interesting to see, as a result of the work done this year with both First Nation governments and municipal governments, a matrix of the community priorities — as of today and then over the next three to four years — of what has been delivered on those priorities, so that when we reflect back four years from now, we can actually see whether or not we achieved it mutually. My observation, Mr. Speaker, is that one of the frustrations that many communities face is yes, it sounded good when we got together at the AYC, or yes, it sounded good when we met one-on-one with the minister and they agreed that was a priority, and then we don't see it when it comes up for the spring budget.

So we would really encourage that kind of discipline that says to citizens, says to this Legislative Assembly and says to First Nation governments and municipal and local area councils that, not only are we talking about it, but we can actually demonstrate that we've delivered — that the government can demonstrate that.

As I said earlier at the outset, what's to disagree with? Yes, it would have been nice to see the word "priorities", but it is not in there so that's a minor quibble.

**Mr. Cathers:** In answer to the Leader of the Third Party's question of who could disagree, what I want to note is what my colleague, the Member for Porter Creek North, touched on in her remarks earlier in speaking both to the motion and her amendment, which was defeated: the fact that the lack of clarity in this motion causes us to question what the fine print is beneath the high-level statement.

In many ways, there is an element of the statement that is a platitude, but there is not clarity in what the definition of "flexibility" is. The fine print on whether the Yukon government is planning to borrow money or require First Nations and municipalities to reach deeper into their limited

resources and potentially even borrow money themselves to finance infrastructure projects are two of the major concerns that we're left with in the original motion brought forward by the Member for Mayo-Tatchun, because we simply don't know what the fine print says.

The government also chose to reject two constructive amendments, the first brought forward by my colleague, the Member for Porter Creek North, and the second brought forward by me in my capacity as Finance critic for the Official Opposition. I would note that one of the reasons we continue to go after the government's mixed messages and statements that seem contradictory is that the Premier and his ministerial colleagues — his Cabinet — indicate sometimes when questioned not to worry — that they have no plans to go into debt — but then a day or two down the road, we hear them hinting that they might.

Why talk to federal Minister Bill Morneau about indexing increases in the debt limit to gross domestic product if you don't have an interest in doing that? Why talk to the federal Finance committee about removing debts that relate to power from being under our debt cap if you don't have an interest in seeing that happen? The net outcome of such an action, I would note, would be to substantially increase the government's ability to borrow money.

Our problem with the motion as worded is that the fine print is really not clear about what flexibility means and whether the fine print in the definition of flexibility includes borrowing money and placing that burden either on municipalities, First Nations or the Yukon taxpayers through the territorial government borrowing more money. We decided to propose solutions to address the lack of clarity. The government rejected those solutions.

The first, of course, was speaking to our view that the principle that operated over a number of years was that for large infrastructure primarily, the Government of Canada paid 75 percent and the territorial government paid 25 percent. The gas tax funding to which the Minister of Community Services referred is, of course, and has been, an entirely different cost-sharing agreement and is legislated in a different manner.

We were puzzled by the notion that wording proposed by my colleague would refer to gas tax, which it certainly was not intended to. If the government had felt that it did, they could have brought forward a constructive subamendment, but their actions speak louder than their words. Again, we hear mixed messages when the Premier and ministers indicate the government doesn't plan to go into debt or borrow money for infrastructure projects, then hint that they might.

I would pose a question: If you don't want to more than double the Yukon's current long-term debt — the current borrowings — why oppose an amendment saying the territory's debt limit should not be increased?

I would point out that it would only be if the territorial government chose to borrow more than double what is currently owed in terms of long-term debt that they'd need to even contemplate an increase to the federal borrowing limit.

Mr. Speaker, I hope that, in making my closing remarks on this, I'm clarifying the fact that we don't have a problem

with the principle of ensuring there's flexibility in a federal funding agreement that allows the Yukon government to work with First Nation and municipal governments to spend federal infrastructure funds. What our concern is with is what government exactly means when they speak of flexibility and they're asking us to sign a blank cheque in voting for that.

Again, we provided two specific, constructive suggestions of how to address our specific concerns and protect the interest of Yukoners and future generations of Yukoners, but the government's actions on this in voting against both of those constructive amendments speak much louder than their words. Also, in voting against the first amendment, they've chosen to not recognize the need to have infrastructure funding reflect community priorities but simply their needs as assessed by someone.

So with that, Mr. Speaker, we will be voting, not against the principle of the motion, but against the lack of clarity provided by government and their lack of willingness to work with the Official Opposition and accept the constructive, specific amendments we have brought forward.

**Hon. Mr. Mostyn:** Mr. Speaker, I am pleased this afternoon to speak about some of the important work we are doing to improve this government's financial position and ensure our communities and all levels of government thrive and their residents prosper. Now, I've been listening to the debate this afternoon, listening to the Member for Lake Laberge — a purveyor of speculative fiction. He talks about debt when my colleague, the Member for beautiful Mount Lorne-Southern Lakes, has done everything in his power to allay any fears about debt. He has talked about preventing debt. I've heard the purveyor of speculative fiction on the benches opposite talk about cuts. We're working hard to find efficiencies to prevent and curb the trajectory of rampant spending we saw under previous governments. We saw spending of \$1.50 for every dollar we collected. I'm not going to dwell on those points, but I want to set the record straight.

