



Yukon Legislative Assembly

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1st Session

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HANSARD

Monday, April 14, 2014 — 1:00 p.m.

Speaker: The Honourable David Laxton

YUKON LEGISLATIVE ASSEMBLY

SPEAKER — Hon. David Laxton, MLA, Porter Creek Centre

DEPUTY SPEAKER — Patti McLeod, MLA, Watson Lake

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Hon. Elaine Taylor	Whitehorse West	Deputy Premier Minister responsible for Education; Women's Directorate; French Language Services Directorate
Hon. Brad Cathers	Lake Laberge	Minister responsible for Community Services; Yukon Housing Corporation; Yukon Liquor Corporation; Yukon Lottery Commission Government House Leader
Hon. Doug Graham	Porter Creek North	Minister responsible for Health and Social Services; Yukon Workers' Compensation Health and Safety Board
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Yukon Legislative Assembly
Whitehorse, Yukon
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Speaker: I will now call the House to order. We will proceed at this time with prayers.

Prayers

Hon. Mr. Pasloski: I rise today to ask all members of our Legislative Assembly to join me in observing a moment of silence to honour the late Jim Flaherty, Member of Parliament.

Mr. Flaherty dedicated his life to public service. He was a champion for children with disabilities and successfully guided Canada through the worst economic recession since the Great Depression.

He was a leader among his financial peers around the world and truly a great friend of Yukon. Canada mourns the loss of a great Canadian.

Moment of silence observed

DAILY ROUTINE

Speaker: We will proceed with the Order Paper. Tributes.

TRIBUTES

In recognition of Clive Sparks

Mr. Silver: I rise today on behalf of the Liberal Party to honour and pay tribute to retired fire chief of the Whitehorse Fire Department and vice-president of the Association of Yukon Fire Chiefs, Mr. Clive Sparks.

This is a man who has dedicated 45-plus years of his life in the service of protecting all who reside in and visit the Yukon. Mr. Sparks not only served as the fire chief for Whitehorse, but he was also one of the co-founders of the Association of Yukon Fire Chiefs established in 1992. He has held the position of vice-president for the Association of Yukon Fire Chiefs since that time and provides expertise on a national level and is a member of the Fire Chief Officer Designation Committee for the Canadian Association of Fire Chiefs.

Mr. Sparks will be stepping down as vice-president of the association at this year's annual general meeting to be held in Dawson this August.

I say with the utmost sincerity that there have been few who have contributed more to the understanding and the development of the challenging and dangerous discipline of firefighting. The Yukon Territory is extremely fortunate to have enjoyed the leadership, the experience and the expertise that Clive Sparks has provided.

Today's fire service environment calls on mentors and leaders capable of working in concert with others and on those able to collaborate in creative endeavours and initiatives and to inspire, and all contribute without dominating any undertaking. This is a remarkable skill that Mr. Sparks

brought and continues to bring to every endeavour that he embarks upon.

It is his incredible poise and style in contributing his best to all of his undertakings that creates an environment that draws the very best from his colleagues. Mr. Sparks' contributions have given life, breadth and depth to the message and to the vision of Yukon's fire services. He gifts with his talents, Mr. Speaker.

Mr. Sparks has an exceptional way of bringing a team together, as was evident leading up to and during the Canadian Association of Fire Chiefs 100th anniversary conference, which took place here in Whitehorse, where Mr. Sparks sat on the conference committee and was the host fire chief of the event, which is still being talked about on a national level.

Chief Sparks applies best practices for fire service solutions, blending his technology and professional savvy, along with his commitment to his own development.

Throughout his career, Chief Sparks' unending love for the fire services created a drive that never ceased to encourage those around him. Fortunately, his legacy will live on through the countless firefighters he has mentored. I am very proud to honour such a tremendous member of our community. Passion of this level is rare, but it is a standard that Mr. Sparks has set for himself, his fellow firefighters and his community members. On behalf of the countless individuals who have benefited from his services, I want to thank the man, Clive, for the personal sacrifices that he has made for his community. I also want to salute him as Fire Chief Clive Sparks for his contributions as he retires after 45-plus years of service.

I would also, at this time, like to take time to ask my colleagues in helping me welcome to the House today some people who have been a part of this journey with Fire Chief Sparks. We have the Mayor of Whitehorse, Dan Curtis. We also have, with Clive, his partner, Kim. We have Kevin Lyslo, the new fire chief for Whitehorse, and also members of his fire department. Also in the gallery, we have retired Mayor of Whitehorse, Bev Buckway, and the Yukon fire marshal, Dennis Berry, with members from his department as well. We also have Whitehorse airport fire chief — Doug Burgis — and members. We also have members from various Yukon fire departments — Henry Procyk, the president of the Dawson Firefighters Association — and also from the Association of the Yukon Fire Chiefs, president Jim Regimbal.

I welcome everybody to the gallery today.

Applause

Hon. Mr. Cathers: I'm pleased today, on behalf of the Yukon government, to also join in honouring retired fire chief Clive Sparks, for his decades of service to Whitehorse and to the Yukon Territory.

Recently retired after 45 years and a 40-year career with the Whitehorse Fire Department, including well over a decade of that as fire chief, Clive Sparks is a man who served the city and the territory with the highest level of professionalism. Starting out as a rookie volunteer firefighter in the Porter

Creek fire department, he gradually earned his stripes in the ranks of the Whitehorse Fire Department.

Under his leadership, the Whitehorse Fire Department evolved to the challenge of expanding and improving fire and rescue services, as Whitehorse and the Yukon have grown and developed together. He kept the department in step with changes in firefighting technology and equipment, building practices and the latest safety and training standards.

The influence of Chief Sparks' leadership was felt across the city and within the Whitehorse area, and also across the territory, through his leadership in the Association of Yukon Fire Chiefs. His ability to collaborate effectively with partners in the Yukon fire services, through mutual aid agreements and municipal firefighter support, improved the delivery of emergency response services not only in Whitehorse, but in the surrounding areas.

Under his leadership, the city benefited greatly from collaboration with the Fire Marshal's Office and volunteer fire departments, including Hootalinqua, Ibex Valley, Golden Horn, Marsh Lake, Carcross, Tagish and Mendenhall. Working together, these fire departments support each other through mutual aid agreements to respond to emergency events within the area, whether through direct response or providing backup coverage to other departments. That also ensures that services are available to residents when primary fire departments need additional resources.

As a tireless promoter of fire prevention, life safety, public awareness and emergency preparedness, in collaboration with the Yukon Fire Marshal's Office, Chief Sparks played a leading role in delivering public safety campaigns to help keep residents of Whitehorse and all Yukoners safe. The Yukon government values its excellent working relationship with the City of Whitehorse that was nurtured during former chief Sparks' time as chief of the Whitehorse Fire Department. We appreciate the fact that he also shared his expertise to help fire departments across the territory improve their practices and for firefighter safety and training. He accomplished much in his time as a public servant and his career clearly demonstrates the difference that one person can make in the public service.

So on behalf of the government and all Yukoners, I wish him a happy and healthy retirement. I would also at this time acknowledge some of the other people present in the gallery that my colleague across the floor didn't introduce. I would like to acknowledge Warren Zakus, who is with the Ibex Valley fire department and is a constituent of mine; also Mike McQuaig and Jeff, from our Emergency Medical Services branch and Christine Smith, recently departed from Community Services to her new role as manager of the City of Whitehorse. As well, I would also like to recognize and ask all to join me in welcoming Paul McConnell from the RCMP M Division.

Applause

Mr. Barr: I also rise, on behalf of the Yukon New Democratic Party and the Official Opposition.

We are paying tribute today to Clive Sparks — to the man and his career that has spanned over 45 years. Although recently retired, Clive was hired in 1969 to do water delivery for the territory, bringing water to houses in subdivisions such as Porter Creek, as Whitehorse did not have the water system it does now. Clive's water duties doubled as the pumper truck needed by firefighters to put out the fires. We've come a long way, Mr. Speaker.

It was suggested he join the volunteer fire department with the then Porter Creek volunteer department. Clive did so. He was given a jacket, boots that fit, and a one-size-fits-all designer helmet. He was then declared a firefighter. Things were much different then, as I said.

Clive remained as a volunteer firefighter until 1979. In November of that year, he started as a full-time firefighter in a paid position with the city. He was promoted as captain in the department in 1986. In 1990, he became the deputy chief. A decade later, he became the city's fourth fire chief since Whitehorse was incorporated in 1950. Clive was heavily involved in the direction of the new public safety building at the top of the Two Mile Hill.

I would like to say, in reading some of the exposés recently publicly presented in the papers and such, coming from such a place where there was really nothing — know that your expertise, your knowledge and your leadership have helped us to develop the finest safety measures in place now that I know of in the north and which is well-respected across Canada. When I think of that one statement — boots, a hat, and a one-size-fits-all helmet — to where we are now with the fine men who have come to honour you today, I believe I can say that on behalf of all Yukoners, we are better off as a result of your dedication, your leadership and we feel safer because of it. I would like to say that one of my constituents stated: "I've always appreciated living in a place where the fire chief's name was Mr. Sparks."

It won't be the same without him. We wish you all the best in your retirement and for your years of dedication. Thank you, Chief Sparks.

Applause

In recognition of Arctic Winter Games 2014 Team Yukon

Hon. Mr. Cathers: It is a pleasure today on behalf of my colleagues in the government and in fact, the entire Legislative Assembly, to rise today to pay tribute to Yukon's athletes and recognize the hard work that helped make the 2014 Arctic Winter Games another successful experience for Team Yukon.

Today I have the honour of paying tribute to all of the individuals who participated and who made the games possible. I would like to particularly recognize the athletes, but also acknowledge the efforts of all those who supported them in this role.

I want to acknowledge the efforts of the 2014 Arctic Winter Games Host Society in Fairbanks as well as the international committee, the hundreds of volunteers, the athletes from all seven different circumpolar countries, the

generosity of Yukon's business community and sponsors, the work of our staff and partners at the Sport and Recreation branch and Sport Yukon — also, Team Yukon's mission staff, coaches, managers, chaperones, athletes and cultural participants and, last, but definitely not least, all of the parents, friends and fans who supported our athletes in these games.

As always, Team Yukon has made us all proud in representing us on the international stage in Fairbanks and has proven itself as a front-line competitor in many of the sports it has competed in. Our youth placed fifth overall, bringing home an amazing 85 ulus. For the third games in a row, Yukon's snowboarding team led the way, this time with a total of 21 medals. Our traditional Dena and Arctic sports teams weren't too far behind, with a combined count of 17 medals and the snowshoe team stood on the podium 14 times.

With 2,000 athletes competing from seven circumpolar nations, this truly was a successful game for all of the Yukon youth who attended and particularly for those who brought home ulus. All 243 of Yukon's sport and cultural participants embodied the spirit of fair play and made Yukon proud. At this, the first games with this level of social media coverage, the fans here at home were able to stay closer to the action than has been possible with previous games without actually being in Fairbanks.

As minister responsible for Sport and Recreation, I had the opportunity to attend the pre-game pep rally in Whitehorse and travel to Fairbanks for the opening ceremonies and to catch part of the games. Unfortunately, other scheduling commitments prevented me from staying as long as I would have liked.

The enthusiasm and energy from Yukon's youth was truly contagious and their spirit was one that well-represented our great territory. Major games like this help to encourage healthy and active lifestyles, and showcase Yukon's young ambassadors as great examples for us all to follow.

On behalf of the Government of Yukon, I want to congratulate our athletes on their accomplishments and thank everyone who so generously devoted time and energy to ensuring a very successful week of competition and cultural excellence. I would also like to particularly recognize the various events that our Yukon teams and individuals won ulus in. These included gold medals in the following sports: alpine skiing, slalom juvenile female; alpine skiing, combi junior female; arctic sports kneel jump, junior female; biathlon ski 7.5 kilometre, individual junior female; biathlon ski six-kilometre sprint, junior female; biathlon ski, 7.5-kilometre mass start, junior female; biathlon ski, six-kilometre sprint, junior female; biathlon ski, 7.5-kilometre mass start, junior female; biathlon snowshoe, three-kilometre individual, juvenile male; curling, junior male; dene hand games, junior female; dene games, hand games, open male; dene games snow snake, junior male; snow snake, open male; indoor soccer, junior female; snowboarding slope style, juvenile female; snowboarding arctic air, juvenile female; snowboarding rail jam, juvenile female; snowboarding team competition, juvenile male; snowshoeing short distance

combined, junior male; snowshoeing short distance combined, juvenile female; snowshoeing five-kilometre cross-country, junior male; snowshoeing 10-kilometre cross-country, junior male; and snowshoeing four-by-400-meter relay junior mix.

That long list was just of the gold ulus brought home by our athletes. I would like to particularly congratulate all who brought home ulus, but also acknowledge the efforts of every single person who competed and did their best to represent us.

I am pleased, at this point, to also ask members to join me in welcoming the following people who have joined us in the gallery today — and if I'm missing any athletes, parents or staff, please accept my apologies. I would ask you to please rise as I read out your name: Mannie Sharma, Chris Nerysoo, Cassel Scholz, Andrew Seal, Alyssa Meger, Will Klassen, Kevin Patterson, Christian Obstfeld, Tyler O'Brien, Jasmine Johnson, Doronn Fox, Daniel Walker, Justin Smith, Megan Banks, Louis Bouchard, Dustyn Phelps-Van Bibber, Josh Phelps-Van Bibber, Jordan King, Jamie King, Haley McConnell, Lorna Spenner, Madeline Nicholson — and I believe her father, Craig, is here as well — Liam Adel, Laurie Jacobsen, Don White, Daniel Sennett, Sam Wintemute, Shea Hoffman, Teah Dickson, and mission staff Tara Wardle, Trevor Twardochleb, Bunne Palamar, Tracey Bilsky, and our director of Sport and Recreation branch and member of the Arctic Winter Games Committee, Karen Thomson. Please join me in making them welcome here today.

Applause

In recognition of the 50th anniversary of Teslin School

Mr. Hassard: I'm honoured to rise today on behalf of all members of the House to pay tribute to the Teslin School, which is celebrating its 50th birthday. This morning, many people gathered at the original school site and together marched, singing, fiddling, drumming and dancing to the current location, re-enacting the original move many years ago.

The school in Teslin opened in 1964 and, although I was not yet born, I did start my years in Teslin School in 1973 at the age of four. No, Mr. Speaker, the Department of Education did not yet have a K-4 program in effect. However, my mom was the kindergarten teacher for most of that year, as Betty Nash was off on maternity leave. So I started my education career a little early.

While the dynamics of the school have changed throughout the years, one thing that has always remained the same is the dedication of the teachers to provide the greatest education possible. When I entered the school in Teslin, there were about 120 students. Today there is probably less than half that number. At times the school in Teslin went through to grade 12, but in recent years it has only gone up to grade 9.

Last year, the Department of Education instituted a pilot Independent Learning Centre to support students who would prefer to complete their schooling in Teslin, rather than moving on to Whitehorse.

Mr. Speaker, the Teslin School is more than just your traditional place of learning. Throughout the years, it has been

the centre of the community. It has been the home of numerous community gatherings, dinners, sporting events, concerts — all of the things like that that go on in the communities.

As well, as in most rural communities, the school has had the participation from all of the public, the RCMP, nurses, the Village of Teslin, and the Teslin Tlingit Council. TTC has two elders in the school who are always there helping out the students and teachers alike, all the while promoting traditional Tlingit culture and language.

As the school celebrates this milestone, which happens to kick off Education Week, I would like to congratulate all of the teachers, past and present, for a job very well done. To all of the people who are gathered in Teslin today at the school, enjoying the barbecue without me, I would like to thank you for the support you're showing for our great school, and I wish I was there to share in some of the tales and memories that I'm sure will be passed around, because I definitely have a few of my own.

Congratulations, Teslin.

Applause

Speaker: Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Dixon: Mr. Speaker, I intended to introduce my two-week-old daughter. However, unfortunately, she chose to vocalize her support for some of the earlier tributes so she had to be escorted to the back of the room. But I would like to ask members to join me in welcoming her, London Hayley Dixon, to the audience.

