



# Yukon Legislative Assembly

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33rd Legislature

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## HANSARD

**Monday, November 3, 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**

## CABINET MINISTERS

### NAME CONSTITUENCY PORTFOLIO

<b>Hon. Darrell Pasloski</b>	<b>Mountainview</b>	<b>Premier</b> Minister responsible for Finance; Executive Council Office
<b>Hon. Elaine Taylor</b>	Whitehorse West	Deputy Premier Minister responsible for Education; Women's Directorate; French Language Services Directorate
<b>Hon. Brad Cathers</b>	Lake Laberge	Minister responsible for Community Services; Yukon Housing Corporation; Yukon Liquor Corporation; Yukon Lottery Commission Government House Leader
<b>Hon. Doug Graham</b>	Porter Creek North	Minister responsible for Health and Social Services; Yukon Workers' Compensation Health and Safety Board
<b>Hon. Scott Kent</b>	Riverdale North	Minister responsible for Energy, Mines and Resources; Yukon Energy Corporation; Yukon Development Corporation
<b>Hon. Currie Dixon</b>	Copperbelt North	Minister responsible for Economic Development; Environment; Public Service Commission
<b>Hon. Wade Istchenko</b>	Kluane	Minister responsible for Highways and Public Works
<b>Hon. Mike Nixon</b>	Porter Creek South	Minister responsible for Justice; Tourism and Culture

## GOVERNMENT PRIVATE MEMBERS

### Yukon Party

<b>Darius Elias</b>	Vuntut Gwitchin
<b>Stacey Hassard</b>	Pelly-Nisutlin
<b>Hon. David Laxton</b>	Porter Creek Centre
<b>Patti McLeod</b>	Watson Lake

## OPPOSITION MEMBERS

### New Democratic Party

<b>Elizabeth Hanson</b>	Leader of the Official Opposition Whitehorse Centre
<b>Jan Stick</b>	Official Opposition House Leader Riverdale South
<b>Kevin Barr</b>	Mount Lorne-Southern Lakes
<b>Lois Moorcroft</b>	Copperbelt South
<b>Jim Tredger</b>	Mayo-Tatchun
<b>Kate White</b>	Takhini-Kopper King

### Liberal Party

<b>Sandy Silver</b>	Leader of the Third Party Klondike
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## LEGISLATIVE STAFF

Clerk of the Assembly	Floyd McCormick
Deputy Clerk	Linda Kolody
Clerk of Committees	Allison Lloyd
Sergeant-at-Arms	Rudy Couture
Deputy Sergeant-at-Arms	Doris McLean
Hansard Administrator	Deana Lemke

**Yukon Legislative Assembly  
Whitehorse, Yukon  
Monday, November 3, 2014 — 1:00 p.m.**

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

*Prayers*

## DAILY ROUTINE

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

## TRIBUTES

### In recognition of MADD Canada's 27<sup>th</sup> Project Red Ribbon campaign

**Hon. Mr. Istchenko:** I am pleased to rise in the House today to recognize MADD Canada's 27<sup>th</sup> Project Red Ribbon campaign.

Each year, from November 1 to the first Monday after the new year, volunteers in communities across Canada distribute millions of red ribbons to the public to attach to their vehicles, their key chains, purses and backpacks. The iconic red ribbon is displayed as a reminder and an appeal to drive sober during the holiday season. This reminder is all too important in the Yukon. Yukon's rate of impaired driving convictions is four times higher than the national average. While this statistic is not something to be proud of, it is something that we can all make a commitment to improve on. Impaired driving is a totally preventable crime and every life that is lost or changed by impaired road crashes affects all of us in our communities.

Road safety is everyone's responsibility and it begins with each of us. I know the Department of Highways and Public Works continues to strive for the safest roads in the world and works to help decrease the number of impaired drivers on our roadways through enforcement, education, awareness and technology. We are always pleased to work in partnership with MADD and with the RCMP, the Yukon Liquor Corporation and other stakeholders, both within the territory and externally, to reduce the number of impaired drivers on our roadways.

Recently, MADD Canada's Citizen of Distinction Award recognized Yukon's Minister of Justice. The award acknowledged individuals or groups or organizations that have made a major contribution to the anti-drinking and driving movement in Canada. Minister Nixon was awarded for his efforts in amending the legislation to better address the rights of victims of crime and their rights to an adequate compensation.

A strong advocate for helping Yukoners understand the importance of responsible decision-making, Mr. Nixon has participated in advertising campaigns and public service announcements about the dangers and consequences of impaired driving. Minister Nixon is an enthusiastic supporter of MADD Canada's mission and partners, frequently with the MADD Whitehorse Chapter, for awareness events and activities.

I want to extend a special thank you to MADD for their tireless efforts in organizing these things and looking to get toward eliminating impaired driving. MADD continues to lead the way in public awareness and education campaigns to stop impaired driving. It is also important to acknowledge the thousands of volunteers who have worked for MADD over the years. Your dedication and hard work is helping to save lives and we do thank you.

We all play a part in the prevention of impaired driving and I encourage everyone to wear a red ribbon or place a red ribbon on their vehicle to demonstrate their support for sober driving. On behalf of my department — Highways and Public Works — and to all of Yukon government, I would like to extend our gratitude toward our local MADD chapter and our local RCMP. We are honoured by your presence here in the Legislature here today. Your dedication and hard work is helping to save lives and we thank you. We look forward to continuing our collective efforts, working together to prevent impaired driving and to remind Yukoners to make smart choices.

Mr. Speaker, earlier today we did the event up at the Canada Games Centre and I committed all our government vehicles to wear the red ribbon.

I encourage the City the Whitehorse — it looks like we're partnering with them again — so I want to thank everybody for that.

In the House today I would like to introduce Amanda Price, the vice-president of MADD Whitehorse; Daniela Martinson, the president of MADD Whitehorse; Jacquie Van Marck, the secretary for MADD Whitehorse; and Charles Behan, a volunteer. Also we have, among other representatives, some from the RCMP: Staff Sergeant Archie Thompson, we have Constable Susan Shaw-Davis and Constable Sheen Kidd. Thank you for coming to the House today.