I also heard the Leader of the Third Party talk about the different relationships that the First Nations in this territory have with Ottawa. I know that my colleague on the seat next to me has always said that if First Nations wish to have or do have a direct agreement with the federal government we would be respectful and supportive of that. Just to be clear on that, my colleague certainly is supportive of that and we'll respect and try to work out our relationships with First Nations.

The territory's financial position has come into clearer focus over the last two years through the diligence of the Financial Advisory Panel and the good work of the Finance department, in partnership with other government departments.

While this government works to achieve fiscal sustainability, Yukon must also continue to invest in its infrastructure. We must do this strategically. As we navigate the financial pressures facing us, we have to invest in a way that benefits the territory, municipalities and First Nation governments. To return to a path of fiscal sustainability and

surplus by 2020-21, this government is looking further than the next budget cycle. Aging infrastructure presents a very real financial and safety risk to the Yukon. If ignored too long, the degradation of our pipes, treatment plants, bridges, buildings, roads and runways will compromise our ability to serve Yukoners. Here in the north, our infrastructure risks are especially pronounced, as we are close to ground zero when it comes to climate change. We have roads rising, buildings sinking and crumbling as permafrost thaws. Anyone who has driven the Klondike Highway or the Alaska Highway will confirm this, including, I would reckon, all the MLAs in this House.

We have many structures throughout the Yukon that are now sinking into the ground. Dawson City and Ross River come to mind. My colleague opposite and just to the right of me has talked about the Ross River School. He has also talked about some of the other things that we're doing, such as: multipurpose buildings; stacking the funding; diesel dependency and the work we're doing with the First Nation there and our northern circumstances and how that's really affecting us in grave ways. We're seeking flexibility. In doing so, we are supporting our communities through strategic investments and partnerships. We are ensuring our communities are sustainable. This government is taking action, even as our net financial assets are being depleted.

Mr. Speaker, the cost of not taking action and allowing Yukon communities to fall into disrepair simply passes the maintenance burden on to future Yukoners and governments. Our plan reduces the infrastructure deficit we inherited. We are moving toward long-term fiscal sustainability. We are forming agreements and building relationships to maximize the value of every dollar spent in the territory.

This government will continue to invest in roads, bridges, hospitals, schools and all the other infrastructure Yukoners depend on. We will use our five-year capital plan as well as federal funding whenever available to maximize the Yukon's spending over the long term.

I will now take a moment to talk about this government's commitment to long-term planning and the benefits this is bringing to Yukon. I am pleased our government delivered on our promise to provide Yukoners with extensive information on the government's capital plan over the next five years. This is an example of our commitment to be open and transparent with the citizens we serve. The five-year capital plan outlines this government's infrastructure priorities and helps Yukon businesses prepare for upcoming projects. It was developed with the best information available as to what capital projects are needed, but it is also responsive to needs as they arise over time. The capital plan allows us to time procurement for development and maintenance contracts, providing certainty for vendors.

We will put tenders out at the right time, not just in time, so vendors have a better opportunity to prepare and plan seasonal projects. Industry has told us this transparent approach to capital planning is vital for Yukon businesses to plan for the future. The capital plan signals the Yukon government's intentions to Yukoners, the private sector,

municipalities and First Nation governments. Outlining these capital expenditures earlier helps all levels of government to work together to achieve maximum benefit from our precious capital spends for Yukoners in all communities. It also forewarns private industry, allowing it to be prepared for government projects.

The capital plan launched this year will be evaluated and refined over the coming years, so it continues to improve and to become more useful with each iteration. Capital projects will evolve as community needs arise. My colleague from Mount Lorne has noted the coming elections and how that might change priorities, so we have to be flexible in our spending and make sure we develop relationships and work with our community partners so that we actually tackle the projects that they deem necessary for their communities.

Some of the things we will do, for example, is spread bridge projects out over several years, rather than tender them all together. That allows for local development and expertise to be built in a gradual, methodical manner. The five-year capital plan will become more specific, permitting more comprehensive tendering forecasts for the time of year that provides the greatest benefit for all. As the model matures, so can the capital planning horizon and, so far, I am pleased to say the capital plans are on track for 2018-19.

The second piece in ensuring Yukon infrastructure remains robust is strategic investment in infrastructure projects where the territory will see favourable matching funds from the federal government. Last year, Yukon negotiated an agreement whereby the territory will receive a huge boost to infrastructure funding. The territorial-federal agreement secured \$600 million in new funding, specifically directed to infrastructure projects. The agreement specifies eligible projects will be cost shared on a 75/25-percent split for infrastructure projects over 10 years, starting in 2018-19. I know this was a concern for the members opposite and I am sure they will be reassured that we have actually got that split for projects on a go-forward basis.