Applause

Ms. Hanson: I would like to invite the members of the Legislative Assembly to join me in welcoming Sarah Mowat, director of children's ministries at St. Andrew's Presbyterian Church in Duncan, and Paula Mowat, who is pursuing graduate studies at University of Saskatchewan in public health policy. They also happen to be my daughters who are home this weekend to celebrate their father's 65th birthday.

Applause

Speaker: Are there any returns or documents for tabling?

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House urges the Yukon government to move forward with plans to host an alternate event in Whitehorse featuring the Arctic Winter Games sports that have been left out of the 2016 Arctic Winter Games, including seeking firm

commitments from other partner jurisdictions to participate in the 2016 alternate event.

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

THAT this House urges the Government of Yukon to demonstrate its support for Bill C-583, *An Act to amend the Criminal Code (fetal alcohol spectrum disorder)* by:

(1) urging the Government of Canada to support Bill C-583;

(2) urging the Government of Canada to schedule full committee hearings, including the testimony of expert witnesses, respecting Bill C-583;

(3) collaborating with the Government of the Northwest Territories and the Government of Nunavut to express pan-northern support for Bill C-583; and

(4) introducing to this House amendments to Yukon's *Corrections Act* in order to better meet the needs of individuals with FASD, and to accommodate FASD as a disability in the Yukon corrections system; and further

THAT this House directs the Speaker of the Yukon Legislative Assembly to convey the consensus of this House in support of Bill C-583 to the Speaker of the House of Commons of Canada, the Speaker of the Legislative Assembly of the Northwest Territories and the Speaker of the Legislative Assembly of Nunavut.

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

THAT this House urges the Yukon government to act on their 2013-14 *Employment Standards Act* public review with Yukoners, and amend the *Employment Standards Act* to reduce the probationary period from six months to three months.

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

THAT this House urges the Government of Yukon to release its independent power production policy before passing the *Act to Amend the Public Utilities Act* to ensure that the scope of the independent power production policy is consistent with and reinforces Yukon's commitment to renewable energy.

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

THAT this House urges the Government of Yukon to release statistics to back up its claim that increased marketing has led to an increase in the number of visitors from Germany.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to release the full costs of the February 2014 tourism marketing trip to Australia.

Speaker: Is there a statement by a minister?
This brings us to Question Period.

QUESTION PERIOD**Question re: Salmon fishery**

Ms. Hanson: Mr. Speaker, last year, the chinook salmon run was the worst in recorded history. Biologists are predicting another very poor chinook salmon run in the Yukon River this summer. It has been clear for several years now that something needs to be done to ensure the long-term sustainability of the chinook salmon run. So far, we have had many words but no action. Unfortunately, the Yukon government has chosen to take a back seat on an issue that is very important to many First Nation and non-First Nation Yukon citizens.

When will the Yukon government finally take a leadership role and send a strong message to Ottawa, demanding that action be taken now before the chinook salmon becomes another sad story of too little action, too late?

Hon. Mr. Dixon: Mr. Speaker, the Yukon government is deeply concerned about the status of Yukon chinook salmon. We have taken a number of actions over the course of the last couple of years on this particular topic, but I have to admit that it is a particularly frustrating issue for Yukon government because of the fact that many of the management decisions that actually have an impact are taken on the Alaska side of the border. As well, on the Canada side of the border, the regulatory authority rests with the federal government and the Department of DFO.

It is difficult for Yukon government to take concrete actions; however, there are steps that we can take and they are twofold. First of all, we can take an advocacy role and we have done this at the highest possible level. The Premier has met with the Governor. The Premier has met with officials in Washington, D.C. I have raised it with my counterparts in the federal government. I know that the Premier has taken the step of writing a letter to the Prime Minister himself and raised the issue with the Prime Minister when he was here last August.

On the other hand, there are measures we can take to enhance the status of the chinook salmon in the Yukon, and those include: conducting enhancement projects related to spawning-bed improvements; aquatic health monitoring; salmon hatchery contributions; and implementing a more effective water management stewardship program for our mining industries.

We are taking action at the level we can. In areas where we don't have control, we are advocating on behalf of all Yukoners, First Nation governments and the public in general with regard to the importance of this issue to all Yukoners.

Ms. Hanson: Let's hope the Prime Minister treats the Premier's letters with better respect than he treats advocates in this territory.

Last week, delegates from the entire length of the Yukon River participated in a two-day international salmon summit in Fairbanks, Alaska. The Council of Yukon First Nations and the Yukon Salmon Sub-Committee, the Yukon River Drainage Fisheries Association, Anchorage, worked together to organize the summit to raise awareness, share knowledge and strengthen cooperation among people on both sides of the

Alaska-Yukon border. This is an example of the coordinated leadership needed to address the long-standing issue of declining chinook salmon runs.

The question is simple: Did the Yukon government send an official delegation to this very important event?

Hon. Mr. Dixon: We participate in the internationally mandated Yukon River Panel, which is a creature of the treaty that respects this particular issue. As such, representatives of the Yukon government as well as representatives from Yukon participated in the Yukon panel hearings, which were conducted in Alaska a few weeks ago.

Since the conclusion of those meetings, our Canadian delegation will be meeting hopefully later this week, which includes a member of the Department of Environment for the Yukon government, and they will be reassessing what occurred in the Alaska meetings and hopefully providing me with an update as to the next steps.

Of course, as I said, we take this issue very seriously. It's an issue that is of great interest and concern to all Yukoners — to the public government as well as First Nation governments — and it's something that we intend to continue to raise with our counterparts in Alaska, with the other governments in Washington D.C. and with our own federal government here in Canada.

Having the Premier raise it face to face with the Prime Minister and then follow up with a letter is a significant point of advocacy for our two governments and I appreciate the Premier taking that opportunity to raise it at such a high level. That suggests the level of priority associated with this issue.

I look forward to hearing what the Yukon Salmon Sub-Committee and the Yukon River Panel have to say about their meetings a few weeks ago in Fairbanks, and I look forward to seeing what opportunities there are for Yukon government to support that —

Speaker: Order please.

Ms. Hanson: So it's clear then that this government did not send an official delegation to the International Salmon Summit in Fairbanks. We can be diplomatic and respectful to our Alaskan neighbours while making it clear that we're not going to stand by, year and after year, and watch the chinook salmon fishery disappear. It's about exercising leadership.

Yukon First Nations are very concerned about the future of the chinook salmon run. Chinook salmon have played an important part in Yukon First Nation communities and cultures since time immemorial and continue to be an important source of food. Threats to a sustainable harvest of chinook salmon in Yukon have a direct impact on Yukon First Nations' aboriginal rights.

When will the Yukon government realize that this is a critical issue for Yukon First Nations and when will they realize that passing the buck is simply not acceptable?

Hon. Mr. Dixon: We do take this issue very seriously. We understand that the chinook salmon are a very important part of the lifestyle here in Yukon, to both members of the public as well as specific First Nations.

I would like to take the opportunity to commend all of the First Nations and all of the Yukoners who have sacrificed and

made considerable sacrifices with regard to their reduced consumption or voluntary actions with regard to harvesting salmon in Yukon.

The member opposite is correct in that it is unacceptable for the Alaskans to continue to not meet the escapement targets set out in the treaty and that's something we will continue to impress upon them in our bilateral meetings with Alaska, in our discussions at the premier/governor level and at the grassroots level where we provide support and collaboration between our Department of Environment and the Alaska Fish and Game department in that state.

We will continue to work with our Alaskan counterparts collaboratively. We believe that remaining positive and open to discussions is the best approach to take with these particular issues and we will continue to advocate on behalf of all Yukoners to ensure that Alaskans and Americans in general take the necessary actions to meet the targets outlined in the treaty.

Question re: Affordable housing

Ms. White: Yukon saw a 44-percent increase in housing prices over the five years between 2006 and 2011. In 2012, the Yukon real estate survey recorded the average house sale is \$428,000. These numbers explain why mobile homes are an affordable home ownership option for many Yukoners. In order to pay mortgages on their mobile homes, Yukoners prepare budgets based on their income, their debt load and on the constantly increasing cost of living. But for mobile homeowners, pad rental increases that have no limit are literally impossible to budget for. In one local trailer park, pad rentals have increased 45 percent in the last six years.

Does the minister responsible acknowledge that a 45-percent increase in trailer park pad rentals over six years could easily blow the budget of local homeowners?

Hon. Mr. Cathers: First of all, what I would note to the member is that the changes that have been made to the new act put into effect do place some degree of limitations on the frequency of rent increases that can be charged to Yukon citizens. Any cost increase — whether is it for pad rental, apartment rental, the cost of fuel, the cost of food — any of those costs that are significant in a family's budget — of course those have significant impact on affordability.

That is a good part of why we have continued to make investments in areas — including developing new lots — because the availability of affordable lots on the market is a key part and starting point in the availability of both homes for private sale and the home ownership portion of the housing market. As well, it has a significant effect on the availability of rental housing. As the member knows, we have made investments in other areas, including the down payment assistance program, to help Yukoners afford their first home.

Ms. White: I think an unlimited increase once every 12 months is impossible to budget for — for any mobile homeowner. Trailers are an important and affordable part of Yukon's housing continuum, but there are clearly some downsides — like having to rent the trailer pad, and the fact that there is no limit to the increase of that rent from year to

year. One solution is to put a reasonable limit on the rental increases — a solution used in many jurisdictions across Canada.

Owners of mobile homes could prepare their budgets according to predictable increases. In Whitehorse, the total income from pad rentals from mobile park owners can be as much as eight to ten times the cost of both property taxes and the city's sewer and water services.

Does the Yukon Party plan to do anything to help mobile homeowners facing out-of-control pad rental increases?

Hon. Mr. Cathers: What the member appears not to be aware of is the fact that she's not the first person to advocate for rent controls. Rent controls have been tried in many jurisdictions, not only within Canada but also within the United States. There is also clear research that demonstrates that over time, the net effect of rent controls is a reduction in the availability of the number of affordable housing choices.

I understand why the member is advocating that type of a policy approach. She's not the first person to advocate that with the best of intentions. But the evidence is clear that over time, rent controls result in a reduced amount of availability of affordable housing. That's why we've taken steps such as we have through measures including the down payment assistance program to help Yukoners purchase their first home — the work that is currently underway with the northern housing trust money to leverage that \$13 million into a \$26 million — or at least \$26 million — in investment in affordable housing. We are going to work in areas that have been shown — through policies that have been shown to be more successful than the approach that the member is advocating for.

Ms. White: I was referring to pad rental increases. The continuum of affordable home ownership is becoming less affordable. Unlimited pad rental increases are not sustainable for many tenants, but there are very few options left to them. That's why the trailer park owners can get away with increasing the pad rental so often. Some tenants end up in a catch-22 situation where they can no longer afford the monthly dues but selling puts them in a worse overall financial situation. The government refuses one solution, which is to put a reasonable limit on pad rental increases like we've seen in B.C. and Ontario.

Another way to support this affordable kind of home ownership would be to increase the stock of affordable trailer pad properties for sale. Will the government investigate and then commit to developing more lots for trailers like Arkell, where the trailer pad lots are not rented but owned by the mobile home owner?

Hon. Mr. Cathers: What the member is referring to in identifying the types of lots to be developed is, in fact, something that is primarily a choice for the City of Whitehorse to make. They have the lead, as agreed to through the land development protocol and through their powers under the *Municipal Act* for the official community plan. So, in fact, they have led the design of Whistle Bend and will continue going forward to lead the design of the future phases of Whistle Bend, as well as next developments after that.

So again, the member's specific question is something best addressed to the City of Whitehorse because we respect the fact that they have the lead in that area.

It should also be noted that the limitation on increases of rents is under the new *Residential Landlord and Tenant Act* and is restricted to once annual increases. Again, I would point out to the member that rent controls — whether it be for apartments or through pad rentals, as she's advocating for trailer parks. The evidence is clear that where rent controls have been implemented with best of intentions by jurisdictions both large and small outside the Yukon, the net effect over time has been a reduction in the availability of affordable housing. That's why we're taking other approaches that have been proven to be more successful.

Question re: Dawson City waste-water facility

Mr. Silver: I have a question for the Minister of Highways and Public Works about the Dawson waste-water treatment project. Earlier this year, officials from the minister's department put the operating cost to run this new facility at \$340,000. People I've spoken to in Dawson think that this number might be a little bit unrealistic and don't believe that the amount will even cover the fuel bill, let alone operations of the facility. The municipality of Dawson should not be left on the hook if the costs to operate this building are higher than expected.

If the bill does come in higher than \$340,000, will the Government of Yukon cover this extra cost?

Hon. Mr. Istchenko: In addition to selecting a treatment process that has lower O&M costs compared with other types of mechanical treatment facilities, the Yukon government invested significant additional capital in the development of the facility in order to minimize the longer O&M costs. For example, we installed a second set of proposed equipment, redundant stuff — a heat-recovery pump, extra spare pumps, R-48 walls, R-60 roof — and training in the first year. A good success story with this was the biomass fuel boiler district heating plant to provide the cost-effective heat. The biomass fuel boiler district heating plant uses locally produced wood chips manufactured from waste wood, as opposed to expensive fuel oil, to heat the Dawson waste-water treatment plant, and also the City of Dawson water supply, which is a bonus. This use of local, renewable fuel resources results in sustainable annual O&M costs and savings.

The building of the plant was under my portfolio, and now I know Community Services is working hand in hand with the City of Dawson in the takeover of that.

Mr. Silver: I appreciate the answer, but we still don't know if the town is going to be on the hook for more O&M costs. I am concerned that Dawson will be left on that hook if anything is over the \$340,000. I'm looking for assurances that they won't have to fend for themselves. The new facility had to pass a number of tests before it could be turned over to the City of Dawson. According to information from the city council meeting held on April 4, results of samples taken on March 25 by Environment Yukon failed.

The report goes on to say that clearly the plant is not complying with our water licences even in March — March, Mr. Speaker, being a very low-flow month.

Can the minister confirm that the most recent tests were the worst ever recorded, and is this government still considering handing over this facility to the city as is?

Hon. Mr. Cathers: First of all, I would note, that when it comes to the handover of responsibility to the Town of the City of Dawson, we will do so pursuant to the letter signed by me and Mayor Potoroka that spells out a number of matters related to our shared understanding. That also does include that if the costs of operating the facility turn out to be significantly higher than anticipated, we have a commitment to work with the City of Dawson around that financial sustainability provision. We have an obligation, as set out in this letter, to support them during a transition period for two years and we will continue to, through the handover of responsibility for this plant, fulfill our agreed-to role in helping them and in helping them manage this new facility.

Mr. Silver: I do appreciate the commitment to any extra operation and maintenance. I still didn't get an answer to the question of the test results. I would like to go back to the biomass, though. Sometime after building the new waste-water treatment facility, the Government of Yukon decided to add a \$4.8-million district heat system to the project. It would provide supplementary heat for the treatment facility, and possibly nearby government buildings as well.

It is my understanding that there have been several problems with the district heating system that was chosen and, in fact, it has not worked properly since it was installed and it is not working now, at all.

Can the minister confirm that this is, in fact, the case?

Hon. Mr. Cathers: The latest information that I have is that the biomass facility is working fine. Perhaps there may be a more recent challenge that the member is referencing. But, in fact, what the member has referenced to earlier days of the plant — the biomass district heating facility was put in place to reduce the cost required for fuel oil to heat the waste-water plant. That was aimed at both reducing the overall cost and heating it in a more environmentally responsible manner.

There were some issues, as there are often with new facilities, in commissioning it that required some specific technical changes, but my understanding is that those matters were addressed. If something more recent has happened, staff, I trust, will take the appropriate action and will resolve whatever issues are there. But, in fact, it has been working well.

I would also note to the member — again I emphasize that the letter signed by me and Mayor Potoroka does provide a shared understanding for the responsibilities of both the Yukon government and the Town of Dawson City and there is an obligation on both parties to take appropriate action in those areas.