*Applause*

**Mr. Barr:** On behalf of the Official Opposition and the Third Party, I rise to pay tribute to Mothers Against Drunk Driving. Twenty five years ago, MADD Canada started an awareness campaign to get the public thinking about the need for safe and sober driving. In 2003, MADD came to the Yukon where the group diligently works to eradicate impaired driving and helps make our roads safer. MADD also continues to support victims of drunk driving, which includes the families and friends of someone who is injured or killed in an accident involving a drunk driver. When families reunite to celebrate the holiday season, some feel a terrible void in their lives. Others celebrate the festive season with liquor and good spirits. This is when MADD's project red ribbon can gently remind Canadians to drive safe and sober.

Each year from November 1 to the first Monday after January 1, MADD Canada volunteers across the country to distribute red ribbons and ask Canadians to display a ribbon on their vehicle and/or key chain, or on a personal item like their purse, briefcase or backpack.

The red ribbon symbolizes the importance of planning ahead for a safe ride home in order to prevent drinking and driving. It reminds people that deaths and injuries caused by impaired driving are avoidable and preventable. Working alongside the local RCMP detachment, MADD will be very visible in the upcoming holiday season. Let's all make safe driving in the Yukon a priority — commit not to drink and drive and to help educate others to do the same.

### In recognition of Movember 2014

**Mr. Silver:** Today I rise on behalf of the Liberal caucus and all of my colleagues to pay tribute to Movember 2014. Movember's core purpose is to change the face of men's cancer. Movember is responsible for the sprouting of moustaches on thousands of men's faces in Canada and across the world. This moustache-growing charity helps raise vital funds and awareness for men's health, specifically prostate cancer, but also men's mental health initiatives.

This year, kudos go out to Yukon College for announcing a twist on the tradition. They are encouraging Yukoners to dye their beards or style their facial hair in interesting ways that can attract attention. That means you, Mr. Speaker. You can participate this year for sure without having to shave your moustache to begin with.

For links to their Movember team and others, including mine, please go to <http://ca.movemeber.com>. We proudly display our moustaches to raise awareness of men's health and to support those who are battling or who have battled cancer. I encourage any man listening to this to make sure that you get a check-up regularly.

**Speaker:** Isn't there enough gray in my mustache as it is?

Introduction of visitors.

### INTRODUCTION OF VISITORS

**Hon. Mr. Pasloski:** I invite all members to recognize Mr. Jeff Ford. Mr. Ford works at the Department of Justice and is here — I know — in support of the tributes for MADD, but I would also like to recognize him because he is a constituent of mine, so I invite the gallery to welcome him here.

*Applause*

### TABLING RETURNS AND DOCUMENTS

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

**Ms. Stick:** I have a document from October 2011, Canadian Institute of Health information data, for tabling. It shows that ATV injuries continue to rise.

I also have for tabling an updated May 2012 document, entitled *All-Terrain Vehicle (ATV) Legislation Chart*.

**Ms. Moorcroft:** I have for tabling the City of Whitehorse submission to the Select Committee on the Safe Operation and Use of Off-road Vehicles.

**Speaker:** Are there any reports of committees?  
Are there any petitions to be presented?  
Are there any bills to be introduced?  
Notices of motions.

### NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to fulfill obligations agreed to in the devolution transfer agreement to work with Yukon First Nation governments to develop successor resource legislation that will provide compatible, or where appropriate, common natural resource management and legislation regimes in the Yukon.

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

THAT this House calls on the government to renew its promise to achieve the diversion of 50 percent of Yukon's solid waste by 2015.

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

THAT this House urges the Government of Yukon to disclose the preliminary findings of the \$600,000 Yukon diverse fibre feasibility study undertaken over the summer of 2014.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to make wearing a helmet while driving or riding an off-road vehicle mandatory for all Yukoners, regardless of age.

**Speaker:** Is there a statement by a minister?

### Speaker's statement

**Speaker:** Before we start Question Period, I would just like to remind members that we have a practice of addressing members by their constituency or by their portfolio that they hold, and not by using their names.

This then bring us to Question Period.

### QUESTION PERIOD

#### Question re: Mining sector development

**Ms. Hanson:** Mr. Speaker, this government rode high with the rise of world commodity prices. Its economic vision for Yukon was a single, narrow focus on resource extraction. Today we are seeing the realities of the inevitable decline. Last Friday, gold and silver sank to their lowest values since 2010. In September 2013, this government's economic forecast stated that higher mineral production and expenditures were expected to support GDP growth of 8.8 percent in 2014. By February 2014, that rosy projection was downgraded to 3.3 percent. This July, the forecast was further reduced to 1.7 percent. Reality clearly has begun to set in.

Does the Premier acknowledge that depending on extractive resource industries to drive economic growth has

made Yukon vulnerable to the rise and fall of world commodity prices?

**Hon. Mr. Dixon:** Mr. Speaker, whenever we talk about the economy in Yukon, we have to, of course, discuss the mining industry. Obviously the mining industry is a very important component of our economy. It has been for the last 100 years or so and it will continue to be an important part of our economy going forward. It's not the only part, though, and it's important that we recognize other sectors of the economy and grow and develop those sectors as well.

We have taken a number of steps to ensure that our economy is increasingly diverse with regard to the tourism sector, with regard to the knowledge sector and, of course, the oil and gas sector, the forestry sector and agriculture sector. These are all areas that we focus on for growth. It's important to recognize that, while the mining industry is very important and it's the cornerstone of our economy, it is important that we look to other sectors to grow and diversify our economy, to strengthen and make sure that our economy is resilient despite the factors the member opposite is referencing with regard to world commodity prices and other factors outside of Yukon government's control.

**Ms. Hanson:** Yes, in fact, Mr. Speaker, it is interesting that the Minister of Economic Development is now referring to oil and gas as one of our diversifiers.

During the years of relative prosperity, the Premier squandered countless opportunities to build an inclusive and strong economy. We have heard from Yukoners time and again about the need to invest in the renewable energy industry, in a diversified and resilient economy. Yukoners, unlike their government, have a clear vision. Yukoners know that our future doesn't have to be dependent on boom-and-bust cycles.