Given northern fund fiscal constraints, the Government of Canada support is integral to funding quality infrastructure in Yukon. It allows us to make strategic decisions and effectively meet the needs of Yukoners in all communities. My colleague, the Minister of Community Services, said at the time that this agreement was announced that he was looking forward to working together with communities and First Nation governments to put these dollars to work in Yukon. This agreement is essential to support community infrastructure development, improve the health and well-being of Yukon citizens, make communities more vibrant and sustainable and is a significant contributor to our economy. These green infrastructure investments will encourage inclusiveness through access to community cultural and recreational spaces. They will boost the quality of life through rural and northern communities through infrastructure improvement and they will improve sustainability through public transit.

Specifically the funds will include — and I think we heard these numbers earlier — \$276 million for green infrastructure, \$269 million for rural and northern

communities, \$34 million for community culture and recreation infrastructure and \$13 million for public transit. This federal money is the first step in flowing funding to other levels of government. By working in partnership with our First Nation and municipal government partners, we can make the most of this generous federal infrastructure investment.

From the outset, this government has worked hard to ensure we have the flexibility to put these infrastructure dollars to work, alongside First Nation and municipal governments. The territories face different challenges from provinces and our unique situation calls for creative solutions.

When I speak of flexibility, I point to current federal funding agreements for certain projects which prevent the reallocation of project funds within an existing program budget. This restriction can make it difficult for the Yukon government to manage program budgets. It often removes our ability to manage the cost and saving variations common to infrastructure projects.

Greater autonomy to reallocate funds within existing program budgets would allow the Yukon government to enhance project management without increasing overall federal funding costs. This will also allow us to partner with other levels of government more efficiently. Additionally, it is no secret to anyone that a remote and relatively small economy can make it challenging for First Nation and municipal governments to meet the funding thresholds even at 25 cents on the dollar; \$2 million or \$3 million may not break the bank for larger jurisdictions, but for municipal and First Nation governments that have limited tax bases and smaller annual budgets, infrastructure projects can be a challenge. Flexible funding guidelines promote strategic partnerships that help to meet the needs of Yukon's various municipalities and First Nation governments.

Mr. Speaker, we must ensure that our economy can manage infrastructure funds appropriately. In the past, we have announced ambitious capital plans only to fall woefully short of the mark. This government has taken a clear and deliberate step to table a stable capital budget that is realistic and achievable. As noted, previous governments have had an inflated capital estimate in the spring followed by a radically smaller actual capital spend in the supplementary budget. Tidal budgeting, Mr. Speaker, has to end. Spending sweeps in and sweeps out. We wanted to deliver a consistent, achievable capital budget. While heaping an additional \$100 million in capital spending each year to deliver the biggest budget ever may seem appealing, Yukon must work with First Nation and municipal governments to establish annual and long-term priorities that can be realistically achieved by the construction sector.

During past economic booms, many millions of dollars that could have stayed in the territory flowed south because the local contracting community was already at capacity, or contractors would see a project announced only to have it not go ahead in a timely manner. We are once again in a boom, but instead of just putting all of our tenders out in a short time frame, we will be pacing ourselves and putting more thought into it.

That said, despite our best intentions, federal rules constrain how and when we put out major tenders. The Government of Canada has some rigid criteria and timelines that we must adhere to, which is why I fully support this motion to allow for more flexibility in the way that federal funds flow. All levels of government will be better able to prioritize and pace our strategic infrastructure investments and avoid overheating our economy. We have to balance the ambitions for the future with realistic visions of what is possible today.

This government is committed to having these conversations with all levels of government and at ongoing Yukon Forum meetings, federal-provincial-territorial meetings as well as AYC meetings. Working together, we will achieve an environment where priorities are established early and with input from all levels of government. There is no single solution to avoid future infrastructure deficits; however, the generous program implemented by the current federal government is, without a doubt, the biggest inoculation this territory has ever received against further degradation of our infrastructure. As part of our duty to get the best deal possible for the people of the Yukon, we will lobby the federal government to make this great program even better by allowing us to be more flexible with the dollars that we are given. To benefit all Yukoners, we need creative solutions and strong partnerships. I could not be more supportive of the federal government's incredible infrastructure program. It has built, and continues to build, healthy, happy communities throughout the Yukon. I look forward to hearing from other members on this motion.

**Mr. Gallina:** I wasn't going to speak to this motion originally, but I did want to say that, today — I think it's important to note for Yukoners — the Member for Lake Laberge and the Official Opposition Finance critic has reiterated the importance of government debt and how it's important that debt be managed and seriously considered.

The Member for Lake Laberge is critical of this government often when we talk about debt, and we are speaking about the motion today on government infrastructure and priorities for investments. To help Yukoners understand, Yukon government debt in corporations as per the Public Accounts on April 1, 2011 was at \$55 million — compared to Yukon government debt in corporations as stated in Public Accounts on April 1, 2016, which was at \$189 million under the watch of the now Finance critic. I wanted to reiterate to Yukoners that this government takes managing the public's finances seriously as stated here in debate today.

**Speaker:** Is there any further debate on Motion No. 315?

If the member now speaks, he will close debate.

Does any other member wish to be heard on debate of the main motion?