The member's specific characterization to the recent test as, in his view, the worst ever — my understanding is that is not correct. He is wrong again.

Question re: *Employment Standards Act* probationary period amendment

Ms. Stick: Last week, the Minister of Community Services indicated that this government did consult on the current six-month probationary period for employees under the amendments to the Yukon *Employment Standards Act*.

The minister said that the public feedback — and I quote: “... not as clear-cut as on the other two questions ...”. He then provided members of this House with a document on what they heard. This document was provided at the last moment and I was only able to review it after debate had ended. I have since looked at this document and I do have a question.

Can the minister explain why he would not consider 57 percent of the respondents in agreement with the change of probation from six months to three as enough to make this amendment?

Hon. Mr. Cathers: On the specific issue the member is referencing — what the member is conveniently failing to point out is the number of people who have responded on that issue. It is quite clear that there was very limited participation and feedback on that specific question from both employers and employees.

Though by a small margin, there were more responses in favour of changing the probationary period — it’s interesting that we hear again the continued heckling from the Leader of the NDP, who makes a practice of this during Question Period, and very rarely actually listens to responses from this side, but prefers to hear the sound of her own voice.

Ms. Stick: The first question in the *What We Heard* document had 58 percent of the people who took the survey agreeing that the length of unpaid leave for parents of children who died as a result of a crime be increased to 104 weeks. This 58 percent was clear enough for this government to change, but 57 percent is not? This government is again showing that it will go out for consultation but does not listen to what Yukoners are saying. We’ve seen it over and over. Ten other provinces and territories have reduced the probationary time to three months or less. We are at the bottom.

Why has this government not listened to Yukoners — both employers and employees — and appropriately made the probationary period three months rather than rather than six?

Hon. Mr. Cathers: Again, what we see from the NDP unfortunately is a mischaracterization of the facts. I would remind the member that at her request, in a motion that she brought forward, we agreed to do consultations on the three questions that were set out.

However, in the case of the probationary period the feedback was not as clear — considering the number of participants. If the member would actually do as my colleagues and I have done and review what people actually said rather than simply presenting percentages out of context, the member would perhaps understand, that for government to change the probationary period — it does have some negative effects on employees as well.

I know the member is looking at it only from one side of the spectrum. The member is not recognizing the fact that

during that period there is also some potential effect of someone choosing to let an employee go earlier, rather than giving them a chance, if they did not immediately succeed in that role in the job.

In consideration of that fact, we have made a decision not to make a change at this point in time. I would remind the member that we did provide them with the *What We Heard* document before commencing debate, and the members had the opportunity during Committee of the Whole to bring forward amendments if they chose to do so — they did not do so. The bill is now standing at the third reading stage.

Question re: *Renewable energy strategy*

Ms. Hanson: The government’s microgeneration policy is clearly focused on renewable energy, and the Official Opposition is in full support of any direction by this government toward renewable energy. However, Yukoners don’t know the focus of the governments proposed independent power producers policy, because the government has not yet released it. Until Yukoners see the policy there is no reason to believe IPPs mean green energy.

Right now, the only power shift this government appears focused on is to ensure that decision-making goes on behind closed doors. Will the government confirm whether or not they have given direction that Yukon’s independent power producers policy will focus on renewable energy?

Hon. Mr. Kent: When it comes to the microgeneration program, members do know that the Yukon government is currently implementing its microgeneration program and we’re in the process of finalizing a draft IPP, or independent power producers, policy for consultation in 2014.

This IPP policy will enable private citizens, First Nations, communities, municipalities and businesses to generate electricity and sell it to a public utility through a process that includes consistent, appropriate regulatory oversight by the government. We went through this on Thursday during Committee debate on the amendments to the *Public Utilities Act* — amendments that were recommended by the Department of Justice to bring clarity and consistency to the act — and that’s exactly what we’re going to do. We want to hear from Yukoners on what they see as the appropriate types of energy to be included in the IPP.

Ms. Hanson: Yukoners remember that they have no reason to trust the Yukon Party management of the energy file. In the case of the microgeneration policy, the government direction is clear: the policy is public and the emphasis is on renewable energy. With independent power production, the government has not yet shared this long-promised policy, so Yukoners do not know what its focus will be.

The “just trust us” approach to Yukon’s energy future is not good enough. The government introduced amendments to the *Public Utilities Act* to implement their independent power producers policy before the public has even seen the policy.

Why should Yukoners allow this government to make decisions about independent power producers projects behind closed doors before they see the independent power producers policy?

Hon. Mr. Kent: As I mentioned in my earlier response — and in several responses last Thursday to the Member for Mayo-Tatchun during Committee of the Whole debate on the changes to this act — the reason for the amendment to the *Public Utilities Act* was that it was determined through a Department of Justice review that exemptions to the definition of a public utility, within the *Public Utilities Act*, were intended to allow for IPP and microgenerators to be excluded from the definition. So that is already in the act as it exists, Mr. Speaker.

However, from a legal standpoint, these exemptions were unclear and inconsistent. The recommendation from the Department of Justice — the legal drafters and the lawyers who are in the Department of Justice — has been that the definition of a public utility within the act should be revised to add clarity and consistency.

I am sure I committed at least 45 times — perhaps that is a bit of an exaggeration, but it felt like that many — last Thursday during debate to ensure that when we develop the IPP policy, which is in the draft stage now, and once it goes through our caucus and Cabinet process, it will be available for public consultation later this year.

Ms. Hanson: When independent power projects are permitted, they will be able to sell excess power to one of Yukon's utilities. If an IPP sells excess power, it will be to a Yukon utility and the power purchase agreement will go before the Yukon Utilities Board. The Yukon Utilities Board represents some public oversight, but the amended *Public Utilities Act* gives Cabinet the power to change both the jurisdiction and procedures of the board, again behind closed doors.

Yukon has two utilities at present: one owned by Yukoners and the other owned by ATCO.

When it comes to making decisions about which of these two will purchase IPP generated power, how will that decision get made? Will the independent power producers policy clarify whether sale of excess power should be to the Yukon's public utility or to the one owned by the shareholders of ATCO?

Hon. Mr. Kent: With respect to the IPP, once it's ready to go out for public consultation, many of the questions that the member opposite is asking will be clarified. It's not ready. The policy is not ready to be shared publicly.

I committed a number of times on the floor on Thursday during Committee of the Whole on the changes to this act that we would be conducting a public consultation on the IPP policy and we intend to do that. The approach that we are taking allows us to respond to changes in electrical technologies and/or government policy by revising a regulation rather than amending an act. I think what members opposite fail to understand is that, when changing legislation, there are a number of pieces of legislation that need to be changed. There is a queue that we would have to get those pieces of legislation into and this is the more responsible way to do it — by allowing us to change a regulation and provide us with that flexibility.

When it comes to changes, it does allow IPPs to enter into power purchase agreements with a public utility. This approach will ensure that all costs associated with these agreements are in the best interests of the ratepayer, as determined by the PUA.

Mr. Speaker, ATCO and Yukon Electrical Company Ltd. have over a 100-year history. Many Yukoners are employed by that company —

Speaker: Order please. The member's time has elapsed.

The time for Question Period has elapsed. We will now proceed with Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 70: Act to Amend the Public Utilities Act — Third Reading

Clerk: Third reading, Bill No. 70, standing in the name of the Hon. Mr. Kent.

Hon. Mr. Kent: I move that Bill No. 70, entitled *Act to Amend the Public Utilities Act*, be now read a third time and do pass.

Speaker: It has been moved by the minister responsible for the Yukon Development Corporation and the Yukon Energy Corporation that Bill No. 70, entitled *Act to Amend the Public Utilities Act*, be now read a third time and do pass.

Hon. Mr. Kent: Again, we just spoke about this during the final question of Question Period, so perhaps I'll get an opportunity to finish my response to the Leader of the Official Opposition. Before I do that, I just wanted to go through some of the reasons why the act has been brought forward for amendment.

The *Public Utilities Act* establishes the Yukon Utilities Board as a mechanism to regulate activities of all entities defined as public utilities under the act. The definition of a public utility within the act is quite broad; however, exemptions to the definition have been included so as to allow for forms of non-utility generators, commonly called independent power producers, or the IPPs, and/or microgenerators. These non-utility generators are able to produce power in the territory without being defined as a public utility through the YUB.

Now the reason for amendments to the *Public Utilities Act* was determined through a Department of Justice review, and exemptions to the definition of a public utility within the PUA were intended to allow for IPP and microgenerators to be excluded from the definition. However, from a legal standpoint, these exemptions were unclear and inconsistent. The recommendation from the Department of Justice has been that the definition of a public utility within the act should be revised to add clarity and consistency.

The proposed amendments to the act are proposed revisions that allow for the required legal clarity as well as incorporating the ability to develop a regulation under the act

through which IPPs can be regulated alongside public utilities. Independent power and microgeneration projects will be considered and provided for as prescribed undertakings in regulation, rather than being exemptions to the definition in the act.

This approach, as I mentioned before, provides the flexibility to respond to changes in electrical technologies and/or government policy by revising a regulation rather than amending an act. Through regulation, IPPs will be able to sell electricity only to an established public utility through a power purchase agreement or PPA that has been reviewed and approved by the *Public Utilities Act* or the Yukon Utilities Board. This approach will ensure that all costs associated with these agreements are in the best interest of the ratepayer as determined by the YUB.

The Yukon government is currently implementing its microgeneration policy and is in the process of finalizing a draft IPP policy for consultation in 2014. By developing an IPP policy, the Yukon government will enable private citizens, First Nations, communities, municipalities and businesses to generate electricity and sell it to a public utility through a process that includes consistent, appropriate regulatory oversight by government. This approach will give our public utilities a greater diversity of clean electrical generation options to help meet the territory's growing demand for electricity.

With that, I will listen to comments from members opposite and look forward to this bill passing the House.

Mr. Tredger: The Official Opposition — Yukon New Democratic Party — will not be supporting the *Act to Amend the Public Utilities Act*.

We fully support the government's microgeneration policy: it's public; it's clearly defined; it has size limitations; the costs and its emphasis on renewable energy. But the government has failed to make public its long-promised independent power production policy. It did not have to be this way. It has been in the works for several years. Yet, we have seen no indication as to what way the government intends to move on it.

According to the minister, IPPs and microgeneration actions are contemplated in the current act. The revisions now state those explicitly. This action — the changes to the act — asks us to move IPPs from the act to regulations. Regulations are subject to Cabinet direction.

Independent power production policy is about larger scale projects than the microgeneration policy. It can have larger impacts than the microgeneration policy. Other governments have entered into agreements that hamstrung their energy policies for years to come.

Will the independent power production focus on green and renewable energy? We don't know. Will the independent power production policy help us to move away from dependence on fossil fuels, the root cause of climate change? We don't know.

We don't know because the government has refused to make the policy public before ensuring the regulations that

give them the power to implement it, no matter what Yukoners think or say.

As I have said, the Yukon New Democrats have seen the microgeneration policy, and we support it. But we cannot support a policy we have not seen, like the independent power producers policy. Why does the government want the power to implement it sight-unseen? Will IPPs sell excess powers to the utilities owned by Yukoners or to the one owned by ATCO shareholders? We don't know. We only know that the government wants the right to make those decisions in Cabinet behind closed doors.

Yukoners have no reason to trust this Yukon Party government's leadership or management of Yukon's energy policy. They have failed over the last 12 years to meet increased energy demand. We have watched as the use curve catches up to our production curve and this government has done nothing. We have shovel-ready projects sitting on the shelf. We have no new wind. We are not taking advantage of geothermal.

This Yukon Party government has tried to privatize the public utility. They have failed to meet their own targets for renewable energy and conservation. This legislative amendment should be accompanied by clarity from this government about Yukon's energy future. Instead, it enables decision-making behind closed doors, to give the government of the day authority to have an ad hoc, case-by-case approach to energy production.

That is the government of the day. We know governments change, but a Yukon energy policy must be long term and it must take into account our children and our children's children. It cannot become a political football for the government of the day — whatever government it is — to make ad hoc decisions, without public input.

An IPP policy could allow for permitting of microhydro before the release of a water strategy. We saw what happened in British Columbia with disastrous results. An IPP policy could allow for permitting of multiple energy projects with no accounting for cumulative impacts. Again, we only need to look to our neighbours to the south.

This amendment does not serve the public development of a long-term strategy for Yukon's future power needs. In fact, it appears to weaken the public voice. It is not a visionary or principled approach to energy as the planet faces climate change, the biggest crisis of this generation. We cannot support this legislation prior to learning what the IPP policy is. Yukoners and the planet deserve better of our political leaders.

Mr. Silver: I'm happy to rise today to speak to the *Act to Amend the Public Utilities Act*. I would like to thank the Minister of Energy, Mines and Resources for answering the questions that we had last week during Committee of the Whole. We have a whole different tack here than the NDP have on this one. I don't think that the amendments were intended to be about the energy futures. These are necessary preliminary steps and good housekeeping in the opinion of the Liberal Party, although I do have some concerns regarding the

amount of power that will be centralized in the minister's office. I will be voting in favour of this bill.

Hon. Mr. Dixon: It's a pleasure to rise again in support of this particular bill and to comment briefly on a few of the things we've heard today, both in Question Period and in third reading.

The amendments provided on the floor today that are intended to amend the *Public Utilities Act* provide clarity and consistency for the creation of an IPP. If the NDP choose not to support them because they think that they probably won't support the IPP is nonsensical. I don't say this very often, but the Leader of the Liberal Party actually has it very much right in this case. This is a case where these changes are necessary to provide that clarity and consistency. The term he used was "housekeeping". I think that's a fairly close characterization of these.

If the NDP chooses to disagree with the Yukon government ultimately on the creation of an IPP at some later date, that's fair enough. But to reject these amendments based on the possibility that they might disagree with a future IPP policy — again — is nonsensical. I think what we need to acknowledge is that this legislation provides the ability to create an IPP policy. It doesn't create an IPP policy itself. So what they vote against then — when they vote against this as they have indicated this will — is the ability for the Yukon government to clearly and consistently create an independent power policy. That is fundamentally inappropriate because if they want renewable energy coming on and these sorts of IPPs, then they need to support these legislative amendments.

It's counterintuitive to the point that they're making, it's counterintuitive to good governance and energy-making decisions, and it's something they will come to regret, eventually.

We heard in the Committee of the Whole debate last week the Member for Mayo-Tatchun's woefully inadequate understanding of legislative proceedings and legislation in general. I think his questions reflect that, and I encourage anyone who is interested to review those questions and understand the level of knowledge he has about legislation in the Yukon and governance in the territory.

Moving on, as I said in my second reading speech, an independent power producers policy will be an important component of the territory's energy strategy and an important component of how we move forward in this territory, economically and environmentally. Decisions about what the IPP policy looks like have not occurred yet.

The Member for Mayo-Tatchun made a number of claims about using terms like "behind closed doors" and "veils of secrecy" and these sorts of allusions. I have to say those are also disappointing because they indicate that he clearly wasn't listening to the Minister of Energy, Mines and Resources when he spoke earlier.

The development of the IPP policy will be done after a period of public consultation. The minister committed to that a number of times, both in Committee and in Question Period, and again in his third reading speech. So to suggest that the

IPP policy would be developed behind closed doors or in a veil of secrecy — or however he characterized it — is again inaccurate.

To conclude my comments, I would just say that these are good amendments. They are sound amendments for the good governance of the territory. They provide clarity and consistency for government to create an independent power producers policy that will serve Yukoners well.

If the NDP choose to ultimately disagree with our IPP policy at a later date, that's fine. That's what differing political parties will do — they will disagree about policy. But this isn't a policy decision. This is a legislative amendment to allow for clarity and consistency in the development of that policy.

Again, Mr. Speaker, I have to say that either they don't understand this or they are choosing to ignore it. In any event, it's clear that there is some lack of basic understanding of how legislative proceedings work. I would encourage the NDP to —

Some Hon. Member: (inaudible)

Point of order

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

Mr. Tredger: Standing Order 19(b)(i) — "speaks to matters other than the question under discussion."