When will the Premier talk with Yukoners, not just with big industry, about their vision for a strong and diversified economy?

**Hon. Mr. Dixon:** Where we disagree with the member opposite is on her treatment of the mining industry. We believe that we can grow and strengthen other sectors of the economy without taking away from the support we provide to the mining industry. We don't believe they're mutually exclusive.

The NDP would have us believe that any investment in the mining industry — any program or support the government provides to improve the mining industry in the territory — is a bad thing and we should redirect our resources elsewhere. We don't agree with that vision. We see the mining industry as a key component of our economy. It's the cornerstone of our economy and will continue to be, going forward.

We'll continue to invest and grow other sectors of our economy. We'll continue to take steps to bolster the knowledge economy. We'll continue to market Yukon's incredible tourism resources and continue to grow the tourism industry, as we've seen over the past number of years. We'll also look to other sectors of the economy and, yes, oil and gas

has been one over the past few years — so has the agriculture industry and so have Yukon small businesses.

We'll continue to take those steps to grow and diversify our economy, but that does not mean that we have to turn away from the mining industry, as the NDP would have us do.

**Ms. Hanson:** One has only to look at the Premier's statements to the media in Denver, or to the Senate on Bill C-6, to know who he listens to. This government took credit for the economic growth that went along with record-high commodity prices and federal transfer dollars. Now that the economy has slowed and Yukoners are feeling the pinch, this government refuses to stand up and take responsibility.

Mr. Speaker, part of being a leader is taking responsibility — not just for the good times, but also the bad. When will the Premier admit that the Yukon's economic outlook was not as rosy as he claims, and tell Yukon citizens what his government is doing to foster an economy that is resilient, that is not so dependent on the federal government or boom-and-bust commodity cycles?

**Hon. Mr. Pasloski:** I think the record stands for itself in terms of the management of the economy and what happened when the opposition parties were in power.

Mr. Speaker, this government believes that a healthy and growing private sector economy is vital to the success of this territory to allow us to continue to move toward becoming a net contributor to this country, which this government believes in strongly. It is a private sector economy that continues to provide resources for governments, to provide services and programs for Yukoners. We will continue to work on those efforts to ensure that we are as best prepared for when this downturn in our cycle of mining right now, globally, turns around. We are working on energy, we are working on roads, and we are working on ports. We are working on the creation of CNIM and also mobile trades trailers. We are also working on the assessment, regulatory and permitting processes to ensure that, when the opportunity arises, Yukon is a place that investors will look at and companies will know with confidence that they can come here and create great opportunities for Yukoners.

#### **Question re: Education official's credentials**

**Mr. Tredger:** On Friday, the *Whitehorse Star* reported that a senior Education official's credentials have been thrown into question. Fifteen months ago, the Assistant Deputy Minister of Public Schools was welcomed to the government as a Master of Divinity and the Deputy Minister cited the PhD he gained from Newburg Theological Seminary and College of the Bible — an unaccredited on-line learning centre with an office in an Indiana suburb.

Mr. Speakers, teachers and the public want to know: Does the minister approve that an Education ADM uses the title "Doctor" without having a PhD from a recognized institution?

**Hon. Ms. Taylor:** I am a bit astounded by the line of questioning coming forward from the member opposite. Surely, given the background of that particular member, I am absolutely astounded that the member opposite is implying that I, as an elected official and a member of Cabinet on this

side of the House, would be responsible for personnel-related issues — I would be responsible for hiring, for dismissal, for adhering to grievances — and the list goes on.

The member opposite should know full well that I do not have the legal mandate — and I do not have any mandate, nor does anyone on this side of the Legislature have any mandate — when it comes to personnel-related matters.

We on this side of the House do have 100-percent confidence in the Public Service Commissioner, and certainly in the commission itself and in all of our departmental hiring decisions, and there are processes in place to instill confidence and fairness and transparency at every turn when it comes to personnel matters.

**Mr. Tredger:** This matter of the ADM's qualifications is of the public interest and should be of the minister's concern because he chairs the Yukon Teacher Qualification Board. This is the person in charge of approving new teachers' credentials to become educators in our school system. This is the body that acts as our quality control check to ensure that our educators are qualified to fulfill their duties in the classroom to a high standard of the educators already operating in the Yukon.

How does promoting unrecognized credentials of the person who reviews teachers' accreditation reflect on the Department of Education?

**Hon. Ms. Taylor:** Again, this is a matter that involves personal information about one of our respective employees. It is a matter that — because it is of a personnel-related matter, I do not have that particular mandate. In fact, neither one of these members on this side of the Legislature has that mandate to oversee decisions pertaining to hiring, dismissal or any related issue pertaining to personnel-related matters.

As I mentioned, I am pretty sure — I'm hoping — that the member opposite is not inferring that we politically interfere in that particular process. We have processes in place to guarantee that we do have transparency, that we do have fairness when it comes to hiring personnel and when it comes to overseeing those personnel-related matters. We certainly instill and have confidence in all of our departmental hiring processes as well as the Public Service Commission itself.

**Mr. Tredger:** Educators have the right to a credible and timely review of their qualifications. They also deserve to know that those sitting in decision-making positions are appropriately qualified. It takes years of study and hard work to obtain an accredited university degree. It's a chance for those with the right training to have their hard-earned and accredited qualifications confirmed so they can get to what matters: getting into the classroom and helping our children learn and grow.

Can the government tell us when was the last time that the Teacher Certification Board met?

**Hon. Mr. Pasloski:** For the record, what we do hear today is that the Opposition would politically interfere with personnel issues. We've heard many insinuations in the past from the Opposition in terms of questioning the competency of our public service. We will stand behind this public service.

We have and we always will. We admire and appreciate the job that they do on behalf of Yukoners every day, and this government will not interfere politically on a personnel issue.

#### **Question re: Seniors facility funding**

**Mr. Silver:** I have a question about the new Alexander Street residence. In August 2012, the Government of Yukon announced the reconstruction of the seniors residence at 207 Alexander Street. The price tag was to be \$12.65 million. Budget documents released last week put the cost of this project at over \$16.1 million. In other words, it is more than 25 percent overbudget. This project joins a long list of construction contracts that have come in overbudget under the watch of this Yukon Party government.