**Mr. Hutton:** Mr. Speaker, I will keep my remarks very brief at this point. I would like to thank the Member for Porter

Creek North for the friendly amendment, the Member for Lake Laberge for the perhaps not quite as friendly subamendment and the rest of the colleagues who spoke in the House this afternoon. I would simply urge everyone to support this motion because it's extremely important to all rural communities out there. I don't think that, in the two years that I have been here, I have seen a motion that speaks more strongly to support for the rural communities. As a rural representative with five rural communities in my riding, it's extremely important that our government get the flexibility from the Government of Canada to be able to do a better job of spending this money in our communities.

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

**Some Hon. Members:** Division.

#### Division

**Speaker:** Division has been called.

#### Bells

**Speaker:** Mr. Clerk, please poll the House.

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

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

**Hon. Mr. Pillai:** Agree.

**Hon. Ms. Dendys:** Agree.

**Hon. Ms. Frost:** Agree.

**Mr. Gallina:** Agree.

**Mr. Adel:** Agree.

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

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

**Mr. Hutton:** Agree.

**Mr. Hassard:** Disagree.

**Mr. Kent:** Disagree.

**Ms. Van Bibber:** Disagree.

**Mr. Cathers:** Disagree.

**Ms. McLeod:** Disagree.

**Mr. Istchenko:** Disagree.

**Ms. Hanson:** Agree.

**Ms. White:** Agree.

**Clerk:** Mr. Speaker, the results are 12 yea, 6 nay.

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

*Motion No. 315 agreed to*

#### Motion No. 319

**Clerk:** Motion No. 319, standing in the name of Mr. Gallina.

**Speaker:** It is moved by the Member for Porter Creek Centre:

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.

**Mr. Gallina:** Mr. Speaker, I appreciate the opportunity to rise in the House today to speak to Motion No. 319. I believe it is important for the Government of Yukon to

investigate the option of selling land to allow for the private development of residential building lots.

I support this motion as a signal of the direction in which this government could head and to define opportunities the government could explore. In our platform, we committed to working with communities to create available developed land banks to keep lot prices affordable.

One way we can support this goal is to investigate and learn more about how we can introduce private land development for residential lots in the territory. Our government is the primary land developer for the territory. As we look for government efficiencies, we are also looking for ways to get out of the business of doing business. In July, this government transferred the rural Land Development unit from the Department of Energy, Mines and Resources to the Department of Community Services.

In the past few years, the Land Development unit for Whitehorse was under Community Services and the rural Land Development unit was under the Department of Energy, Mines and Resources. Merging these two offices is a great example of the many ways this government is looking for and finding government efficiencies. Now, government professionals working on rural and urban land development have shared resources and shared capacity. As we look at housing across the territory, we are fortunate to have a thriving, strong economy. We have the country's lowest unemployment rate. People are coming to Yukon because they are learning what we already know: Yukon is a territory of opportunities for families, for businesses and for individuals. However, new Yukoners put new pressures on our housing supply. The teamwork of this government shows that as we work together to grow the economy, increase territorial revenues and address existing housing concerns, we can manage growth.

As we look at options for private land development for residential lots, it needs to be a collaborative process in partnership with First Nations, municipal governments, the private sector and area residents. Our municipal governments are the local planners in housing and we have land development agreements in place. Affordable and accessible housing is a long-standing issue in this territory and a holistic approach to this issue from all levels of government and stakeholder groups is needed. We are doing this work to prioritize federal funding toward the creation of more affordable housing units in our territory.

Last year, this government released a housing action plan that was facilitated by the Yukon Housing Corporation and supported by the departments of Health and Social Services, Community Services and Energy, Mines and Resources. This plan was extremely collaborative in development and it creates a strong foundation of priorities to address housing pressures collectively throughout the territory.

One of the plan's stated objectives is to increase the availability and diversity of land for residential development. The private development of residential lots could be a strong complement to work already being done by this government to develop housing lots in the territory. Housing is a

continuum on all levels and all levels of housing rely upon one another. Availability of lots is a major influencer of this continuum. One way we are reducing this pressure is through the number of lots available to Yukoners in my riding of Porter Creek Centre, which includes Whistle Bend. Over the next year, we expect to release 132 single-family lots, 54 duplex and townhouse lots, 19 multi-family and 35 commercial lots. This lot release plan continues into 2020 when we hope to release 100 single-family, 64 townhouse and two multi-family lots. We are really proud of the collaborative work with the City of Whitehorse on the expansion of this community.

This year, the City of Whitehorse will complete the final planning process for all future development areas surrounding Whistle Bend.

Once complete, the neighbourhood will have transit service, a town square, retail shops and many kilometres of paved and unpaved trails. By making more land available, we are supporting our commitment to enhancing affordability, quality and accessibility of housing for the well-being of Yukoners. Investigating options to sell land for the private development of lots only furthers and broadens this commitment.

**Ms. White:** It is an unexpected surprise that I should be up at this point. I'm going to thank the Member for Porter Creek Centre for bringing this motion forward. We do think that there is a lot to be said right now when we talk about the development of residential building lots. We have had concerns prior — and that's the fact that the Yukon government sells them for market rates, so to buy a lot in the City of Whitehorse or to buy a lot in the territory is actually quite expensive because it's what the going rate of land is.