My character and understanding are not part of the question. I would prefer if the member would keep them out of the debate.

Speaker's ruling

Speaker: This is clearly just a dispute between members about the understanding of the facts on either side of the House.

Hon. Mr. Dixon: I was concluding my remarks in saying that these amendments are a case of good governance, of clarity and consistency in legislation, and creating the ability for government to create an independent power producers policy.

As I said, if, at the time when we make a decision about an IPP policy, the NDP choose to disagree with us, that's fine, but that disagreement at a later date should not come into question here with the *Public Utilities Act* amendments that are being proposed today. They are sound amendments, they are reasonable amendments, and they make sense for the creation of an independent power producers policy, which is going to be an important component of the energy future in the territory. I support them.

I know members on this side support them and my understanding from his comments is that the Leader of the Liberal Party supports them as well, because they do make sense and will be a sound decision for this Legislature to make. I am disappointed to hear that the NDP will be disagreeing with them.

Ms. Hanson: I think it is unfortunate when members opposite choose to be dismissive and demeaning of members on this side of the Legislature. I think that the point that the Official Opposition is making is that it is not a misunderstanding of how legislative procedures and processes work. What we have been saying is that we are being asked to trust this government on a matter for which they have demonstrated there is no basis for that trust. One does not have to go much beyond five years to see that fiasco.

To suggest that we are bringing forward an independent power producers policy that is coming, I would remind the members opposite that that consultation was quite active in 2009 on independent power producers — a discussion paper. It has taken us five years to get nowhere. What we have asked this government for many years is to be clear. What is the focus of this independent power producers policy?

Not once in the questioning over the course of the debate, or in Question Period with respect to this matter, have we got a confirmation from this government that the direction given by government — because public servants do not independently develop these; they are given direction by Cabinet.

So has the government — the minister responsible, the minister who has the ultimate accountability and responsibility to this Legislative Assembly — given the direction that the independent power producers policy will focus on renewable energy sources? We have not heard that from this government. We have not heard it. They will not say it. Why, based on their intransigence and unwillingness to tell Yukoners what the basis for the policy will be, should we trust — as the Minister of Environment and the Minister of Economic Development say, “trust us” — that this is just going to be fine and when we get there we can debate it? We are being asked to say: “It is fine now.” I, for one, will not do that.

Mr. Speaker, they are not simply asking us to do something that is straightforward. It is not straightforward. I echo the comments made by the Member for Mayo-Tatchun and I look forward to getting on with the business of the vote.

Speaker: If the member now speaks, he will close debate. Does any other member wish to be heard?

Hon. Mr. Kent: I would like to thank members for speaking, not only at second reading and through Committee last week, but again in third reading today in respect to this bill.

I must echo the sentiments of the Minister of Environment and the Minister of Economic Development in expressing his disappointment in the New Democrats for not supporting the amendments to the *Public Utilities Act* that will bring that clarity and consistency that the Department of Justice officials recommended to us.

I do thank the Member for Klondike, the Leader of the Liberal Party, for recognizing what these amendments are about and providing his support to them.

Just prior to concluding my remarks in third reading here, I do have to take exception to a few comments made by the Leader of the Official Opposition during Question Period with respect to disparaging remarks made against a very well-respected company, Yukon Electrical Company Ltd., with well over 100 years of history here in the Yukon. Not only do they provide essential services to Yukoners by helping to keep the lights on, but they're very active in local charities. I and a number of my colleagues were at the Special Olympics Yukon event over the weekend where Yukon Electrical Company Ltd. was one of the prime sponsors. I know they are involved and engaged in many, many other local charities and support many groups with respect to what they need.

I guess it shouldn't really come as a surprise that the Opposition makes disparaging remarks. We've seen disparaging remarks from the Leader of the Official Opposition against officials in Economic Development, officials in Energy, Mines and Resources, and the Oil and Gas branch. We've seen disparaging remarks by the Member for Mayo-Tatchun against a publicly traded company that is active in Keno City, remarks that he made on the floor of the House that proved to be incorrect. Now again we see disparaging remarks being made against a very well-respected and long-time corporate citizen here in the Yukon, but unfortunately I've come to expect — well, you know, we should expect better from ourselves. We shouldn't be attacking those on the floor of the House who don't have the opportunity to defend themselves. With that, I know the Leader of the Official Opposition is again trying to engage in debate after she's completed her third reading speech, but with that I will look forward to a successful vote in passing these very important amendments to the *Public Utilities Act*.

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. Pasloski: Agree.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Mr. Hassard: Agree.

Mr. Elias: Agree.

Ms. Hanson: Disagree.

Ms. Stick: Disagree.

Ms. Moorcroft: Disagree.

Ms. White: Disagree.

Mr. Tredger: Disagree.

Mr. Barr: Disagree.

Mr. Silver: Agree.

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

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

Motion for third reading of Bill No. 70 agreed to

Speaker: I declare that Bill No. 70 has passed this House.

Bill No. 68: Act to Amend the Employment Standards Act — Third Reading

Clerk: Third reading, Bill No. 68, standing in the name of the Hon. Mr. Cathers.

Hon. Mr. Cathers: I move that Bill No. 68, entitled *Act to Amend the Employment Standards Act*, be now read a third time and do pass.

Speaker: It has been moved by the Minister of Community Services that Bill No. 68, entitled *Act to Amend the Employment Standards Act*, be now read a third time and do pass.

Hon. Mr. Cathers: It's a pleasure to again speak to this legislation. This bill is an amendment to legislation that occurred as a result of a motion brought forward by the Member for Riverdale South. As I noted during my introductory remarks of this legislation, Yukon was one of the first jurisdictions to begin the process of amending our legislation to accommodate Canada's *Helping Families in Need Act* which created new benefits under federal legislation for employed parents facing the loss of children who, as the result of a crime, had died or are missing and for employed parents looking after a critically ill child.

After the Yukon began its process, there were other jurisdictions that moved forward with additional provisions beyond what had originally been brought forward last spring. As a result of a unanimous motion in this Assembly, we conducted consultation on three potential additional changes to the legislation. Bill No. 68, as a result of the feedback we heard from the public, reduces the employment time required to qualify for the new forms of leave from 12 months to a new level of six months. It increases the maximum duration of available leave without pay for employed parents of children who have died as the result of a crime from 35 weeks to 104 weeks and, for employed parents of children missing as the result of a crime, from 35 weeks to 52 weeks.

As noted earlier, these amendments to the available duration of leave for parents of children who, as the result of a crime, have died or are missing are now the same as set out in the federal Canada *Labour Code* and as set by all the provinces that have so far amended their employment legislation, except New Brunswick.

Again, for clarity, the term of leave without pay for parents of critically ill children is unchanged at 37 weeks, the same period as set out in the federal Canada *Labour Code* and by all provinces that have so far amended employment legislation in this area. These changes provide access to the

new forms of leave under the *Employment Standards Act* and lengthen the available leave for parents in different circumstances.

As I would note in anticipation of comments coming from members across the floor, the provision that Yukon left unchanged in this legislation — the question of the probationary period — was asked. However, feedback on that point was not as clear.

The question that specifically was asked, as is available in the *What We Heard* document, which I believe is currently on-line — and if not, will be shortly — was about the probationary period, specifically under the *Employment Standards Act* — should the probationary period — the period during initial employment when either the employee or employer can terminate employment without notice — be reduced from six months to three months? There were a total of 37 responses in favour of three months. We do appreciate all of that feedback, but I would also note, as I mentioned earlier to members, that in public consultation, particularly one that has such limited amount of engagement from both employees and employers, it is important to pay attention to the substance of what we hear from people in those areas as well as for government to consider the potential upsides and downsides of making a change in the status quo.

For example, some of the comments heard in this area — I'll read a few excerpts of comments: "Three months is usually not long enough to see subtle problems." In referencing that quote, I would also note that there are potential problems with changing the so-called probationary period to a three-month time period in that if a new employee is struggling in a position, it increases the likelihood that an employer might terminate them without notice prior to the end of that probationary period.

I'll reference a few other comments that we heard from Yukoners who participated and answered that question. Someone said that, in most positions, an employee has not been exposed to the full scope of duties in three months. There were others who argued that six months should be a minimum and it should be potentially increased. Another excerpt from comments is that it may take time to develop the workplace relationship and understand whether the employee is a good fit for the position.

In light of those factors and also in light of the fact that of the mix of those who commented, 45 of the 65 people who commented identified themselves as being employees and 19 of the 65 identified themselves as being employers.

Considering the limited feedback, including the very limited feedback from stakeholder organizations on that specific question, the decision was made to leave it as the status quo in legislation at this point in time, whereas on the other areas where there was clearer public feedback in analyzing these specific comments, we felt that they also supported making a change and therefore those changes were brought forward.

As I reminded the member from the NDP, when a bill is in the Committee of the Whole stage, that is the time period

when members have an opportunity to propose amendments to the bill.

Ms. Stick: The NDP will be supporting the *Act to Amend the Employment Standards Act*. We are pleased to see these amendments come forth after raising them a year ago. We are also happy to see that this brings us into line with the federal legislation. We are certainly not the first province or territory to make these amendments. There have been others, and there were others a year ago that did this.

I want to thank the department for sharing the document of the employment standards public review results. This was given to us during second reading. It was not offered earlier. It was not available on-line, and we had not received a copy or been made aware of it. I am glad I got it, but I did not have time to review it during debate.

It is interesting that the minister should bring up the suggestion about the probationary period, because I too want to speak about that. He accused me earlier of looking at the numbers and not being forthcoming with all the comments and stuff, and neither was this minister.

Out of the 65 respondents, 37 were in favour of lowering the six-month probationary period. I might mention that we are only one out of two other territories or provinces. There are only three that have a six-month probationary period. Everyone else has gone to three months or less.

He read off a number of comments, but here are the ones that he did not share with this Legislature: “six months is much too long. With such economic uncertainty for individuals, it becomes very difficult to save or plan for the future.”

Here’s another: “In jobs that are routine, a 3 month probation may be enough to determine whether an employee can do the work competently” — and this particular comment went on to say that perhaps six months for other jobs. So they were on both sides.

Here’s another comment: “I am familiar with situations where employers have abused the privilege of probationary periods to avoid paying employee benefits. Three months should be quite long enough to determine whether an employee meets the requirements of the business.”

Another comment is that we should “be more in line with the majority of other Canadian provinces/territories.”

“Three months is long enough for both the employer and the employee to assess whether the individual is a good match with a position.”

“Three months is plenty of time for an employer to gauge an employee’s competency.”

So there were comments on both sides, and I wouldn’t expect less, given what the percentage of the vote was. Some were in favour and others weren’t, but the majority — 57 percent — said, yes, drop it to three months.

There were comments from the Federation of Labour and, yes, 45 were employees and 19 were employers. I am assuming, because it was 65 respondents for each and every question, that it was the same 65 — the same 45 employees and 19 employers for the other questions — and we gave

those decisions weight. We said, “Okay, that is what the public said and that is what we will follow.”

So I’m surprised, Mr. Speaker, that this wasn’t included. It is not onerous, it is for the employer and the employee, and I am disappointed because you can’t do the rules for part and then say, “Not for this particular question.” It just reinforces the idea that the government is not listening to people. They ask them the question, they give an answer, and it is ignored and, in fact, the opposite happens. We leave it as is.

Having said that, we will support the *Act to Amend the Employment Standards Act* that was brought forward, but we are disappointed that this piece was left out.

Mr. Silver: I am happy to rise in support of this bill and, once again, I commend the Yukon Party for tabling the advice that it did receive from the Member for Riverdale South and for doing what is right for Yukon families. I will be supporting this bill.

Speaker: If the member now speaks, he will close debate. Does any other member wish to be heard?

Hon. Mr. Cathers: I would like to begin by thanking the Leader of the Liberal Party, the Member for Klondike, for his support of this, and I thank the Member for Riverdale South for her qualified support of these changes.

What I would note is that the member has attempted to characterize this as a question of how many people answered one question one way versus how many answered other questions a certain way. I would remind the member that participation on question number 4, the length of the probationary period — the issue that she took issue with — was a total of 65 respondents. Only 37 were in favour of changing it, and one of the factors that government felt should be considered in light of this change is how many employees and employers would be affected by a change, compared to how many actually provided comments on this issue.

The so-called probationary period — although that’s somewhat of an erroneous term because it is actually is the period during initial employment during which either the employee or the employer can terminate employment without notice — and a change to that provision would have an effect on every Yukoner within the private sector, whether as an employee or an employer. The fact that there was very limited participation in that question was a factor that had to be considered in that area.

We also gave consideration to the specific comments that were brought forward, and it also has to be noted that 45 of those who participated identified themselves as employees and only 19 identified themselves as employers.

With that, and light on the other areas where the feedback was more clearly in support and where the comments did not identify any issues that we felt would make it more appropriate to not make changes in those areas — that is why three of those changes were made and, in the latter case, we have left it with the status quo in this legislation.

I would also remind the members that the *What We Heard* document was provided to them in advance of Committee of the Whole debate. Committee of the Whole is the time during which members have the opportunity to bring forward amendments. I would remind the member that after second reading passed on this legislation, we in fact went on to other business during which time the member did have time to review the *What We Heard* document and the member did not bring forward amendments at Committee of the Whole, which is the time for members to do so.

Mr. Speaker, I would note, in concluding my remarks on this legislation, that changes have been made to the unpaid leave for the parent of a child who has died as the result of a criminal act. Changes in this would be made to the length of unpaid leave of a parent of a child who is missing and changes made to the length of employment required to qualify for the new leave.

We would again thank all those who provided their comments as part of this process. Contrary to the assertions made by the NDP that the government is not being forthcoming about what the public said, not only do we provide members opposite copies of the *What We Heard* document but, as I indicated, I believe it is already on-line — and if not, it will be shortly for any Yukoners who wish to view it — and those who participated can see their comments in this process.

I hear that the Leader of the NDP apparently thinks public participation is a laughing matter. I hear her scoffing off-mic again. We appreciate all those who participated in this process and I commend this legislation to the House.

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. Pasloski: Agree.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Mr. Hassard: Agree.

Mr. Elias: Agree.

Ms. Hanson: Agree.

Ms. Stick: Agree.

Ms. Moorcroft: Agree.

Ms. White: Agree.

Mr. Tredger: Agree.

Mr. Barr: Agree.

Mr. Silver: Agree.

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

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

Motion for third reading of Bill No. 68 agreed to

Speaker: I declare that Bill No. 68 has passed this House.

Bill No. 12: *Third Appropriation Act, 2013-14* — Second Reading

Clerk: Second reading, Bill No. 12, standing in the name of the Hon. Mr. Pasloski.

Hon. Mr. Pasloski: I move that Bill No. 12, entitled *Third Appropriation Act, 2013-14*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 12, entitled *Third Appropriation Act, 2013-14*, be now read a second time.

Hon. Mr. Pasloski: I'm pleased to introduce Bill No. 12, entitled *Third Appropriation Act, 2013-14*, along with the companion budget document, 2013-14 *Supplementary Estimates No. 2*, to this First Session of the 33rd Legislative Assembly. As identified in the *Third Appropriation Act, 2013-14, Supplementary Estimates No. 2* provides for sums required of \$8,559,000. These sums required are offset by sums not required of \$62,232,000.

Members of the Legislature will have noted that a special warrant was issued February 26 in the amount of \$8,559,000. In accordance with the *Financial Administration Act*, the amounts authorized by special warrant are identified in the third appropriation act and summarized by department in Schedule C.

Members opposite certainly appreciate that, through this third appropriation act, the Legislature will be debating and considering those additional expenditure items previously included in the special warrant.

While the Legislature conducts its business, the amount authorized by special warrant ensures that government officials have the requisite legal authority to make the expenditures delegated and entrusted to them. Ministers who are requesting supplementary budget approval will be pleased to provide members of the Legislature with the complete details of their expenditure requirements in the department-by-department line-by-line review in general debate.