Does the minister think that going overbudget by 25 percent on a capital project is an example of good fiscal management?

**Hon. Mr. Cathers:** I would be happy to help the member learn to read a budget sometime. In fact, the contract is well under the original \$16-million budget. Earlier this year, we had \$12 million allocated for this fiscal year and an additional \$4 million in the next fiscal year. The project itself actually came in millions of dollars underbudget and has a total budget of \$12,637,000.

**Mr. Silver:** Mr. Speaker, Yukoners don't trust this government when it comes to managing capital projects and there's a good reason why. That's why we bring these questions up in the Legislative Assembly.

This is just the latest in a long list of poorly managed projects that have gone well overbudget on this government's watch, starting out with F.H. Collins, the new community hospitals, to the ambulance station as well. The government has a proven track record of going overbudget on these projects.

While the government talks a good talk and a good game about managing taxpayers' money wisely, the reality is quite different. The Auditor General of Canada has been quite critical of this government's inability to bring the projects in on budget and its inability to learn from its past mistakes.

Will the minister explain why this latest project is \$30.5 million overbudget?

**Hon. Mr. Cathers:** I am quite enjoying this. I would be happy to invite the member — he might want to just drop his third question, because this project is well under the original budget of \$16 million. The project has a budget now — because the bid came in substantially under the original estimate — \$3.5 million under the original estimate — of \$12,637,000.

If the member would like to apologize for not reading the budget document correctly, he is welcome to do so. If he'd like us to provide him with a financial literacy course, we'd be happy to arrange that.

**Mr. Silver:** Unless they have another budget that they're not giving us, the numbers speak for themselves. We know that this government has been millions of dollars overbudget on many of its capital projects. The Auditor General of Canada has written an entire report about this

government's mismanagement on the Watson Lake hospital and it is obvious that this government is incapable of learning from its mistakes on the new Alexander Street project.

Why is setting a budget and sticking to it not an important thing for this minister or for this government?

**Hon. Mr. Pasloski:** Today and, in fact, on other days — both in this House and outside of this House — what the reality really is, is that someone who wants to be or aspires to be the Premier of this territory after years in this House still has difficulty understanding budgets and appropriations. I think that that is a disappointment for all people here in the territory and it is certainly a discredit to the work that is being done by the government.

**Question re: Solid-waste management**

**Mr. Barr:** Does the government intend to uphold its promise to divert 50 percent of Yukon's waste by 2015 — yes or no?

**Hon. Mr. Dixon:** We are taking a number of steps to improve the diversion of waste in the territory and improve recycling in the territory. Some of those steps include what is currently being undertaken right now with regard our recycling regime review that is being consulted on presently. That change, or that proposal, will see an increase to the beverage container regulation and changes to the designated materials regulation, and we believe that that is a concrete step toward strengthening the overall recycling regime in the territory.

It is not the only thing we have done. Obviously we have invested significant funds throughout the waste management recycling spectrum, but this change to the system — to the structure of our recycling regime — is a fundamental step and it is a fundamental step in the right direction — to ensure that Yukoners continue to recycle, continue to have a waste system that sees an increasing amount of waste diverted — making sure that some of those key components of the waste stream are kept out of the landfill and are dealt with properly through recycling.

**Mr. Barr:** It was a simple question with a simple answer. Does the government intend to uphold its promise to divert 50 percent of Yukon's waste by 2015 — yes or no?

**Hon. Mr. Dixon:** What we're focused on is taking steps that will benefit the long-term health of the Yukon and focus on taking steps that will improve the structure of our recycling regime in the territory. Whether that takes a year, two years or three years, that's less important than making those important decisions — those important decisions about Yukon's future and about the recycling regime in the territory.

I know the member opposite is focused on this particular goal next year, but what we're focused on is the long-term health of the recycling industry and the long-term health of waste diversion in the territory, and ensuring that our system is made stronger by changes that we're making both through the regulatory changes that we're proposing as well as the investments we continue to make in waste management and recycling throughout the territory.

**Mr. Barr:** This is a platform promise to do such of what I've been asking. Does the Yukon Party government intend to uphold its promise to divert 50 percent of Yukon's waste by 2015 — yes or no?

**Hon. Mr. Dixon:** I've explained some of the changes that we have made that are forthcoming with regard to the recycling regime, but of course, as the members all know, we will continue to work with a variety of levels of government including the City of Whitehorse and southern municipalities throughout the territory to improve our recycling regime and take concrete important steps to advance our regulatory regime.

If the NDP has a different vision of how they would like to see Yukon's waste management system conducted or Yukon's recycling regime changed, I suggest that they make those clear to Yukoners because we've done that — we've taken steps. We've demonstrated our willingness to make changes to our regulatory regime to ensure that recycling is done in a more fulsome and robust way in the territory. If they have a different view of that then they're welcome to bring it forward, but that's exactly what we'll continue to do.

We will continue to improve the regulatory regime for recycling in the territory; we'll continue to invest significant dollars in waste management; we'll continue to invest significant dollars in recycling; and we'll continue to work with our partners throughout the territory to advance our waste management regime and improve recycling for Yukoners.

**Question re: Liquor Act review**

**Mr. Barr:** The Yukon Liquor Corporation's 2014-19 strategic plan lists a goal to reduce alcohol-related harm to the public and encourage a culture of moderation and social responsibility that includes decreasing the likelihood of minors illegally purchasing and consuming alcohol. The same plan indicates that this goal may not be achievable because the *Liquor Act* is cumbersome and incoherent. The act is woefully out of date.

When will this government modernize the *Liquor Act* and make it more coherent and less cumbersome for the Yukon Liquor Corporation?