We don't know what the answer is to fix that. What this motion is doing is asking for the ability to investigate. It's almost exactly a year to the day. A year ago tomorrow, I brought forward a motion talking about developing a home warranty. It was amended, actually, by the Minister of Community Services, and so the motion, as it was amended read: "THAT this House urges the Government of Yukon to explore an effective warranty program for new home construction and home renovations." So it's important to know the wording that was changed. I had "develop and implement" and it got changed to "explore". The definition of "explore" is "to enquire into or discuss". In this motion, we have the wording of "investigate". So the definition of "investigate" is "to carry out research or study into" — and it's interesting that both of those words are synonyms of each other. They also have "consider", "probe", "review", "dissect", "scan", "study" — so those all mean the same thing.

The concern that I have, if we talk about investigating this, is that it doesn't direct the "who" or the "how" or the "where" or the "why" or any of that. The reason why I bring this forward is that I feel like, if we are going to change this on that kind of level, then it should be a decision that's made by all Members of the Legislative Assembly or at least be representative of the Members of the Legislative Assembly.

Actually, I'll move the amendment and then I'll talk about that and we'll just get on with it.

*Amendment proposed*

**Ms. White:** I move:

THAT Motion No. 319 be amended by removing the words “urges the Government of Yukon” and replacing them with “establish a select committee”.

**Speaker:** I have had an opportunity to confer with Mr. Clerk with respect to the proposed amendment and can advise that the amendment is procedurally in order.

It has been moved by the Member for Takhini-Kopper King:

THAT Motion No. 319 be amended by removing the words “urges the Government of Yukon” and replacing them with “establish a select committee”.

The proposed amended motion would read as follows:

THAT this House establish a select committee to investigate the option of selling land to allow for the private development of residential building lots.

**Ms. White:** I will start off by apologizing — I heard the Minister of Community Services saying, “Please bring forward your amendments prior to...” I took that to heart. As soon as he said it, Mr. Speaker, I left the Assembly. I got the amendment and I had a conversation with the Member for Porter Creek Centre.

What I am actually looking for is the most collaborative way for us, as an Assembly as or elected people, to actually kind of dive deep into this. We have had some really fantastic things happen in the Legislative Assembly through select committees.

We saw the creation of the *Smoke-Free Places Act*, and that was through the recommendations of a select committee. We saw recommendations about off-road vehicle use in the territory, including mandatory helmet use for people under 16. That is something that has been adopted. In the 33<sup>rd</sup> Legislative Assembly, it was the Yukon NDP that encouraged the government to create the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing — not trying to limit it but opening it up and asking that all members have that ability.

I think it is important to talk about the purpose of committees. They allow for detailed examination of complex matters. Mr. Speaker, I have said before that I am an expert at baking, but I am not an expert in land development, trucking or hauling, putting in sewer pipes, electrical hookups or anything like that. If we talk about land development, it is a complex issue. I would love to learn from the experts in the field what they could see as the benefits or pitfalls of moving toward this direction. Committees offer an opportunity to hear from experts and then have those presentations recorded so that, in the future, any Yukoners who have concerns with a decision made by the government of the day could go back and read through the presentations made by people who came in front of the select committee. The reason why it is

important is that, if we talk about evidence-based decision-making, being able to have that evidence and have it public and accessible means that when the decision is made one way or the other, while there may be challenges, there will be the ability to go back and say, “Well, these are the reasons we made these choices.”

I also think it is important to know that committees provide the means for members to probe into details or policies — or possible policies — and programs. It helps the members develop an expertise. The reason I say this, Mr. Speaker, is that if this is the route that we choose to go down, it would be really fantastic if every member in the Legislative Assembly understood the “why”, the “how” and the reasons for it.

Again, the cautionary tale is that, a year ago tomorrow, the Minister for Community Services amended my motion to put the word “explore” in. “Explore” is a synonym of the word “investigate”, which is what this motion talks about — investigating. I don’t disagree. We want to carry out research and study the issue, but I think the best way to do that would be through a select committee — the ability to call witnesses, to have representation from all parties and to be able to make that decision together. Although I swear I didn’t not do this sooner, this is really in the effort of collaboration.

Part of it is that I want the education as well. I don’t want to have to go on the EngageYukon website or the yukon.ca website trying to learn what was brought forward and why decisions were made that way. I want to be a part of the process whether I am on the committee or not on the committee. The ability to read that information — I can say that during the risks and benefits of hydraulic fracturing hearings, I sat for two days in the Chamber and listened to presentations. I am not saying that it would have to go quite as deep as that one did, but the ability to listen to presentations, whether you are on the committee or not, is important and that those presentations are recorded.

Mr. Speaker, this was my hope — collaboration and actually inviting all parties to participate in this decision because I think it has a lot of merit. I actually think that it is something that we should look into. I don’t want to dictate the outcome, but I really do believe that if we had a select committee, then the select committee writes a report and that report gets tabled.

Then government can go to a decision from there, but it’s the ability of all parties to participate in what would be a big change in government.

With that, I look forward to other people’s thoughts. Know that this is coming from the best place. This is looking from collaboration 100 percent and it’s just the cautionary tale that last year — a year ago tomorrow — a motion was changed to say “explore”. At this point in time, I’m not sure if we’ve done our exploration. I don’t want to investigate for the long term. I would like to know that we can create a select committee and that we could have some changes. With that I look forward to some discussion.