Today I will limit my comments to a few specific items that will be of immediate interest to the Legislature. I will take this opportunity to provide a very brief overview of what the supplementary estimates mean for the Yukon government's summary financials.

As noted previously, this supplementary calls for sums required of \$8.559 million and these are offset by sums not required of \$62.232 million, for a net expenditure reduction of approximately \$53.673 million. On the revenue side, we have an increase of \$892,000 in general revenues offset by a decrease in recoveries of \$9.678 million.

Appropriate accounting requires that we match recoveries with expenditures; where expenditures decrease, we see a corresponding decrease on the recovery side.

For this supplementary we see a number of expenditure reductions related to recoverable expenditures, such as those under the Building Canada fund and Shakwak. Our government remains committed to these projects. These changes essentially reflect the adjusted cash-flow requirements with funding deferred to future years as necessary and appropriate.

I will speak about these early revotes shortly.

After making the necessary adjustments to appropriately reflect the Yukon government's accounting policies — which, Mr. Speaker, are in accordance with the public sector accounting standards, as required by the *Yukon Act* — we are reflecting an anticipated annual surplus for 2013-14 of just under \$32 million. We are forecasting year-end net financial resources — that is, as of March 31, 2014 — of approximately \$157.6 million. We are fiscally healthy. As I have stated previously, our government is in a position to effectively respond to potential emerging priorities and pressures.

As our government has done in recent years, we have taken the opportunity to identify at *Supplementary Estimates No. 2* those capital projects for which there are significant anticipated lapses and to include these amounts in a 2014-15 main estimates. These adjustments can be considered early revotes. Reflecting these at this time serves to establish appropriate vote authority early in the 2014-15 fiscal year, ensuring that departments have the necessary spending authority as projects progress through the summer months.

Bill No. 12, the *Third Appropriation Act, 2013-14*, identifies \$63.232 million as sums not required — of which \$44.14 million gross capital is included in the 2014-15 budget. While individual ministers will be pleased to provide more detail on these adjustments during general debate, a number of projects immediately come to mind, where funding is to lapse in the 2013-14 fiscal year, to be revoted in the 2014-15 fiscal year, as part of the main estimates.

Each of the McDonald Lodge replacement project, the Beaver Creek fire hall replacement project, the water and sewer extension at Whitehorse airport, the Tatchun Creek bridge projects and the Campbell Highway improvements and reconstruction remain significant projects for our government. To reiterate, we are utilizing the 2013-14 *Supplementary Estimates No. 2* and the 2014-15 main estimates to allocate funds to the appropriate year to ensure that work can continue uninterrupted on these investments.

In total, approximately \$44 million has been identified as sums not required and are included in the 2014-15 budget. As I noted, individual ministers can provide further information during general debate. Obviously a significant reason for tabling supplementary estimates is to provide the Legislature the opportunity to consider those departments requiring increases to their spending authority.

This second supplementary for 2013-14 provides that opportunity. As I mentioned earlier, the *Third Appropriation Act, 2013-14*, provides for a total of \$8.559 million increased

spending authority for various departments, the majority of which is allocated under the respective operation and maintenance votes for the departments of Community Services for \$1.234 million, Energy, Mines and Resources for \$3.433 million and Health and Social Services for \$3.476 million.

I have spoken at great length previously in this Assembly about budgeting based on the best information available at the time and I have spoken about budgeting as an ongoing exercise in planning. Planning is the fundamental principle of budgeting. If I may, this is budgeting 101. The key word here is “plan”. As we all know, plans are subject to change. New priorities emerge; in some cases, emergencies need to be addressed, and market and economic conditions do change.

Our government is committed to fiscal discipline. In that light, we challenge and empower departments to manage within approved budgets. Through these efforts, departments are able to deal head-on with the financial pressures of many emerging priorities and issues. Having said that, as government moves through a fiscal year, decisions continue to be made, many of which cannot be anticipated and/or included in a budget. In that context, I offer the following summary observations of major components for those departments requiring that increased spending authority be considered through these supplementary estimates.

For the Department of Community Services, of the total of \$1.234 million, \$740,000 is recommended to address shortfalls relative to the wildfire management activities identified through the season and accounting of the wildland fire suppression fund. This past summer, Yukon experienced an extraordinary number of lightning strikes, which contributed to one of the most costly fire seasons Yukon has seen in the post-devolution era. There is no predicting fire activity for any given season. Yukon's practice has been to appropriate a base level through the fire suppression fund and support the department through supplementary funding when wildland fire responses require additional resources.

Costs incurred for the 2013-14 wildland fire season totalled approximately \$16.7 million. A significant portion of this was addressed through the fall supplementary, with the balance identified here through *Supplementary Estimates No. 2*. With such cost uncertainty, this is an item that could not be included in the budget. Rather — as I've indicated — our government remains committed to backstopping — if I may use that term — Yukon's requirements based on actual experience through supplementary budgets.

For the Department of Energy, Mines and Resources, the total operation and maintenance requirement is \$3.433 million, of which \$3.05 million is identified to reflect the amended type 2 mine sites agreement with Canada. Historically, our government has followed the practice of budgeting type 2 mine sites consistent with Canada's workplan. Clearly we are reliant upon Canada to provide the best information possible. However, it does happen from time to time where Canada will adjust its workplan. As the flow-through agent and coordinator for type 2 mine site efforts, it

follows that Yukon's budget may be affected by those outside influences.

If I only had a crystal ball, I could foresee changes such as this. As it happens, we address these types of emerging issues and challenges as appropriate through supplementary budgets tabled here for debate by the Legislative Assembly.

For the Department of Health and Social Services, the total operation and maintenance requirement is \$3.476 million. As I noted last spring, the Department of Health and Social Services faces a number of financial challenges — perhaps greater financial challenges than other departments.

I want to take this opportunity to highlight the impressive efforts department officials have undertaken to manage the pressures they face from within the approved budget. This is no small task. A number of challenges facing the department are outside its control. Examples include payments related to hospital and physician claims for which this supplementary estimate provides \$1.769 million and \$757,000 respectively.

In addition, the Department of Health and Social Services is responsible for payments under the pioneer utility grant and for payments under social assistance. Both programs represent potential levels of uptake that can be difficult for the department to forecast with 100-percent certainty.

As legislation grants, our government is committed to ensuring that appropriate resources are provided to ensure our commitments are met. Accordingly, this *Supplementary Estimates No. 2* provides an additional \$201,000 for the pioneer utility grant and \$615,000 for our obligations under the social assistance program.

As I noted under each of these areas, Health and Social Services faces challenges in forecasting volume or uptake. While the department has realized some departmental offsets for these increased expenditures without sacrificing overall service to Yukoners, we are recommending increased spending to the Legislature. The minister will provide additional detail when we get to line-by-line debate. I, however, take this opportunity to acknowledge the outstanding services that our Health and Social Services officials provide and thank them for their efforts to deliver these programs on behalf of all Yukoners.

In the interest of time, I will cut my comments short, but again, note that individual ministers will be pleased to provide detail during debate with their respective portfolios.

Earlier in my comments, I observed that the Yukon government is on solid financial ground. This is indeed the case. Our government projects an annual surplus for 2013-14 of just under \$32 million and our net financial resource position is forecast to be approximately \$157.6 million at year-end March 31, 2014. This is our saving account.

Net financial resources are the most important indicator of a government's fiscal health and our net financial resource position — our savings account — is enviable. While most provincial and territorial governments have net debt, meaning they owe more than they are currently capable of paying, this is not the case in the Yukon. We have the cash and other financial assets to be able to pay off all of our obligations. This is significant as it allows our government to be flexible in

timing our investment decisions. Our very healthy net financial resource position has provided and will continue to provide our government with the opportunity to make significant capital and program investments to the benefit of all Yukoners.

Our strong net financial resource position speaks to the future as we move through our mandate. I look forward to leading Yukon through the various challenges we may face. I am proud of our achievements. We as Yukoners continue to be well-positioned for the future.

As I have indicated throughout my comments, ministers who are requesting supplementary budget approval will be pleased to provide members of the Legislature with the complete details of their expenditure requirements in a department-by-department, line-by-line review in general debate.

I want to take this opportunity to thank officials from the Department of Finance and officials from all the departments who worked diligently to put together the *Supplementary Estimates, No. 2*.

As Minister of Finance, I commend the supplementary estimates for consideration by the Legislative Assembly.

Ms. Hanson: I will be brief in my comments with respect to the *Third Appropriation Act, 2013-14*.

I just would like to reiterate the importance of the notion of ministerial accountability and ministerial responsibility in this Legislative Assembly. It is the minister who is accountable and responsible for everything that occurs in their department. It is the minister who should be speaking in the first person about that department with respect to his or her responsibilities.

It does run counter to the parliamentary tradition. It does run counter to the parliamentary tradition to try to implicate public servants when deflecting their inability to carry out their responsibilities — the minister's responsibilities — and their accountabilities to this Legislative Assembly.

This *Third Appropriation Act, 2013-14*, in terms of the supplementary estimates, is demonstration again of the inability of ministers to effectively direct the completion of government priorities, whether or not it is significant — we were talking about cost overruns or the never-ending costs, changes of scenarios and timelines for major capital expenditures like F.H. Collins — and it is the minister's responsibility and the accountability to this Assembly.

I would remind the Minister of Finance that he would do well not to diminish the responsibility of the Legislative Assembly to provide authorization prior to expenditures. It is not merely an opportunity to regale the House with spending by this government, but it in fact is a requirement for these measures to be debated and, in particular, it is the role in our parliamentary tradition for the Official Opposition to fulfill our obligations to hold the government to account for the effective, prudent and responsible stewardship of Yukon's financial resources. We intend to keep focusing on ministers, ministers' accountability and ministers' responsibility. They may wish to bring public servants into this arena, but it is

inappropriate. It is those ministers opposite who ultimately are accountable and responsible for everything that occurs in their department, good or bad.

Ministers opposite may not be aware, but there have been in our parliamentary tradition ministers who have resigned on a matter of principle for matters within their purview. I'm not asking for that. I'm simply asking for ministers to take responsibility and to be willing to be held to account. We will continue to hold ministers opposite to account and we will remark, as we have in the recent past, on good initiatives taken by ministers opposite when they do demonstrate accountability and responsibility.

But it is our job as the Official Opposition to ensure on all matters that are dealt with in this Legislative Assembly that those ministers opposite who are charged with the responsibility of governing this territory are held accountable.

Members of the Official Opposition will have a number of detailed questions for the individual ministers. I will leave my comments at that.

Mr. Silver: I'm happy to rise today to speak to Bill No. 12, the supplementary estimates update from last year. Given that this money has already been spent, I don't have many comments.

It is worth noting that the cost of operating the government increased further since the last fiscal update received just last fall. Overall, O&M increased from \$977 million, voted in the main budget in the spring of 2013, to \$1.056 billion in the supplementary we are discussing today. That's an \$80-million increase over the course of the year.

This is further proof that this Yukon Party government has been very successful at growing the size of government. At the same time, this budget update shows that \$60 million in capital spending — the type of spending that creates jobs in the private sector — has lapsed. I'm sure many of these projects have been revoted into this year's mains. Perhaps the minister can provide the numbers when he's up for his response. This is in addition to the \$22 million already lapsed with the decision to delay the F.H. Collins project last year.

There is over \$80 million in lapsed capital projects that will have created a lot of needed jobs in our economy, as it slowed down in 2013. For a variety of reasons, these projects did not go forward. We know that, in the case of F.H. Collins, the Beaver Creek fire hall and the new Environment building in Watson Lake, it was simply poor planning. Again, millions lapsed that would be creating jobs in a year when the Yukon had one of the lowest GDP growth rates in all of Canada.

Finally, when we get to Committee, we will be asking if there will be a final supplementary required this fall to close out the fiscal year that has just ended.

Speaker: If the member now speaks, he will close debate. Does any other member wish to be heard?

Hon. Mr. Pasloski: I need to comment on the fact that we do see the Opposition continue to provide a very, very low opinion of government employees and continue to guise it

within the ministerial responsibility. Over the last two and a half years, it would be hard to find a department where they have not been critical of the performance of the public servants — certainly almost right across the board.

Mr. Speaker, as you are aware, we are not technicians, we are not scientists, nor are we engineers. We provide the policy direction and then rely on the excellent, professional service of Yukon's public servants to deliver those programs and services to all Yukoners. This government will continue to respect the professional role of the public service and we will continue to work toward the benefit for all Yukoners.

I spent a few minutes talking about the fiscal management that this Yukon Party government and the previous two mandates have had, resulting in the very enviable position that we are in today, which allows us the flexibility to look at options, to look at opportunities to deal with issues that many times are not considered at the time of our budgeting and our planning process.

The good news is that we can continue to invest in innovative programs and services. We can continue to invest in capital investments creating infrastructure that will help the private sector grow. It's a private sector economy, and the good news is that we are in a financial position to be able to do this without having to borrow — and ensure that creating a mortgage and that subsequent generations of Yukoners have to pay for programs and services that in fact we want to deliver today.

We're very proud of the great work that has occurred — the continued development of very strong programs very strong services to support Yukoners right across this territory, and the ability to continue to invest in great programs that will help ensure that Yukoners are ready to take the greatest opportunity to meet those needs and continue to build a private sector economy here in this Yukon.

Motion for second reading of Bill No. 12 agreed to

Bill No. 72: Act to Amend the Government Organisation Act — Second Reading

Deputy Clerk: Second reading, Bill No. 72, standing in the name of the Hon. Mr. Pasloski.

Hon. Mr. Pasloski: I move that Bill No. 72, entitled *Act to Amend the Government Organisation Act*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 72, entitled *Act to Amend the Government Organisation Act*, be now read a second time.

Hon. Mr. Pasloski: I'm here today to present the second reading of Bill No. 72, *Act to Amend the Government Organisation Act*.

This act improves clarity of the law governing the executive arm of the government and consolidates executive powers as much as possible under one act. These amendments are consistent with the government's responsibility to promote good governance. This means ensuring that Yukon legislation remains effective and responsive to Yukon's circumstances. These amendments will bring the *Government Organisation*

Act up to date with the modernized *Yukon Act* without altering existing powers, duties or functions of Cabinet or ministers.

Yukon is in constant political evolution. Significant events include the Yukon's first territorial election run on political party lines in 1978, the 1979 Epp letter, which set the foundation for modern governance of Yukon, and the 2003 *Yukon Act* formalized in law the elements of the Epp letter.

In 2002, a *Government Organisation Act* was brought into force to recognize the powers of the Executive Council and ministers under Yukon law. This law included provisions for the appointment of ministers, the establishment of committees of Cabinet and the power to organize and assign responsibility for the executive functions of government.

In 2003, the modernized *Yukon Act* formally recognized Yukon as a jurisdiction with a system of responsible government. The Yukon has legislative and executive powers similar to those of a province.

It has become apparent over the last 12 years that certain minor changes are needed to ensure a more efficient, effective and transparent implementation of the provisions of the act. The amendments will make Yukon legislation more consistent with the constitutional conventions of responsible government and the *Yukon Act*. Specifically, the amendments to the *Government Organisation Act* will align how members of Cabinet and ministers are appointed, consistent with the *Yukon Act*, and more clearly enable assignment of roles and responsibilities to ministers. The new provisions will allow for the appointment of a Cabinet secretary and deputy secretary. Finally, the amended act will recognize the power of ministers to sign intergovernmental agreements in areas within their portfolios. This is consistent with the current practice in the *Intergovernmental Agreements Act*, which we can now repeal as a consequence of these amendments.

Certain consequential amendments to other acts are also being made. The *Financial Administration Act* will be amended to remove the reference to the *Intergovernmental Agreements Act* and confer ministerial powers to sign agreements that provide indemnities to Canada. The *Corporate Governance Act* will be amended to recognize the power to assign responsibilities to ministers that is already provided under the *Government Organisation Act*.

In conclusion, the amendments reflect our government's ongoing commitment to ensuring that the instruments of governance in Yukon remain modern and relevant and that they keep pace with Yukon's political evolution.