**Hon. Mr. Cathers:** I appreciate the question from the Member for Mount Lorne-Southern Lakes. In this case, of course, I'm not going to announce any *Liquor Act* changes here in the House, but I will certainly take the member's request under consideration. I would point out to the member that, across government, as he should be well aware, a number of steps have been taken by departments to support and address issues around overuse of alcohol. Those include a wide range of activities, including promoting social responsibility and efforts that have been done by the Department of Health and Social Services and the Department of Justice to support those with fetal alcohol spectrum disorder, as well as steps that have been taken to assist people in coping with alcohol and breaking their addiction to it.

**Mr. Barr:** It is the *Criminal Code* that prohibits driving while one's ability to operate a vehicle is impaired by

alcohol or drugs. According to Statistics Canada, the Yukon has one of the highest rates of drinking and driving in the country, surpassed only by the Northwest Territories. StatsCan also says that young adults between 20 and 24 years old are the most likely to be charged with impaired driving. Over the last two years, I understand that there were 200 people with graduated drivers' licences who had roadside suspensions.

Will the minister commit to zero tolerance for this drinking and driving with graduated licences, and what preventive measures will he take to bring those numbers down?

**Hon. Mr. Nixon:** I thank the member opposite for his question. Just this morning, the Minister of Highways and Public Works joined me, along with city officials, RCMP and first responders in kicking off the Mothers Against Drunk Drivers Red Ribbon campaign.

Over the last number of years, the Department of Justice, as well as the Department of Highways and Public Works and other departments, have worked with the RCMP, first responders and particularly Mothers Against Drunk Drivers to work on public campaigns to try to reduce the amount of drinking and driving.

We know that Yukon is — that the stats are higher in Yukon than across Canada. I think part of that is our RCMP doing the good work that they do, as well as citizens calling 911 when they suspect somebody is drinking and driving. I would like to give a shout-out and thanks to all of the volunteers in Yukon and across Canada with Mothers Against Drunk Drivers for the good work that they do.

**Mr. Barr:** Mr. Speaker, it seems evasive answers are running rampant on the other side of the House today. Yukon's chapter of MADD — whom we paid tribute today for their good work — wants tougher impaired driving laws similar to those used in other provinces. But the work done by MADD doesn't replace the government's corporate responsibility. However, according to the Yukon Liquor Corporation's strategic plan, its corporate social responsibility is not clearly defined.

When will this government define its corporate social responsibility and commit to doing more to encourage responsible alcohol consumption?

**Hon. Mr. Nixon:** I take offence to the member opposite characterizing my last response as evasive. I don't think that the work that the volunteers at MADD, the RCMP and the first responders do should be characterized as evasive.

We will continue to work with RCMP to continue to increase the number of checkpoints throughout the holiday season, but also in the off-season. They have shown to be very effective and we see that in the statistics that are coming in.

As well, Mr. Speaker, on an annual basis — sometimes twice a year, if I'm fortunate enough — I participate in a full shift with the RCMP and Mothers Against Drunk Driving just to show the presence of the Department of Justice and represent my colleagues. We'll continue with the good work. We'll continue working with RCMP and first responders and we will continue to support Mothers Against Drunk Driving Whitehorse.

### **Question re: Medical staff shortage**

**Ms. Stick:** The 2014 Whitehorse General Hospital needs assessment revealed the highly disconcerting statistic that 80 percent of Emergency department visits continue to be non-urgent or less urgent cases. This is nearly twice the national average. It means four out of every five Yukoners visiting the Emergency department would be better served by other, less expensive, forms of care.

What will the minister do to address the clear gaps in health services that are causing the overuse of our Emergency department by non-urgent and less urgent cases?

**Hon. Mr. Graham:** Our government, over the past couple of years, has taken a number of steps to address both the perceived shortage of physicians in the territory, as well as undertaking a number of initiatives to relieve some of the pressure at the Whitehorse General Hospital emergency room. Some of those measures include setting up a Referred Care Clinic, which we then expanded to full-time from part-time. It also included a full-time person working in concert with the Yukon Medical Association to attract more doctors to the territory. It also includes ongoing discussions with the Yukon Medical Association, as well as independent doctors here in the territory, to address the difficulty of having fewer patients — perhaps we can call it — than in other jurisdictions in the country.

We feel that we have a better ratio of doctors to population than anywhere else in the country and our problem appears to be that many of the doctors aren't taking as big a caseload as we would like to see them take.

**Ms. Stick:** It is a problem and it's ongoing. Those statistics should be concerning to everyone. Emergency care is one of the most expensive forms of care. The Referred Care Clinic is a step in the right direction, but clearly it's not enough even full time. The Yukon is still far behind the rest of the country when it comes to non-urgent care cases showing up at emergency. Even the expansion of the Whitehorse General Hospital Emergency department — I agree, it is needed in terms of patient safety, staff safety and a better set-up but we cannot be expanding that, hoping that this will take care of the numbers.

What is the minister's plan? What other plans does he have to curb these statistics and bring the number of non-urgent cases in our Emergency department in line with other jurisdictions?

**Hon. Mr. Graham:** I've already outlined some of the things we're doing. We're meeting on an urgent basis with the Yukon Medical Association to try to develop some other additional responses to the difficulty. The simple fact is that doctors have independent businesses. We cannot force doctors in this territory to work on a full-time basis and take more patients.

It's a slow process. We admit that. Some physicians in the city and the territory are beginning now to expand their practices but the days appear to be gone where we have a number of physicians in Whitehorse accepting 2,000 to 3,000 individual patients and working seven days a week throughout the year in order to service all of those patients.



We now have, at the last count, 72 working family practitioners in the territory. That gives us a better population-to-doctor ratio than any other jurisdiction in this country. We're doing our job. We're now looking at other alternatives and we'll continue to do that, but we'll do it in cooperation with the Yukon Medical Association.

**Ms. Stick:** Mr. Speaker, we might have the greatest ratio but we still don't have doctors who are taking new patients. We have people coming to the Yukon. We have people who are losing doctors, again, and still, the emergency room is the only option.

The other concerning group that is using the Emergency department is those with mental health or substance abuse issues. We have seen a steady increase in patients. Yes, the Referred Care Clinic has helped with that, but there is obviously a gap in mental health services if those individuals are continuing to show up at our Emergency department. Again, it's the most expensive form of care.