**Hon. Mr. Pillai:** I would like to thank the Member for Takhini-Kopper King for bringing the amendment forward as well as for tabling a number of good points. I believe, at this juncture, I don't think we will be supporting a motion to look at a select committee, but I think, with respect to — I owe the member opposite reasons why, so here we go.

First of all, I think that when we look at select committees — and I think there was a very good series of examples put on the table concerning the previous select committees and the good work that came out of those select committees. The one common theme that I saw throughout that work on select committees was the Assembly coming together to discuss and debate complex issues so decisions could potentially be made on policy that would be new to the territory. It would be the first time the *Smoke-Free Places Act* would come into play. It would be the decision on if there should be fracking or not fracking. It would be a decision on what would happen with ORVs.

The use of private land to be developed in the Yukon, although we're looking at something unique in the sense of government letting, is something that has happened here for decades. There is land currently being developed in the riding of Porter Creek North where there is substantial density, which is much needed and is being developed at this particular time by a private developer in conjunction with the City of Whitehorse. Neighbourhoods like Pineridge, I believe, were developed by a private developer, where there was land that was brought into place. The amenities that were needed were put in place — i.e. roads and others — and then the lots were sold. There was actually a member of this Legislative Assembly that, at one particular time, did a land development in Porter Creek North, where the individual acquired and put the groundworks into place. There is a bit of a history on it.

I say this with all sincerity to the member opposite, because the member opposite is a fantastic champion in this Legislative Assembly when it comes to housing and when it comes to housing need and for a continuum of housing. I know that I and the Minister responsible for the Yukon Housing Corporation — although we have spirited debates on land and housing — truly appreciate the passion that the member brings forward when it comes to this particular topic.

With the spirit of collaboration, although it may not seem so, what I will offer is this: I do believe that we need to move on this type of protocol when it comes to land development sooner than later.

I do believe that, at this time, striking a select committee to discuss whether or not we need more land developed in the Yukon — I know I am missing some words in the sense that, yes, I do know it is a difference for the Yukon government to have a tract of land put out to a private developer, but I do think we all understand — with the vacancy rates that we see in place right now — that this is something that we truly should be investigating, but not only investigating. What does an investigation look like? Does that look like we should be out to an expression of interest? Should we be out to some sort of an RFP? I'm not sure which system the government would use, but I think that it is something that we would leave to the

government officials to investigate which system would be the best way.

I think that — at least when I speak with my colleagues and we start to look at an option like this when it comes to private land — there are a number of things we take into consideration. We take into consideration the current land continuum that we have; we take into consideration the lots, community services, the city, Energy, Mines and Resources, all working on lots, rural residential, residential, commercial and then in our communities as well — but also continue to have conversations with First Nations.

We're at a point right now where, again, Kwanlin Dün is first out of the gates with an opportunity to put leases in place. They are sort of really moving in a very calculated process on that. We've had meetings at Kwanlin Dün with our lands people and our community services, the Premier, a number of ministers, directly with their chief and council and their lands department to discuss opportunities that they may have, whether it be commercial or residential. We want to ensure that we are supporting that.

I also believe that, under our commitment to get out of the business of doing business, we do believe there is an opportunity for the private sector. We have spoken to contractors. We have spoken to companies that move dirt. We have spoken to surveyors. We have spoken to tradespeople. Something we're hearing from the business community is that they feel we're at a level of maturity.

This isn't something that's unique or would be unique. Every other jurisdiction in the country, for the most part, has situations where government will let land in cases and the private sector can come in and look to do that. There are many items that we will have to take into consideration as a government and our departments absolutely would — whether it is pricing and what the process is to make sure it's accountable and transparent. Those are things that our government officials do at all times. I think our government officials can do that without going through a select committee conversation.

I know that, during my time with the City of Whitehorse, this was something that I felt that we should look at. At that particular time, the feeling was that the cash flow that was required to be put in place to execute these styles of projects may not exist. That certainly was not the case. I think it was a lack of understanding, maybe, at that time from our officials. We started to look at giving more opportunities for the private sector, and now we have the private sector, in some cases, knocking at our door. I think if the opportunity was put out there, there would be other individuals and companies that exist in the Yukon that would probably collaborate together.

This is really just about seeing Yukon companies taking on some of this responsibility and making sure that we continue as a government. I will leave this to my colleague, the Minister of Community Services, to continue to work with the city but also to try to build capacity in a calculated way.

I think the Member for Takhini-Kopper King makes a very good point. How do we gather data? I think one of the best ways for us to gather data is to look at smaller-type

projects, number one, to see if there is interest, to do an analysis of how that works to ensure that the parameters or the terms of reference as we roll out these projects — but I think we should be in a situation where these are projects that we need sooner rather than later. This is work, whether it is over the winter or this spring or next fall. These are things that I think we really should be moving in. It's really about supporting our private sector, supporting our tradespeople and supporting the companies.