Ms. Hanson: I would like to thank the minister opposite for arranging a briefing on this legislation, *Act to Amend the Government Organisation Act*, at 11:00 a.m. this morning. It has provided ample time for careful and thorough reflection on all elements of it, with the guidance of the minister.

I understood and hear from the minister opposite that the purpose of the *Act to Amend the Government Organisation Act* is to consolidate executive powers and, in general, I am in agreement with that although, given the parallel consolidation

of power in the Yukon Party's federal Conservative counterparts in Ottawa, it does give one pause.

That being said, it is understood that these amendments and the consequential amendments to other legislation are part of the Yukon Party's rather glacial progress of moving through Yukon legislation and making the necessary — or in this case, preferred — amendments to Yukon legislation post-devolution transfer agreement and the changes that came into effect on April 1, 2003 — a full 11 years ago.

Our curiosity as the Official Opposition remains unabated; we look forward to seeing which legislation warrants amendments. I can certainly see, and say, that there are other pieces of legislation that have been identified explicitly in the devolution transfer agreement as requiring collaborative review by this government. Collaborative, I say, in conjunction with both First Nations and industry. I would reference in particular the *Quartz Mining Act*, but there are many.

If the intention of the minister opposite is to start at the end of the alphabet or maybe in the middle — the *Government Organisation Act* — if he is going to work both ways, we will be very pleased to see which one he will choose next.

For the most part, the Official Opposition understands and will have a few questions as to the specific implications of some — more pertinent, probably, are the consequential amendments and what the implications of a couple of those are. In general terms, it is an *Act to Amend the Government Organisation Act* and that's it.

Motion for second reading of Bill No. 72 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. McLeod): Order. Committee of the Whole will now come to order. The matter before the Committee is general debate on Bill No. 12, entitled *Third Appropriation Act, 2013-14*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 12: Third Appropriation Act, 2013-14

Chair: The matter before the Committee is general debate on Bill No. 12, entitled *Third Appropriation Act, 2013-14*.

Hon. Mr. Pasloski: As I was just articulating in my second reading speech, this *Third Appropriation Act, 2013-14*, provides for sums required of \$8.559 million, which is consistent with the amount previously identified in the special warrant. While the Legislature conducts its business, a special warrant ensures that government officials have the requisite legal authority to make expenditures delegated and entrusted to them. The members will have the opportunity very shortly to raise questions in general debate; therefore, I don't plan to get into detail at this time.

Madam Chair, the *Third Appropriation Act, 2013-14*, provides for \$8.559 million for increased expenditures as identified under the "sums required" column, offset by sums not required of \$62.232 million.

I will limit my comments to the sums required. For the Department of Community Services, the total operation and maintenance requirement is \$1.234 million, providing additional funding in support of Wildland Fire Management, wastewater facility operations in Dawson City and outstanding debt and operational support associated to ensure the continued operations of Mount Sima.

Of this, as I noted in my second reading comments, \$740,000 is specifically identified in recognition of expenditures incurred for this season's responses and activities related to Wildland Fire Management.

The Department of Energy, Mines and Resources — of the total of \$3.433 million, \$3.05 million is recommended as a result of Canada's change to its 2013-14 workplan related to type 2 mine sites.

As the flow-through and delivery agent related to type 2 activities, Yukon government continues to strive to be responsive to the agreement amendments as proposed by Canada.

The total operation and maintenance requirement for Department of Health and Social Services is \$3.476 million. This additional funding supports the department in the delivery of important programs and services to Yukoners, including physician claims, hospital claims, medical travel and social assistance.

The additional amounts required for these three departments represent the major items included in this special warrant and identified under the sums-required column. Sums required are — as mentioned earlier — offset by items not required and also by revenue adjustments. The individual ministers will speak to all changes reflected in the *Supplementary Estimates No. 2* during line-by-line debate.

In summary, the *Supplementary Estimates No. 2* reflects increased operation and maintenance requirements of \$7.729 million, decreased capital requirements of \$61.402 million, increased general revenues of \$892,000, and decreased recoveries associated with decreased expenditures of \$9.678 million.

Our net financial resource position remains very positive. This is a most enviable position. While most provincial and territorial governments have net debt, this is not the case in Yukon.

As a measure of future revenue requirements, our positive net financial resource position means we have not mortgaged the future. If I may — we are building the bank, not breaking the bank.

Future revenues will be used for future programs and services. Future revenues will not be required to offset current program and service expenditures. Our government continues to pay as we go. Yukoners can be very proud of how our Yukon Party government has managed the fiscal framework. We have maintained a savings account while continuing to provide significant and strategic investments on behalf of all Yukoners.

Our future is very bright. As I have stated, our positive net financial resource position represents a measure of our resources available for the provision of future programs and services. We are financially well-positioned for the future.

As Minister of Finance, I am pleased to present the supplementary estimates for consideration by the Legislative Assembly in Committee of the Whole.

Chair: Is there any further general debate? We will go to Vote No. 53, Energy, Mines and Resources. The minister requires five minutes to get his officials.

Recess

Chair: We're going into general debate on Vote 53.

Department of Energy, Mines and Resources

Hon. Mr. Kent: It's my pleasure to introduce the 2013-14 supplementary estimates for the Department of Energy, Mines and Resources. This supplementary budget reflects adjustments made to the 2013-14 budget as EMR works to manage Yukon's natural resources and ensure integrated resource and land use.

For this supplementary budget, EMR requests an overall increase of \$3.43 million for operations and maintenance expenditures and a decrease of \$30,000 for capital expenditures. Under assessment and abandoned mines, we're transferring \$191,000 to next fiscal year's budget to continue work on care and maintenance at the Faro mine complex.

We're also requesting \$3.05 million in funding for care and remediation work at Faro and Mount Nansen. This funding is ultimately recoverable from the Government of Canada. This continued work is important, as we are committed to protecting human health and safety and the environment at the abandoned Faro mine complex.

The project team is preparing to execute a four-year, \$180 million plan that includes the development of a long-term remediation solution, a series of interim capital works designed to address emerging risks to human health and safety and the environment and ongoing care and maintenance activities.

At Mount Nansen, the Government of Canada and the Little Salmon Carmacks First Nation reached agreement on an option for remediation of the Mount Nansen mine site. We have procured an engineering team to prepare a remediation design for submission to the Yukon Environmental and Socio-economic Assessment Board in December of 2014. The final remediation solution at Mount Nansen is expected to cost \$88 million and take four to five years to execute.

Under the Yukon Geological Survey, we are requesting an additional \$660,000 in funding for field work completed on the North Slope. This work was carried out in conjunction with two universities from Europe and is 100-percent recoverable.

Under capital items we have transferred \$60,000 from O&M to our capital budget so that the Yukon Geological Survey can purchase equipment for ongoing work at the core library.

And finally, there is a \$90,000 transfer in our capital budget to next year in order to complete chip sealing on the new sawmill road, which will host a number of lots in the community of Teslin.

We are fully committed to ensuring all rural communities have ongoing access to developed lots for residential and commercial purposes. In spring 2014, the land management branch will be releasing 21 country residential lots as part of the aforementioned sawmill road development in Teslin.

This concludes my comments for the 2013-14 *Supplementary Estimates No. 2* for the Department of Energy, Mines and Resources. Just prior to turning it over to the other side for questions, I would like to introduce the Deputy Minister of Energy, Mines and Resources, Greg Komaromi, and the Director of Finance, Ross McLachlan, who have joined me here today to provide support.

Mr. Tredger: I too would like to welcome the officials from the department.

My first questions are on the type 2 mines. Could the minister just tell us what the goals of this government are in terms of type 2 mine remediation. I understand that Yukon government is in charge of implementation and care and maintenance and the federal government is paying. What are the goals of the operations?

Hon. Mr. Kent: Our primary goal remains to protect human health and safety and the environment at the type 2 sites, as well as developing plans to remediate those sites as quickly as possible and as fiscally responsible as possible.

Mr. Tredger: I believe that the Yukon government has been in charge of implementation for 10 years. Can you tell me how many closure plans have been accomplished in that time?

Hon. Mr. Kent: It's my understanding that there are a number of other projects in the devolution transfer agreement that we've had responsibility for, as the member opposite mentioned, for the last 10 years that have been cleaned up under other programs. But when it comes to the type 2 sites, none of them have been cleaned up, although, as mentioned in my opening remarks, there is a plan in place for Mount

Nansen — a four- to five-year plan that is expected to cost \$88 million.

There is significant work being undertaken, obviously, at the Faro mine complex with respect to detailed engineering. The project team for Faro, for instance, is preparing to execute a four-year, \$180-million plan that includes the development of a long-term remediation solution, a series of interim capital works designed to address emerging risks to human health and safety and the environment; as well as ongoing care and maintenance. Major works executed at the Faro minister complex also offer opportunities to promote aboriginal and community participation through training, local employment as well as business opportunities.

Mr. Tredger: After 10 years of implementation, the care and maintenance costs are escalating. We just heard from the budgetary officer of Canada's Parliament last week, expressing concern that not enough money had been set aside and indeed the costs were escalating. There seems to be growing disagreement between Canada and Yukon government about the approach to risks at the site and the timing of the processes. You mentioned that an agreement had been researched with Little Salmon Carmacks for the Mount Nansen site. So, after 10 years, is the permitting in place and is that agreement available to the public?

Hon. Mr. Kent: As I mentioned earlier in my opening remarks, Mount Nansen — there has been an engineering team procured to prepare a remediation design for submission to YESAB in December 2014. There are closure plans in place for Faro and Mount Nansen, but getting the proper permitting in place — particularly with respect to Mount Nansen — I can say that the estimated time is December 2014 for that.

Mr. Tredger: Are the closure plans available to the public and for public consultation?

Hon. Mr. Kent: It is my understanding that those closure plans are available now for Mount Nansen, and, of course, the public consultation piece is a requirement of the YESAA process — so that certainly will have that opportunity.

As to where those plans are available, I'll certainly get back to the member opposite and let him know whether they're available on a website, or if I can just send him a copy, I'll be happy to do so.

Mr. Tredger: Regarding the Mount Nansen site, while we're waiting for permitting after such an extensive time for getting to this stage, can the minister assure the public that all water leaving the site is being treated and that there is nothing going into the groundwater that is untreated?

Hon. Mr. Kent: It is my understanding that there are currently no water discharges coming from Mount Nansen that are outside of the allowable effluents of the previous water licence.

Mr. Tredger: Is the water sampling and data available to the public in a transparent manner so that people living in the area can have access to it?

Hon. Mr. Kent: The water sampling from the Mount Nansen site is publicly available through the Department of Energy, Mines and Resources.

Mr. Tredger: Can you tell me the amount that the Yukon government has spent on behalf of the Government of Canada getting to this stage in the 10 years of implementation?

You mentioned that the estimated cost for remediation or the final closure is \$88 million. I guess the question is: How much have we spent? If we are going to spend another \$88 million, will that complete the process?

Hon. Mr. Kent: With respect to the full amount, I would have to get back to the member as to the total project cost over the past 10 years. I don't have that information at my fingertips right now.

The \$88 million that is estimated to take place over the next four to five years is the final remediation solution for the site. As I mentioned before, there is an engineering team that is preparing the remediation design for submission to YESAB in December of this year.

The 2014-15 Mount Nansen workplan has recently been submitted to the Government of Canada for a total of \$4,715,959, so that's what the anticipated expenditures are for this year. But again, perhaps I could bring the detailed information for the member opposite when we are in the mains for Energy, Mines and Resources or provide it to him in a letter — whatever his preference is.

Mr. Tredger: Has the Government of Canada approved the closure plan then for Mount Nansen or is this a proposal from Yukon government?

Hon. Mr. Kent: Yukon government, the Government of Canada and the Little Salmon Carmacks First Nation reached an agreement on an option for remediation of the Mount Nansen mine site. As I mentioned before, this has led to the procurement of the engineering team in the final remediation solution and the cost estimates and time estimates that I previously mentioned.

Mr. Tredger: If I could ask the minister — when he gives me the costs for Mount Nansen, could he also include the costs for Faro and Clinton Creek?

Hon. Mr. Kent: Yes, I will be able to provide the last 10 years of expenditures at the other two sites that the member opposite mentioned — specifically Clinton Creek and Faro.

Mr. Tredger: I'll just move on from type 2 sites. I'm sure we will spend a bit more time when we are discussing the mains.

In February of this year, the minister issued a press release and in it he stated that the BC Oil & Gas Commission and Department of Energy, Mines and Resources share the goals of safety, excellence and operation-responsible resource management. This agreement establishes an important link with our southern neighbour. We look forward to accessing such extensive knowledge and experience in regulating the oil and gas industry.

Is this the minister's opinion, or does he have a report that backs up our decision to choose BC Oil & Gas Commission over other regulators — all of which have similar kind of

motherhood statements — goals of safety, excellence in operation, responsible resource management. When I read Alberta's, when I read North Dakota's, when I read — all of them essentially say the same.

The minister made a decision to go with British Columbia. Was that based on his opinion, or did he have a report or an assessment, and could he make that public please?

Hon. Mr. Kent: The agreement that was signed was to cooperate on the regulation of oil and gas industries. Certainly, in reading some quotes from the news release, or even from the local media, it recognizes that we both have resources and skillsets and we share a common boundary, where collaboration across the boundary might be in our collective interests. There is obviously similar geology that exists, particularly in northeastern British Columbia and southeastern Yukon. As well, it is recognition that there is better strength in teamwork rather than working in our respective silos.

We do have a service agreement in place with the National Energy Board, and we're always looking to partner with other organizations when we have the ability to seek them out to share their expertise.

Mr. Tredger: On what basis then — other than proximity — did we choose the B.C. Oil and Gas Commission? Was a report done to determine which jurisdiction had the most effective — and in what ways effective — set of regulations?

Hon. Mr. Kent: When we considered what jurisdiction to go with, obviously there were a number of things that were important. The fact that British Columbia has an active industry was extremely important, as well as the proximity to our boundaries — the shared geology, as I mentioned. We looked at Saskatchewan and Alberta as well, but decided to go with British Columbia just given the fact that we do share those boundaries.

This also describes a process of Energy, Mines and Resources to hire employees from the B.C. Oil and Gas Commission to provide services — or expertise — to them.

I understand that even the all-party Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing has utilized the services of BC Oil & Gas Commission, both in the public proceedings that took place here in the Legislative Assembly, as well as some in-camera discussions that took place outside of the Legislative Assembly in the committee room.

We are pleased to be working with British Columbia on this. As many Yukoners know, we have a long history with the mining industry, and we have made some significant gains in the regulation and permitting of mining projects. But, we are a relatively immature industry when it comes to oil and gas development in spite of the significant amount of gas that has come out of the Kotaneelee fields, and the significant amount of work that took place over the past number of years up in the Eagle Plains area. This is an opportunity for us to seek out a partner that has some experience, has similar geology and has an active industry.

That said, I wouldn't close the door on us looking at other jurisdictions such as Saskatchewan and Alberta and as I mentioned there is a service agreement in place with the National Energy Board.

Mr. Tredger: It is precisely because of some of the experiences we have had on the select committee that I'm sure the minister is aware that his interpretation of BC Oil & Gas Commission's success and viability is not universally held. I am wondering whether there was an objective survey of the various jurisdictions and how effective their regulatory process is and how protective it is of the environment and how successful it is for the businesses.

As you know, there are many different jurisdictions and there are a lot of challenges for the regulatory agencies. I'm wondering if there is an objective report, or if it's because we're close to B.C.

Hon. Mr. Kent: As I mentioned previously, there were a number of reasons that we went with the B.C. Oil and Gas Commission. It has been acknowledged by some of the other provincial regulators as well as some of the others that are engaged in that industry that it is one of the most robust and progressive oil and gas commissions in the country.

As I mentioned, this doesn't close the door on us looking for other expertise on oil and gas. We are a relatively underexplored and not a well-advanced jurisdiction when it comes to oil and gas development, but, fortunately, neighbours to the west, to the east and to the south do have the expertise that exists there, so that's why we signed this agreement with the B.C. Oil and Gas Commission.