Will the minister at least commit to increasing the capacity or creating more collaborative care clinics — possibly in the evenings or on weekends — other ways besides just talking about recruiting more doctors?

**Hon. Mr. Graham:** We are actively pursuing those options at the present time. One of the things you also have to look at is that many people in the city believe that they don't wish to wait for an extended period of time to see a doctor, so one of the difficulties is low wait times. People know that if they go to the emergency room, they get a qualified doctor almost immediately.

The wait time at the ER is very short, so it's a convenient method of seeing a doctor. We also have — as I've probably already said — two new collaborative care clinics here in the City of Whitehorse. As I said, the Referred Care Clinic is expanding, and we're working actively to expand the number of walk-in clinics in the city as well as expanded care.

**Speaker:** The time for Question Period has now elapsed. We will now proceed to Orders of the Day.

## ORDERS OF THE DAY

**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):** Committee of the Whole will now come to order. The matter before the Committee is general debate on Bill No. 79, entitled *Pioneer Utility Grant Act*.

Do members wish to take a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

### Bill No. 79: *Pioneer Utility Grant Act* — continued

**Chair:** The matter before the Committee is general debate in Bill No. 79, *Pioneer Utility Grant Act*.

**Hon. Mr. Graham:** In most of the questions and comments I've received to date from people around the territory, it would appear to me that perhaps I didn't explain clearly enough about the income test model.

I will attempt to explain perhaps a little more clearly what we mean by the income test model. The income test is a process which allows for the adjustment of a benefit, a user fee or a deductible, based on the income of an individual or of that family. It typically means that as the income of the individual or family increases, the amount of benefit paid out by the government will decrease, until eventually it will be zero. One of the benefits of income testing is that it ensures that the benefits paid out by the government are paid out to those people in the territory who have the greatest need.

Income testing in this case will also help increase the sustainability of the program as benefits are reduced or no longer provided to those with sufficient or higher incomes. Currently, the pioneer utility grant has been available to all eligible seniors regardless of income. With this bill, this will change. This is not being done in isolation. We have other income-tested programs, including the childcare subsidy and others in the government. Based on our population projections, it was estimated that by 2016-17, approximately 3,000 senior households would be eligible for the pioneer utility grant and the expenditures would more than double in that time frame. That is the biggest single reason that we decided to go with an income testing model for the pioneer utility grant.

It will be based again on a middle-income range for testing. The middle-income range is based on the estimated middle 60 percent of incomes among all Yukon couple families and then the middle range is being applied to senior couple families and converted. That will be applied to senior couple families and will be converted to apply to seniors not in couple families — so in other words individuals. Based on income distributions of Yukon seniors by family type, impacts under our proposal will be felt more by couples than individuals, but very, very few seniors in the territory — with the exception of those with very high incomes — will be contained in the regulation.

Some of the numbers we'll probably discuss more but, Madam Chair, I want to really emphasize that when we're talking about income levels, we're talking about net income levels, not gross income. It's very important that that is understood by all seniors and the department is currently working on an information pamphlet. I know the member

opposite advised that as well and we're working on an information brochure that will be available to all Yukon seniors in the very near future. Thank you.

**Ms. Stick:** I thank the minister for that information again. I do have a couple of questions I would like to come back to just for clarification and then I have a couple of comments and I should be done.

I think one of the questions I heard from seniors who contacted our office was how the government came up with this middle-income range. Where was that developed? Is that from a national program or is that something strictly for the Yukon? How did the government come up with that?

**Hon. Mr. Graham:** Madam Chair, we looked at what other provinces and territories do across the country, but there is really no correlation between what we have here as an income for seniors and what other provinces or territories, for that matter, have. We went by actual incomes in the territory and then we used the 60-percent number as something that is — I wouldn't say it is completely used across the country, but is generally accepted.

This means that individual seniors with incomes below approximately, as I said before, \$39,000 and senior couples with combined incomes below \$56,000 will receive 100-percent of the benefit.

Individuals with incomes above — again, we're talking in general terms — \$114,000 to \$115,000 — and couples with incomes above \$165,000 would receive no pioneer utility grant whatsoever. Those are the general cut-offs. Between those ranges — \$39,000 to \$114,000 — the pioneer utility grant would be slightly decreased as your income went up. We can make changes or tweak the numbers once we know from the first year what the application rate is, but we believe that these numbers — the minimums — will hit all of the seniors in the territory who actually need it. Individuals with a net income above \$114,000 are probably not going to miss the \$1,000 pioneer utility grant in any event.

**Ms. Stick:** I understand that we'll be waiting for regulations that will spell out the exact range when it comes to this middle-income range of numbers. We have heard from the minister — he has given numbers that he just quoted again. I'm looking for assurances from the minister that the information he has given in this House will remain the same, or very close, to what he has quoted in this House. I just want to be clear that we are not going to see a sudden change in those numbers when the regulations come out.

**Hon. Mr. Graham:** That is correct. Those are extremely close. That's why I would say that they are not going to vary any more than a few hundred dollars in any one direction. What the holdup right now is — and the reason that I haven't got them here to present to everyone — is because we're working on the gradients. In other words, at what point do you lose a percentage of the pioneer utility grant? Once we have those in place, we'll be able to bring them here for everyone to take a look.

**Ms. Stick:** I understand that piece of it, which is the sliding range. If you are at this number, this is how much of the pie — I understand that part.

Another question I had was just with regard to administrative costs: What are the impacts these new regulations will have? I'm assuming it will take more time. There will have to be a more thorough going-through of the applications; calculations will have to be done before cheques are given or people are turned down for the pioneer utility grant. I'm wondering what those administrative cost increases will be.

**Hon. Mr. Graham:** I made a commitment in my opening speech with respect to the *Pioneer Utility Grant Act* changes that there would be no overall increase in administrative costs to the government. We made that based on the fact that the department feels that the first year will be a little busier than normal but, once that first year has passed, and not only the department but the seniors in the territory have experienced working with the new system, we believe we can do it within our current system.