The difference is that, at this particular time, we have technical people who are hired by the Yukon government who do a great job. They're inside our departments, whether it is Community Services or Energy, Mines and Resources. Those individuals lay out a plan and then the private sector, whether it is any one of our great companies, execute the work. In turn, the Yukon government essentially takes care of the financial responsibility and risk as we roll it out. All we're looking to say is: Is there an opportunity for the private sector to take a tract of land and to actually do that work without having the oversight of government? I think it's something that we should consider. I think a select committee would make the process a bit more cumbersome.

I think there are other items that absolutely should go to select committee, but I think this particular item is something that — if the concern of the member opposite is, as was stated four or three times in the opening, in her words, that were tabled here concerning the amendment, which was really about us making sure that a word doesn't get changed, with a fear that something would happen. With that in mind, I think we should look to see if we can make sure that this is a process that gets undertaken sooner than later, and we respect the member opposite's concern to expedite, but do it in a calculated way. I don't want to put words in the member's mouth, but to say that if the concern is about the speed and pace of getting this underway, that's the same concern I have with looking at a select committee.

With that, I hope we can get support. By voting this down, it's not about not having collaboration within the Assembly; it's about respecting the fact that the Member for Takhini-Kopper King does a phenomenal job of walking in here every single day that we're here and making sure that her constituents and Yukoners understand the need for housing. The minister and I respect that and hear her, and that's the reason why I believe that looking at the private sector, investigating that now and moving in an expedient way is the right thing to do.

With that, I'll finish my words and hope we can get on with the support of Motion No. 319.

**Speaker:** Is there further debate on the proposed amendment?

Are you prepared for the question on the amendment?

**Some Hon. Members:** Division.

## Division

**Speaker:** Division has been called.

## Bells

**Speaker:** Mr. Clerk, please poll the House.

**Hon. Mr. Silver:** Disagree.

**Hon. Ms. McPhee:** Disagree.

**Hon. Mr. Pillai:** Disagree.

**Hon. Ms. Dendys:** Disagree.

**Hon. Ms. Frost:** Disagree.

**Mr. Gallina:** Disagree.

**Mr. Adel:** Disagree.

**Hon. Mr. Mostyn:** Disagree.

**Hon. Mr. Streicker:** Disagree.

**Mr. Hutton:** Disagree.

**Mr. Hassard:** Agree.

**Mr. Kent:** Agree.

**Ms. Van Bibber:** Agree.

**Mr. Cathers:** Agree.

**Ms. McLeod:** Agree.

**Mr. Istchenko:** Agree.

**Ms. Hanson:** Agree.

**Ms. White:** Agree.

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

**Speaker:** The nays have it. I declare the amendment negated.

*Amendment to Motion No. 319 negated*

**Speaker:** Is there any further debate on the main motion?

**Hon. Mr. Streicker:** I will try to be brief. I first want to acknowledge that the branch that deals with rural land development has moved to the Department of Community Services. I think it is important that this has happened. What we are trying to do is to consolidate that work. A couple of years ago, there was an attempt to see whether the City of Whitehorse wanted to take over land development, and that caused a bit of movement within the Yukon government — that maybe the election, and certainly the economy doing well, put pressure on land development. When we think about the housing issue and the continuum that we need to focus on, one end of that continuum is lot development. It is an important issue, and I thank the Member for Takhini-Kopper King for her interest and for talking about it as a big change.

The situation that we find ourselves in is that we, as the land developer — it is not normal for governments, and so, of course, we want to look at whether we can move to a model where we are not the land developer, but we don't want to do that in a sweeping change. What we want to do is keep going with the system that we have, because we need to ensure that there is a continuous supply of lots. We saw that when there was a hesitation, it put pressure on the system.

This investigation is about working with the private sector to do a trial with this system and see how it goes, while at the same time maintaining the full efforts that we have been working on all along to try to ensure that we get a strong supply of lots within the marketplace.

I also wanted to say that at all times, we must respect that there are municipalities involved and that they are the planners of the community. So even if we were to develop a select committee, we always must keep a notion that they are the people who will make the decisions about how the communities should develop through official community plans, through zoning, et cetera. I think of them as the people who are setting the direction and, in this case, we are the group that is carrying out the development.

Another thing that is worth noting is that 95 percent or so of the budgets that go into land development are going into the private sector right now. It's not that they're not involved — they certainly are — but can they be the people who are doing the full lot development, dealing with issues like risk and land sales, et cetera? Well, if we're going to do it and explore it then the way we need to do that is in a way that is not going to threaten the need for lots right now.

That's why I think that, rather than using a select committee, effectively, we use a way to pilot it. I'm happy to keep engagement going with the members in the Legislature.

I appreciate the question about wanting to learn at all times — I take that as a strong thing.

What the member opposite asked for, when I went out on a break, was to try to discuss what are the aspects that we envision around this. I will list off five here and build on some of the comments that came from the Minister of Energy, Mines and Resources. The first one is to make sure that whatever the system is, as we do this exploration, we keep going with the existing system. We need to maintain a dedicated program for developing and delivering a range of lot types, for example, in Whistle Bend, but also in smaller developments in all of our Yukon communities — Whitehorse and the rural communities.

Secondly, we want to expand opportunities for the private sector that are interested in the land development process. We would like to support capacity development for the private sector. We want to seek developer and stakeholder feedback, fine tune future offerings and build on public feedback to assess the benefits to the public. We want to continue to explore our options and work with First Nations to advance land development opportunities for and with them.