I'm looking forward to the report on the Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing to further help us define where the industry in the Yukon should or could go with respect to not only some of the risks that will be identified by the select committee, but the benefits such as the jobs and opportunities the member opposite mentioned.

Mr. Tredger: We've entered into service agreements with both British Columbia and the National Energy Board. Do any of those costs show up in this supplementary budget or will they all be incurred in subsequent budgets? Do we have an estimate as to how much those service agreements are going to cost the Yukon taxpayer?

Hon. Mr. Kent: There is nothing in the supplementary estimates with respect to that cost. I guess a lot of it will depend on the uptake. The numbers will be reflected in the mains and I'll be in a better position to answer the member opposite when we go to the debate on the main estimates for Energy, Mines and Resources.

Chair: Is there any further general debate? We are going to proceed to line-by-line debate, starting on page 4-4.

On Operation and Maintenance Expenditures

On Corporate Services

Corporate Services underexpenditure in the amount of \$20,000 agreed to

On Sustainable Resources

Mr. Tredger: May I have confirmation of that please?

Hon. Mr. Kent: That \$20,000 increase represents an internal transfer from Corporate Services to Land Planning to cover personnel costs of a co-op student position.

Sustainable Resources in the amount of \$20,000 agreed to

On Oil and Gas and Mineral Resources

Mr. Tredger: Could I get a breakdown of that please?

Hon. Mr. Kent: There are two reductions and then two increases here. I'll just go through them line by line.

Under Assessment and Abandoned Mines, the Curragh Resources environmental trust funds — \$191,000 in funds has been deferred to the 2014-15 fiscal year.

Under Assessment and Abandoned Mines, there's an increase to reflect the amended type 2 mine sites agreement with Canada, an increase in funding for Mount Nansen of \$1.55 million and an increase in Faro of \$1.5 million. That amount is 100-percent recoverable from Canada.

Under the Yukon Geological Survey, there is an increase in funding from two European universities that are cost-sharing field work on Yukon's North Slope. That amount is 100-percent recoverable and is an amount of \$660,000.

Finally, there is an internal transfer, re-profiling of funds from operation and maintenance to capital for the Yukon Geological Survey to purchase a small loader. That is a transfer of \$60,000 and that amount totals the \$3,459,000.

Oil and Gas and Mineral Resources in the amount of \$3,459,000 agreed to

On Client Services and Inspections

Client Services and Inspections underexpenditure in the amount of \$26,000 agreed to

On Total of Other Operation and Maintenance

Total of Other Operation and Maintenance in the amount of nil cleared

Total Operation and Maintenance Expenditures in the amount of \$3,433,000 agreed to

On Capital Expenditures

On Corporate Services

On Operational Equipment

Operational Equipment in the amount of \$60,000 agreed to

On Sustainable Resources

On Land Management — Joint First Nation/Yukon Government Land Management Project

Mr. Tredger: Could I have a breakdown of that please?

Hon. Mr. Kent: As I explained in my opening remarks, this is a \$90,000 transfer in our capital budget to next year from the 2013-14 to the 2014-15 year to complete the chipsealing on the new Sawmill Road lots in Teslin.

Land Management — Joint First Nation/Yukon Government Land Management Project underexpenditure in the amount of \$90,000 cleared

On Total of Other Capital

Total of Other Capital in the amount of nil cleared

Total Capital Expenditures underexpenditure in the amount of \$30,000 agreed to

Total Expenditures in the amount of \$3,403,000 agreed to
Department of Energy, Mines and Resources agreed to

Chair: We're going to move on to Health and Social Services, Vote 15. The minister is requesting no recess.

Department of Health and Social Services

Chair: We will begin general debate on Vote No. 15.

Hon. Mr. Graham: I am very pleased today to be introducing the 2013-14 supplementary budget for the Department of Health and Social Services. We are requesting in this supplementary budget an adjustment of \$3.476 million in operation and maintenance, offset by a reduction in projected capital expenditures of \$9.319 million for a total budget reduction of \$5.843 million dollars.

The Corporate Services division of Health and Social Services has projects an O&M budget increase of \$760,000, of which \$750,000 will form the contribution that we have agreed to provide to the Food Bank Society to support the purchase of their building and the lot beside their building.

Within the Social Services division, the Family and Children Services branch has requested an O&M decrease of \$646,000, primarily due to a lower than expected demand for child care subsidy grants to parents.

Adult Services is forecasting a budget increase of \$449,000 for 2013-14, consisting of \$300,000 in increased social assistance grants for Whitehorse and \$147,000 for the expansion of the operation of the Options for Independence Society when they moved into their new building last year.

The Continuing Care division is projecting a \$51,000 increase in operation and maintenance expenditures for 2013-14. Of this increase, \$40,000 is attributable to the provision of food services for the Dawson City health facility — the hospital and the health facility — and that amount is 100-percent recoverable from the Yukon Hospital Corporation under the terms of an agreement we have for use of that facility.

Health Services is projecting an overall increase of \$4.4 million in operation and maintenance expenditures. This overexpenditure is primarily comprised of an increase in the budget for community nursing to maintain operation of the Dawson Health Centre prior to the hospital opening in December of 2013. It was scheduled to open in advance of that date. It didn't, and we then had to continue the operation of the community nursing department until such time as the hospital opened.

We also have experienced increased costs for Watson Lake and out-of-territory physician services for the facility in Watson Lake. We have increased costs for medical travel and associated subsidies dealing with expenses for people travelling with medevac patients to Vancouver, Edmonton or Calgary.

We also experienced an increase for chronic conditions and extended benefit programs. We also experienced a large increase in hospital claims expenditures due to both cost and volume increases.

Community and Program Support operation and maintenance expenditures are also projected to increase by \$604,000 for 2013-14 due to increased demand and costs for the pioneer utility and Yukon income supplement grants, as well as for social assistance grants in rural Yukon.

The O&M increases that I've enumerated are partially offset by a decrease of \$2.142 million in the operation and maintenance budget for the Yukon Hospital Corporation due to the delayed opening of the Dawson City hospital. I could have included that in the note where I mentioned that our community health services budget was somewhat higher, but the hospital decrease of \$2.142 million more than offset that cost.

In terms of adjustments to the 2013-14 capital budget — the overall decrease of \$9.319 million resulted in a capital budget of \$9.061 million, which was less than half of the original amount of money budgeted for this year. Most of the decrease was due to delays in significant capital projects, including the design phases of the Sarah Steele Building and especially for the McDonald Lodge building in Dawson City.

Renovations to a number of health centres were all postponed pending further assessment — and I think the Minister of Highways and Public Works would be able to tell us more about their assessment program process for some of our capital facilities around the territory.

Much of the associated budget for those renovations to health centres — which was returned to property and maintenance department and a lesser proportion used for repairs on other Health and Social Services facilities around the territory.

Capital amounts for several information management technology-related projects were also re-profiled to the 2014-15 capital budget, including amounts associated with e-health systems development and integrated case management system development for social services.

With all of the adjustments to O&M and capital that I have enumerated here, the revised appropriations for Health and Social Services in 2013-14 are projected to be \$345.876 million. I will be happy to answer any questions the Opposition have. If I'm unable to answer them I will undertake to provide written answers at some point in the future.

Ms. Stick: The first question I'm going to ask is where we would find the funding — if it came out of this Department — for the planning of the 300-bed care facility that is showing up in this year?

Hon. Mr. Graham: This is the 2013-14 budget. That proposal won't start — or didn't start — until the — the money won't show up until the first supplement in the 2014-15 year.

Ms. Stick: So that report was finished in the 2013-14 budget cycle. I am just wondering what the amount was for that initial report?

Hon. Mr. Graham: As I have said a number of times in the Legislature, the original assessment was undertaken with the Department of Resources. In other words, the projections for population in the territory were projections

done by our own statistics bureau. We did a number of projections through continuing care, which also assisted greatly — they led the needs assessment that was done. It was all undertaken with the use of department resources. So in other words, we didn't go out for a capital budget outside of what the department already had in the budget.

Ms. Stick: I am a bit confused, because he is talking about the department of resources — I am not sure what he is talking about. I am talking about the final report that was completed, not by the department but by Kobayashi & Zedda, Neale Staniszki, Options Consulting and Ennova Engineering on June 27, 2013.

I just wondered what the amount was for that report that was finished in that budget year — because I don't remember seeing it before in last year's mains.

Hon. Mr. Graham: I will have to get back to the member because the original report was done internally. The second report was done by a local contractor but it was done as the business case and checking out the needs assessment that was already done. So that money was in last year's budget and was done last year, but I'll get back with a more appropriate answer.

Ms. Stick: I was curious about the pioneer utility grants and what the numbers of increases were of those individuals receiving that. He mentioned the Yukon supplementary allowance, which has not gone up in amount, but I would like to know what the numbers are for it please — because the YSA is not indexed. It remains at \$250.

Hon. Mr. Graham: The increase in the amount of the pioneer utility grant was due to an increase in the number of people who are collecting the pioneer utility grant.

Sorry, Madam Chair, bear with me for a minute. We are bouncing around from department to department and it is sometimes more difficult to find it.

The pioneer utility grant was an increase of \$201,000. This includes pressures from additional applications of \$168,000 and an increase for the consumer price index — because PUG is indexed — of \$33,000.

The Yukon Seniors' Services/Adult Protection branch anticipated a deficit of \$87,000 for the Yukon seniors income supplement. The other part of that \$604,000 was Regional Services requesting an increase of \$315,000 to social assistance grants in rural Yukon, and it was the result of a higher caseload and an increase in the average cost per case.

Ms. Stick: If I understand correctly, it didn't have anything to do with YSA, which is the Yukon supplementary allowance — not the seniors ones you spoke of.

Can you explain why the increase in the social assistance amounts wouldn't have been under Adult Services where other social assistance increases were noted?

Chair: Ms. Stick, would you repeat the question please?

Ms. Stick: I will. The minister indicated earlier when he was speaking that there was an increase in social assistance amounts provided to Adult Services. My question is in response to his last answer where he said there was an increase in social assistance amounts in the communities. I'm

wondering why it wasn't under Adult Services where the social services amounts — regional and Whitehorse — are usually kept together?

Hon. Mr. Graham: I said that there was a \$604,000 increase in Community and Program Support's operation and maintenance budget. That was made up of increased demand and costs for the pioneer utility and Yukon seniors income supplement grants as well as for social assistance grants in rural Yukon. That's the full \$604,000.

Ms. Stick: I'll move on.

I'm curious. The minister suggested that this should be a Highways and Public Works question, but it is in the Health and Social Services budget and I'm wondering why renovations into community nursing — and I'm not sure what those were going to be — have decreased. When we do hear from community nurses that there are needs for housing, better garages for some of the vehicles to keep warm in the winter — I mean, it has just about disappeared off the budget line on that particular one.

Hon. Mr. Graham: Part of the Highways and Public Works building condition assessment indicated to us that we would wait until such time as Public Works had done the assessment of various buildings throughout the territory. We are aware that at least two of those buildings are in need of replacement, and one of the things that this assessment program will do is determine if other buildings should be renovated, should be repaired and have continued use, or whether we should replace them. That was one of the reasons that we put off extensive renovations in some of these buildings, waiting to see if we should actually replace them, renovate them or simply repair them and wait.

Ms. Stick: My question would be along those lines then.

When will we see a plan for community nursing stations and staff — nursing homes — that lays out what those renovations and evaluations will be, especially if what I've heard is correct — that some of them should be torn down and some of them are in need of renovation? What will be the timeline for that plan to come out? When can people expect to see some improvements?

Hon. Mr. Graham: Any recommendations or any of the findings of the assessment being done by Public Works will be transmitted to the Deputy Ministers' Space Committee with recommendations and, at that point, recommendations from the Deputy Ministers' Space Committee will come forward to the government with their recommendations.

Ms. Stick: A simple question, Madam Chair: When would that be expected?

Hon. Mr. Graham: They will come forward with annual reports. Whether all of the nursing stations or facilities in Health and Social Services are in the first year, we don't know, but we have indicated to Highways and Public Works that there are a number of these facilities that, to us, are quite critical and we've asked for them.

Ms. Stick: My other question is — on the bottom of capital, Total of Other Capital is \$4,354,000. It stays the same,

but I just would like a reminder of what that amount is for please.

Hon. Mr. Graham: Perhaps when we get into line-by-line debate and we get to it — otherwise I'm going to be here, fumbling around, looking for it. I'm not sure which division of Health and Social Services we're talking about.

Ms. Stick: I have to say that this is rather frustrating without the officials here to help with this. It is here in the budget. The amount is there. It would be helpful if we could have these questions answered during the debate on this subject. I am finished.

Hon. Mr. Graham: If you would like, we will take a break and have the officials over here. We did not anticipate they would be needed so quickly today, so I did not schedule them in advance. But if you want to take a 15-minute break, we can have officials come over and help me locate the proper spot.

Chair: Committee of the Whole will recess for 15 minutes while we await officials.

Recess

Chair: Committee of the Whole will come to order. We are going to continue with general debate in Health and Social Services, Vote 15.

Ms. Stick: I thank the officials for being here.

I'm going back to a few questions that I asked previously and would like some clarification. The first one had to do with the continuing care report called *Final Report — New Whitehorse Community Care Facility — Facility Review and Functional Program*, dated June 2013, which was done by six external consultants. I would just like a price tag on that please.

Hon. Mr. Graham: I won't change what we've already said. It was done with money that was budgeted in 2011-12. \$100,000 was in that budget. It was completed last year within that budget. That's where the money was. It was operation and maintenance money for the needs and feasibility study.

Ms. Stick: My understanding is that these six different firms shared the \$100,000 to come up with this final report for the department.

Hon. Mr. Graham: It was one contract. The fact that there were a number of different consultants involved in the contract is immaterial to us. There was one contract to do a specific job; they did it and it is now completed.

Ms. Stick: We were talking also about the pioneer utility grant — not the Yukon supplementary allowance but the seniors allowance and the increases. What I had asked for was an increase. I understand that there is a cost-of-living increase to the pioneer utility grants, but I was looking for the increase in numbers of pioneer utility grant applicants and I was looking for the increases to the seniors' supplementary allowance that the minister mentioned.

Hon. Mr. Graham: I understand we are in general debate. In general debate, from what I understand — obviously we have different understandings — is we're

talking about the budget in general. When you get into specific program areas, I think it is more appropriate to do that when we're doing line-by-line debate. Otherwise, we have to try to shift around and determine what budget line the member opposite is talking about, and it is very, very difficult. She is talking about how she was frustrated. We are extremely frustrated as well. We think that general debate is just that — general. If you want to get into specifics, let's do it in the debate with respect to line-by-line items.

Ms. Stick: This is last year's budget. We have the information in front of us. I am asking questions in general debate about these. If I have more questions in line-by-line debate, I will get to those also. This is what general debate is — it is asking questions and looking for answers. This isn't about speeches and general pie-in-the-sky matters. I'm looking for answers and responses to a budget supplementary debate.

The minister was able to answer some of the questions and I appreciated that. Some of them he was not. That's why I'm re-asking them now that the officials are here and able to help him with these things. So, I mean, don't turn it back on us as not being the ones doing general debate. I'm just going to sit down and let the Third Party ask the questions.

Mr. Silver: I'm not sure if these questions are appropriate, because they are based upon the supplementary budget and they are line items in the budget, but I'm going to ask them anyway.

McDonald Lodge funding — in the supplementary, we see that \$800,000 was spent and we're wondering what that was spent on. The reason we ask is because, at some point, there was a lapse in the \$7 million, so with that question as well, when and why was the decision to lapse the \$7 million of the budget for this project at some point during the year?

Hon. Mr. Graham: Part of the difficulty with the McDonald Lodge project was that the project ran into several difficulties with the municipality. We had to try to work out those difficulties with the municipality, as they related to the heritage nature of the building. Because we were unable to do that in time to start construction last year, \$7 million was reprofiled to this year, but the design has essentially been completed. I think we took a little longer to consult with the community than we had anticipated would at first happen as well. The design is now completed.