**Ms. Stick:** I would just like the minister to hear some of the other concerns and he can make comment on them, if he likes. These are some of the concerns I've heard from seniors that have come to my office through e-mails or phone calls. One of the first ones — and I've heard it twice now — was that some individuals really resent having to give out their personal information, such as net income, when they've spent their lives not talking about what they earn. That was one point. That was just a comment and I'll pass that on.

There was a concern that that means tests are going to become the norm for other programs that seniors might apply for, whether that's their health care, or the drug programs.

Those were concerns. Some felt that the single net income at the bottom end was set too low at \$40,000 and they thought that, when you look at the federal levels and the amounts when you collect the OAS and government top-ups, it should be closer to \$60,000. I think the last one, again, was the cost of implementing this program. They were wondering if it will really save money if you have to spend more on administration at government wage levels.

Those are just some of the comments I have received and I'm wondering if the minister had anything to add to those.

**Hon. Mr. Graham:** One of the reasons that we attempted to get all of the seniors organizations in the territory together to discuss the proposals was just that — to reassure them, first of all, that we weren't going to increase the administrative costs because that would then make the whole program silly. It would be no cost-saving to the government whatsoever.

The second was that we weren't using this program as a way to reduce the amount of money the government puts into the pioneer utility grant each year. We made a verbal commitment to those people and I'll make that commitment again here today. Not only is that not the intent — in fact we will not reduce the amount of money that goes into the pioneer utility grant system as a whole. We have stated to the seniors groups that if, at some point next year, we find out that the total expenditures for the pioneer utility grant do not represent what they would have been this year with the indexing for inflation, then we would increase the base

amount to take that into consideration. It's not intended to reduce the amount of money spent by government.

We knew from the outset that there would be some complaint from some seniors who do not wish to provide — in this case, one department and one person, hopefully, but as many as needed in the seniors department — this information. We understand that, but we tried to reassure all of the seniors that the information is completely confidential. It will be held in trust and it won't be released. Those are the answers I can provide.

The other, as for what future governments will do, I can't tell you right now. Right now we're busy enough working on the pioneer utility grant that we haven't made any moves in any other area to introduce this kind of a measure. At this point, the pioneer utility grant is it. We hope that it works well and that we can make sure it's fair to everyone. We'll take a look. That's one of the reasons we put in regulation that minimum and maximum because we'll take a look. If we're excluding people who actually need it, then we can always change the regulations next year.

**Ms. Stick:** I thank the minister for those comments. I would like to wrap up with the communications.

There were a number of emails and stuff. I appreciate that the minister went to the seniors organizations and groups.

I think that was a good thing, but there are lots who are not connected with those groups and are just hearing words on the street or at Tim Horton's or in their community about what is happening. So I think getting the information out to those seniors as soon as possible is really important. The department has the names and addresses of everyone who received it last year, so those would be the ones I would be targeting, as well as the seniors groups so that they can include something in newsletters or at meetings that they have.

I would just suggest that they answer some of these questions that I have brought forward and remind people to hold on to their income tax return that has that net income on it so that they are not having to look for it again or are unable to apply if they do not have that. I think program changes and date changes need to be included, and I would be happy to pass on some of the comments I received in terms of concerns of people out there, people who are not involved in any of those organizations.

I think the communication is going to be critical for this program and I thank the minister for bringing this forward.

**Hon. Mr. Graham:** Yes, we are in the process right now of writing to every senior citizen who received a grant in the last year. We will be ensuring that every section is clearly pointed out to them and we do not anticipate a great deal of controversy among seniors in the territory — mostly because we did consult with the organizations, and we also consulted with the Haines Junction St. Elias seniors group and, in your own riding, Madam Chair, we made every effort to work with them as well.

We think that we've covered most of the territory, but any senior out there who has any questions whatsoever, I would appreciate a call or at least an e-mail from them, and I would be happy to provide any further information that I can.

**Chair:** Does any other member wish to speak in general debate?

We are going to move on to clause-by-clause reading of the bill.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

*Clause 4 agreed to*

*On Clause 5*

*Clause 5 agreed to*

*On Clause 6*

*Clause 6 agreed to*

*On Clause 7*

*Clause 7 agreed to*

*On Clause 8*

*Clause 8 agreed to*

*On Clause 9*

*Clause 9 agreed to*

*On Clause 10*

*Clause 10 agreed to*

*On Clause 11*

*Clause 11 agreed to*

*On Clause 12*

*Clause 12 agreed to*

*On Clause 13*

*Clause 13 agreed to*

*On Clause 14*

*Clause 14 agreed to*

*On Clause 15*

*Clause 15 agreed to*

*On Title*

*Title agreed to*

**Hon. Mr. Graham:** One short comment: I will undertake to provide all members with the package of regulations as soon as they're completed and processed through the government system.

Madam Chair, I move that Bill No. 79, entitled *Pioneer Utility Grant Act*, be reported without amendment.

**Chair:** It has been moved by Mr. Graham that the Chair report Bill No. 79, *Pioneer Utility Grant Act*, without amendment.

*Motion agreed to*

**Hon. Mr. Cathers:** Madam Chair, 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:** Committee of the Whole has considered Bill No. 79, entitled *Pioneer Utility Grant Act*, and directed me to report the bill without amendment.

**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.

### GOVERNMENT BILLS

#### Bill No. 79: *Pioneer Utility Grant Act* — Third Reading

**Clerk:** Third reading, Bill No. 79, standing in the name of the Hon. Mr. Graham.

**Hon. Mr. Graham:** I move that Bill No. 79, entitled *Pioneer Utility Grant Act*, be now read a third time and do pass.

**Speaker:** It has been moved by the Minister of Health and Social Services that Bill No. 79, entitled *Pioneer Utility Grant Act*, be now read a third time and do pass.

**Hon. Mr. Graham:** I think we've probably talked enough or at great length, but think I would just like to go over a couple of the issues here today.

The reason that we've undertaken this review of the pioneer utility grant is because the payments were becoming less financially sustainable over time, especially as the number of seniors in this territory increased. What we did, basically, was go out with a number of options to stakeholders around the territory and discovered this was the most palatable option to the vast majority of seniors.