We also must at all times make sure that we are keeping municipalities in that role of doing the planning. I want to acknowledge that — I think it was in 2016 — the *Land Titles Act* was amended and that has made for some strong changes. Those improvements, especially in support of First Nation long-term leases, are good improvements. They are a good thing for land development.

Fourth, we want to take an integrated approach to land development, recognizing that the availability of properly zoned and developed lots are critical to meeting housing, business and industry demands within our economy.

Fifth, we would like to develop new tools and guidelines to improve efficiencies and streamline the early stages of land development and infrastructure development processes. That is whether the work is done by the Yukon government, by the

private sector or by First Nation development. All of them are important.

Let me also acknowledge and thank the Member for Takhini-Kopper King for her reminder about our motion here in this Legislature about the home warranty program. I haven't forgotten. I will turn back to the department to see how that is progressing.

The Member for Porter Creek Centre asked me about timelines. I said that we want to have a conversation internally but that, from the department's perspective, we think that we can start down this path this fall. We see it as an ongoing process. The exploration is: Let's introduce more private sector opportunities by speaking with municipalities and making sure that they are on board, by getting the private sector involved with a chunk of land that would allow them to do their work — and then let's come back and test again. Let's see how that works.

Let's see how that complements or otherwise allows us to continue with producing a two-year lot supply at all times for our communities. If we need to adjust something in the two-year lot supply, it might be because the growth is increasing and we need to ensure we have more lots.

That's what we've been doing since I arrived here — ramping up lot development. We would also like to add to it — not replace it, but add to it — an investigation of private development to see whether we can transition across to allow the private sector to have a growing role in lot development. With that, Mr. Speaker, I will sit down and see whether we are able to get to a vote.

**Mr. Cathers:** I appreciated hearing the debate on this earlier today, and I appreciate the suggestion brought forward by the Member for Takhini-Kopper King. I do think there's room for collaboration in the area of land availability and would note, as well — just as a reminder to the Member for Porter Creek Centre, who was, earlier in this House, talking about a housing action plan — I think he missed the fact that he was referring to a housing action plan that was developed under the Yukon Party and, at best, had a new sticker put on it by the Liberal government upon taking office. I would really like to acknowledge as well that, as shifts of government go underway, the work that's done by officials across departments does continue.

There have been some changes that the Liberal government has made in terms of the responsibilities for land development.

One thing is that the Minister of Community Services — or it may have been the Minister of Energy, Mines and Resources — was indirectly making reference to a protocol with the City of Whitehorse and the previous expectation that Whitehorse would take on more responsibility for land development work inside the municipality. I had previously, during the first week in this Assembly, noted that we would appreciate some clarity on whether that protocol is currently in effect and, if not, whether the protocol is being either renegotiated or revised. Also, we have heard, but not directly from the lips of either of the ministers responsible, that

government, at this point in time, has again gone back to the old structure of Community Services Land Development taking the responsibility for managing the projects. We would appreciate some more clarity on just exactly who is doing what.

I note in saying this that I'm not trying to be critical. We're not trying to be critical of the relationship in that area between the City of Whitehorse and the Yukon government. I appreciate that the area of land development and how it relates to community planning has a lot of pieces to it. I appreciate the work that is done by staff, both within the Yukon government and staff at the City of Whitehorse, and understand the challenges that they face in moving forward those projects.

In fact, it was not until I became Minister of Community Services and saw some of the many complicated details of the work that was done by the staff of Land Development that I felt I had a complete understanding of just the complexity of a project like Whistle Bend, and I do appreciate the work that they did during our time in office as well as continuing under the current government.

We would appreciate some more clarity from the government on just exactly what is currently happening in terms of Whitehorse land development. We are supportive of the concept of the Yukon government creating more options for private sector developers to move forward with land development and perhaps begin to replace the Yukon government purse for developing land options for Yukon citizens. That is something that, if memory serves, was identified in the land availability and housing action plan work that we had done during our time in office. It remains an area where there is opportunity, and we would appreciate hearing from government what steps they are planning on taking in those areas.

As well, because of the connection to land planning outside of municipalities, we would be interested in hearing more from the government about what their vision is as far as it pertains to working with Yukon communities in developing land in towns such as Watson Lake as well as in the Whitehorse periphery. How does government plan to work with communities and respect the interest of citizens, including those who are concerned about the protection of greenspace and the spread of too many people into their areas? It is a challenging balance at times, but we are looking to hear more from the government on what their vision is for balancing those competing priorities of Yukoners for greenspace as well as the availability of agricultural areas and residential areas that meet the needs of Yukon citizens.

**Speaker:** Order, please.

The time being 5:30 p.m., this House now stands adjourned until 1:00 p.m. tomorrow.

*Debate on Motion No. 319 accordingly adjourned*

*The House adjourned at 5:30 p.m.*

**The following sessional paper was tabled October 10, 2018:**

34-2-73

*Yukon Energy Annual Report 2017 (Pillai)*

**The following legislative return was tabled October 10, 2018:**

34-2-149

Response to oral question from Ms. White re: wildlife management — harvest data (Frost)