One of the other difficulties, of course, that we experienced was that the health facility that currently exists in Dawson City has to be torn down in order to build the new McDonald Lodge. With the delays in the Hospital Corporation moving into their building, we of course couldn't demolish the health centre, so that delay was impossible to avoid as well. I don't know if I've answered all your questions, but that's pretty well why we had to reprofile the money. The money that we've spent has the design and a number of other steps in the project completed.

Mr. Silver: I appreciate the answer from the minister. I do have a question about the heritage bylaw. I recall — and the minister can correct me if I'm wrong — a similar issue happened with the building of the hospital as well going back,

because the design did not meet the qualifications of the heritage bylaw. At what point during the design stage does heritage in the town get involved with the minister's plans to build these capital projects?

Hon. Mr. Graham: Madam Chair, I'm not sure. Maybe I'm misunderstanding the question.

We began negotiations or talks with the community as we designed the building, but that didn't necessarily include the Dawson building department at that time. We thought, as we went along, that all of the design elements met the requirements, and there was some discussion, especially when a connection corridor between McDonald Lodge and the hospital was added at a later date. Those were the things that we had to work out.

In hindsight, we possibly could have started those discussions with the community a little sooner than we did. With the Dawson Heritage Advisory Committee — you know how it works — it's a bunch of people they have to bring together as well. It is not like we were just conversing with the civil servants in the Dawson building department.

I think that delay itself didn't hurt as much as the hospital not moving out.

Mr. Silver: Thank you for the clarification. Also in the supplementary budget, community nursing, \$990,000 was also lapsed. If the minister could explain to us why these projects were delayed?

Hon. Mr. Graham: If we are talking about capital budgets, there were a number of items that I mentioned had been pulled back, waiting for the assessments from Highways and Public Works — I think the young offenders facility was one.

There were some other things that were reallocated within the department — projects that we thought were more urgent, that should go ahead — \$49,000 to the young offenders facility; \$9,000 to the Hoge Street group home; \$30,000 to Takhini Haven; \$103,000 to Copper Ridge Place; and \$27,000 — I guess these are "from," not "to" — to Macaulay Lodge. That money was all deferred or reprofiled.

\$773,000 was transferred to the Property Management division in Highways and Public Works and that money came from the Carcross Health Centre, \$74,000; the Mayo Health Centre, \$632,000; the Faro Health Centre, \$20,000; and the Carmacks Health Centre, \$47,000. All of that money was also sent to PMD — lapsed.

Mr. Silver: So it didn't necessarily lapse — it was sent to another department.

MRI and the emergency expansion — \$942,000 was spent. What was that spent on, specifically? At a higher level, what are the plans for the hospital expansion? These two items — in my opinion — are related. Has the project been pushed back from the 2017 opening that the chair mentioned when he was in here last year?

Hon. Mr. Graham: That money was basically used in preliminary planning. To give you an overall idea of where that project is now, the MRI will be housed in what we said at one time was a temporary facility.

It's not going to be a temporary facility in that it's not going to be a trailer. It's going to be a temporary home in a

permanent building. Construction will begin this summer — hopefully in the next little while — on this facility for the MRI. The MRI machine will be placed in this building with the rest of the expansion for the emergency department and associated data centre and a number of other small things that are going there. The MRI will be housed there and will be used there because it's in close proximity to the current emergency department.

When the construction has been completed for the new emergency department, the MRI will be moved into the permanent location in that facility. The building that will be used in the interim for the MRI will be repurposed because it will form part of the new construction. It will be repurposed. It won't be a waste of funding.

Mr. Silver: I will leave more questions on the temporary home for debate in the mains, but the question was related to the money that has been spent on the MRI and the emergency expansion within the supplementary. Have there been changes to the plan, as far as what the chair of the Hospital Corporation mentioned here — that the project for the expansion was going to be 2017.

I'll end my questions there with — the chair wasn't here last year. Will the Hospital Corporation be appearing this spring in the Legislature as witnesses? Can the minister update us on that as well?

Hon. Mr. Graham: I'll answer the last part first. Madam Chair, I had no plan to request that the Hospital Corporation appear.

The plans for the expansion of the emergency department are evolving. One of the things that the Hospital Corporation — I just had an update today — has run into is the whole difficulty of doing any kind of renovation or addition given the difficulty of infection control as soon as the envelope of the hospital building itself is bridged in any way, shape or form. That has been a great concern for them. Also of some concern was the fact that we have requested that the ambulance station currently located on the hospital grounds not be torn down in order to put the new facility in. The Hospital Corporation then had to go back to the drawing board, working within a much more limited foot print, and in fact we heard today that it may be difficult but they're working very hard to make sure that it is done.

They have a draft design that is going through their management committee — through consultations with the physician community, with the nursing community — but it is still subject to change. They just did site visits, I believe, last week or the week before, and as a result of those site visits to hospitals in the Lower Mainland area, they've already thought of other things that can be done here.

It's an evolving thing. As the more details become available — we've seen in the past what happens when we bring forward a proposed design with a proposed budget. I saw in the newspaper that the new 300-bed or 150-bed-expandable-to-300-bed has a price tag attached to it automatically and a footprint. Those kinds of things are very preliminary. They're subject to change depending on what the consultation we go through brings out, and it's subject to

change just in dealing with day-to-day problems in these facilities. So it's an early design. It's not a final design. We're making sure that we have the best possible design at the lowest possible price and that works within the costs that we've identified for the new facility.

Ms. Stick: I was just curious if the minister could explain please — we have been talking about the Sarah Steele Building replacement for a number of budget cycles, and this year the budget item was cut in half. Can there be an explanation for that please?

Hon. Mr. Graham: The decrease of \$450,000 for the Sarah Steele Building was due to delays in issuing the request for proposal tender.

There was a small delay as well in awarding the design contract. Hopefully we've overcome all of those difficulties and the funding will all be spent in 2014-15.

Chair: Does any other member wish to speak in general debate? We are going into a line-by-line examination starting on page 7-4.

On Operation and Maintenance Expenditures

On Corporate Services

Corporate Services in the amount of \$760,000 agreed to

On Family and Children's Services

Family and Children's Services underexpenditure in the amount of \$646,000 agreed to

On Adult Services

Adult Services in the amount of \$449,000 agreed to

On Continuing Care

Continuing Care in the amount of \$51,000 agreed to

On Health Services

Ms. Stick: Could I have a breakdown of that please?

Hon. Mr. Graham: The increases for Health Services: community nursing requested an increase of \$600,000 for the operation of the Dawson health centre until the new hospital opened in Dawson City, and \$160,000 of that was for other, not personnel, so they received that; physician claims increased by approximately \$850,000, and that included physician claims to Watson Lake to ensure that we had adequate physician coverage down there of about \$450,000; \$500,000 was requested for the medical travel program based on the projected costs for the year; \$102,000 is for the chronic conditions program; \$264,000 is for the extended benefits program; the Hearing Services requested an increase of \$250,000; hospital claims were \$1,769,000 to address both cost and volume increases; and \$150,000 to cover additional costs for legislated grants for medical travel. As I said, those were the kinds of things like where we pay \$75 to your hotel and a meal allowance and various other things while people are on medical travel. That should add up.

Health Services in the amount of \$4,400,000 agreed to

On Community and Program Support

Community and Program Support in the amount of \$604,000 agreed to

On Yukon Hospital Services

Yukon Hospital Services underexpenditure in the amount of \$2,142,000 agreed to

Total Operation and Maintenance Expenditures in the amount of \$3,476,000 agreed to

On Capital Expenditures

On Corporate Services

On Information Technology Equipment and Systems — Systems Development — Canada Health Infoway: Panorama (Public Health Information)

Information Technology Equipment and Systems — Systems Development — Canada Health Infoway: Panorama (Public Health Information) in the amount of \$37,000 agreed to

On Information Technology Equipment and Systems — Systems Development — Canada Health Infoway: HIS-EMR Connect (Hospital Information System and Electronic Medical Recording Connect)

Information Technology Equipment and Systems — Systems Development — Canada Health Infoway: HIS-EMR Connect (Hospital Information System and Electronic Medical Recording Connect) underexpenditure in the amount of \$218,000 cleared

On Information Technology Equipment and Systems — Systems Development — Various Systems Development Projects

Information Technology Equipment and Systems — Systems Development — Various Systems Development Projects underexpenditure in the amount of \$246,000 cleared

On Family and Children's Services

On Young Offender Facilities — Renovations

Young Offender Facilities — Renovations in the amount of \$44,000 agreed to

On Residential Services — Renovations

Residential Services — Renovations underexpenditure in the amount of \$1,000 cleared

On Adult Services

On Income Support — Renovations

Income Support — Renovations underexpenditure in the amount of \$125,000 cleared

On Adult Residential Services — Renovations

Ms. Stick: I'm just wondering if this is for office, or is this other adult residential services?

Hon. Mr. Graham: It is a reallocation of \$30,000. This is the one from the Mayo Health Centre, which we decided not to go ahead with, and this \$30,000 went into renovations at the Takhini Haven building.

Adult Renovation Services — Renovations in the amount of \$16,000 agreed to

On Sarah Steele Building Replacement — Planning

Sarah Steele Building Replacement — Planning underexpenditure in the amount of \$450,000 cleared

On Continuing Care

On Copper Ridge Place — Renovations

Copper Ridge Place — Renovations in the amount of \$103,000 agreed to

On Macaulay Lodge — Renovations

Macaulay Lodge — Renovations in the amount of \$26,000 agreed to

On McDonald Lodge — Replacement

McDonald Lodge — Replacement underexpenditure in the amount of \$7,021,000 cleared

On Health Services

On Community Health Programs — Renovations

Community Health Programs — Renovations underexpenditure in the amount of \$20,000 cleared

On Community Nursing — Renovations

Community Nursing — Renovations underexpenditure in the amount of \$991,000 cleared

On Community and Program Support

On Regional Services — Renovations

Regional Services — Renovations underexpenditure in the amount of \$1,000 cleared

On Yukon Hospital Services

On Yukon Hospital Corporation — Magnetic Resonance Imaging (MRI)/Emergency Department Expansion

Yukon Housing Corporation — Magnetic Resonance Imaging (MRI)/Emergency Department Expansion underexpenditure in the amount of \$472,000 cleared

On Total of Other Capital

Total of Other Capital in the amount of nil cleared

Total Capital Expenditures underexpenditure in the amount of \$9,319,000 agreed to

Total Expenditures underexpenditure in the amount of \$5,843,000 agreed to

Department of Health and Social Services agreed to

Chair: We are through with Health and Social Services. Thank you very much. We're going to carry on with general debate in Vote 51, Department of Community Services.

Department of Community Services

Hon. Mr. Cathers: It's a pleasure to rise here. My officials will be joining me very shortly as they're just in the members' lounge. In introducing the supplementary estimates for 2013-14, to begin with — I'm just finding my proper page here — in introducing the supplementary estimates here, the majority of the changes that are outlined here in this budget — supplementary estimates — before us consist of a \$1.234 million increase in operation and maintenance expenses and a decrease of \$30.47 million in capital expenses. The department's combined O&M and capital budget for 2013-14, including the supplementary estimates, is \$154,655,000.

This represents an investment in programs and services that directly benefit Yukon people in communities by developing and improving community infrastructure and enabling the department to assist and respond to emergency events, fostering strong local governance, promoting and developing sport and recreation across the Yukon, and enabling a broad range of licensing business and regulatory services for the health, safety and protection of the public.

The Department of Community Services continues to work to achieve goals set out in our strategic plan. This enables government to delivery on our commitments by moving forward together to achieve a better quality of life for

Yukoners, promote a healthy environment, grow the economy and practise good governance.

As a department, Community Services remains committed to vibrant, healthy and sustainable communities in Yukon and the supplementary budget contributes to this vision.

Community Services values collaboration, respect, integrity and service excellence. I am proud to be the minister responsible for this department as we strive to bring long-term benefits to the Yukon by continuing to operate the many program areas housed under Community Services as well as fulfill our responsibility for a number of important pieces of legislation and our role as a regulator in those areas.

In the area of Protective Services, Community Services remains committed to protecting public safety through Emergency Medical Services, Wildland Fire Management, Emergency Measures, structural fire protection, building safety and animal protection.

In this year's supplementary budget, we are requesting an additional \$740,000 in operation and maintenance expenses for our Protective Services division due to increased costs experienced by Wildland Fire Management as a result of the high number of wildfires in 2013.

As the Premier and Finance minister noted in his introduction of the supplementary — and as members, I would assume, would be aware — one of the things we do in the area of wildland fire management is that we budget based on historical average years and costs, but in areas such as this year — or a couple of previous ones we have had since devolution — when the wildfire is significantly higher than normal, that does require additional appropriations.

In last summer's warm and dry extended fire season — the fifth most serious on record — Yukon experienced 174 wildfires, which is nearly 50 more than the previous year, and those fires consumed some 260,000 hectares of vegetation. Wildland Fire Management fought 67 of those fires. Although, fortunately, it is not a rare occurrence, we are also pleased that this did, once again, occur with no loss of life and that there is no serious loss of property in this fiscal year.

Community Services is also investing in emergency infrastructure. The contract to replace the Beaver Creek fire hall was recently tendered with construction scheduled for completion in the 2014-15 fiscal year, and this cost of \$3.4 million will be reflected in the 2014-15 budget.

In the area of community development, the Community Affairs division of Community Services includes municipal affairs, community operations, infrastructure development, public libraries and sport and recreation. These programs and services provide a vital link to our communities and ensure safe drinking water, waste-water treatment in unincorporated Yukon, management of solid waste sites, support for municipal governments and they provide a range of services that benefit the citizens in Yukon communities and outside of incorporated communities.

The supplementary budget includes an increase of \$494,000 in operation and maintenance expenditures. The government recognizes the value and importance of year-

round sport and recreation in Yukon and the infrastructure it supports. As seen within the 2013-14 supplementary estimates, the Sport and Recreation branch made a \$198,000 contribution to the City of Whitehorse to help them with the Great Northern Ski Society's previous debts related to the prior year operation of the Mount Sima ski hill. As well, Yukon entered into a three-year funding agreement with the Friends of Mount Sima. Through this agreement, Yukon committed to matching dollars up to a maximum of \$70,000 for new sponsorships and contributions in the 2013-14 fiscal year, as well as a further \$50,000 in 2014-15, and the final contribution of \$30,000 in the 2015-16 fiscal year.

In this budget there is also a \$30.47-million decrease in capital items related to community development and land development. This decrease reflects the deferment of approximately \$1 million in projects funded through the federal gas tax fund to 2014-15. A net decrease of \$8.8 million has occurred under the Building Canada program and this decreases the result of the deferment of some projects to the 2014-15 fiscal year, as well as certain projects coming in underbudget, allowing the unexpended funds for those projects to be allocated to other projects in the next fiscal year.

In this partnership with Canada, 75 percent of expenditures incurred under this program are recoverable. Some projects have been deferred, owing to the short construction season, such as the new community well and water treatment plant in Mayo, where initial engineering design work has been completed, and waste-water system upgrades in Teslin, which are now scheduled for 2014-15.

Several multi-year, multi-phase projects require planning, design consultation and environmental review before they move into construction and will continue in 2014-15.

Madam Chair, for the first time in years, as a result of the investments in the development of Whistle Bend, we have a significant additional inventory of land for sale in the City of Whitehorse and that, of course, meets a commitment that we made in the 2011 election.

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

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

Motion agreed to

Hon. Mr. Cathers: I move that the Speaker do now resume the Chair.

Chair: It has been moved by Mr. Cathers that the Speaker do now resume the Chair.

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Ms. McLeod: Mr. Speaker, Committee of the Whole has considered Bill No. 12, entitled *Third Appropriation Act, 2013-14*, and directed me to report progress.

Speaker: You have heard the report from the Chair of Committee of the Whole. Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

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

The House adjourned at 5:30 p.m.