A couple of things that we're very proud of is that this will increase the pioneer utility grant to seniors living outside of the City of Whitehorse. The senior must live in the Yukon for at least a year before applying for the pioneer utility grant. That was something that almost universally seniors' groups insisted on. We also would restrict eligibility to all applicants over 65 years of age, so that means if the spouse of an applicant who used to be eligible between 55 and 65 for the pioneer utility grant — that will no longer apply. However, the 11 people in that situation in the territory will be grandfathered in under this legislation.

We're also changing the application date to July from October to enable people to apply earlier if they have spent three months in the territory since the beginning of the year.

The reason behind these changes is that we recognize that utility costs in rural communities are much higher than they are in Whitehorse. We removed the discrimination on the basis of marital status by establishing the same age requirement for all applicants. By moving the date for application, we believe that seniors making bulk purchases of wood or a number of seniors together doing a bulk purchase

of fuel oil will be able to have the money available at an earlier time.

By clarifying some of the definitions, the ability to determine eligibility and program administration will be much simpler. As I said previously, we've also made a commitment that we will not increase the administrative costs to administer the pioneer utility grant in the territory. We believe that by doing the consultations we've undertaken and by making the increases at this time that we've done, the vast majority of seniors in the territory will approve of the new act.

I want to thank the members opposite, in particular the member from Riverdale South, for her input and suggestions during debate. That is about all I have to say.

**Speaker:** Does any other member wish to be heard?  
*Motion for third reading of Bill No. 79 agreed to*

**Speaker:** I declare that Bill No. 79 has passed this House.

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

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

*Motion agreed to*

*Speaker leaves the Chair*

### COMMITTEE OF THE WHOLE

**Chair (Ms. McLeod):** Order. Committee of the Whole will now come to order. The matter before the Committee is general debate on Bill No. 15, entitled *Second Appropriation Act, 2014-15*.

Do members wish 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. 15: *Second Appropriation Act, 2014-15*

**Chair:** The matter before the Committee is general debate in Bill No. 15, entitled *Second Appropriation Act, 2014-15*.

**Hon. Mr. Pasloski:** I'm pleased to introduce to the Committee of the Whole Bill No. 15, entitled *Second Appropriation Act, 2014-15*, along with accompanying *Supplementary Estimates No. 1* for the 2014-15 fiscal year. The first supplementary estimates for 2014-15 provide an additional \$21.442 million in total expenditure authority, increasing total projected spending for 2014-15 to

\$1,339,800,000, of which just over \$287 million will be directed toward capital investment.

As noted, this supplementary provides for over \$21 million in increased spending, specifically additional operation and maintenance requirements of \$27.56 million, offset by a decrease in capital expenditures of \$6.118 million.

Our government continues to deliver a healthy financial position. The first supplementary estimates for 2014-15 reflect a net financial position of \$176.819 million and accumulated surplus of \$1.329 billion.

I want to emphasize the importance of having net financial assets, as opposed to net debt. Maintaining a positive net financial position means we are paying as we go; we are not sacrificing future revenue streams to pay for current programs and services today. Our financial framework remains strong and I assure Yukoners that our government remains committed to managing and directing the Yukon government's finances in a disciplined, responsible and strategic manner.

The additional expenditure authority of \$21.442 million included in the supplementary estimates provides significant investment in the Yukon. My colleagues will, of course, be pleased to discuss these initiatives in greater detail during line-by-line debate.

Madam Chair, I am extremely proud of our government's successes in providing significant investment on behalf of Yukoners while maintaining our commitment to prudent financial management. As noted, our financial position remains strong and will provide more opportunities for our government to make future significant investments in Yukon on behalf of all Yukoners.

I am confident these supplementary estimates speak for themselves in addressing the needs of Yukoners. I look forward to the opportunity to discuss them in further detail in the days ahead.

**Ms. Hanson:** I thank the Minister of Finance for his comments and the refreshing brevity. I also welcome the official. I don't think we have had the opportunity to have the senior official introduced to this House, and so I'm going to presume that he's the new Deputy Minister of Finance. On behalf of the Official Opposition, I extend our welcome to this Assembly and we look forward to a future briefing when we can actually have a conversation.

I just wanted to make a couple of opening comments before we get into the department-by-department review of the elements that make up the supplementary estimates for this fiscal year.

In his comments on, I think, October 27, the Minister of Finance referenced also the Public Accounts. I think it is important that we look at Public Accounts, because part of the strategic fiscal environment that we work within is not just simply today or tomorrow in what we are spending today and what we are planning to spend between now and the end of the fiscal year. It is really the number of realities that are set out in the Public Accounts over the last couple of years.

One of the realities is that we have a government who has expenditures that grow faster than revenues; a government

that does not appear to be paying attention to the trends because, despite what I hear from the Minister of Finance about sound management and fiscal prudence, the trend since he took the reins as Minister of Finance tells a different story. I think it would be worth our while just to reflect on the fact that what we are seeing is a government that spends what they get — what comes in the door — as well as spending down the surplus. It is one thing to talk about the accumulated surplus, but nobody ever expects the government to divest itself of its buildings or capital assets. We are talking about money in the bank that you and I as legislators — you and I as citizens — can count on, should there be a need to call upon it.

Madam Chair, it is interesting to note that in fact we are now projecting an annual surplus of \$45.6 million this fiscal year. That is down from the annual surplus in the Public Accounts of last year of \$92 million, which is down from the annual surplus of \$119 million in 2012-13. We're seeing a downward trajectory there.

We are also seeing a government where total revenues have increased by three percent, but expenses have gone up six percent. That means that we need to give pause to some of the processes of decision-making and how we're going about that. I absolutely agree — with the amount of money that we have coming into this territory for the size of our population, the Minister of Finance is correct: we have a lot of money. The issue is: How effectively are we stewarding those resources on behalf of all Yukoners now and into the future?

As I mentioned earlier, the surplus of the last fiscal year was a decrease of 23 percent from the previous year's surplus of \$119 million. Certainly the forecast surplus of \$45 million is a significant decrease yet again. I think it is important that we recognize some of the revenue sources and the variances between what we have coming in and the challenges that we face and the need for us to be prudent as we make expenditures — and as we review each of the departments and each of the choices that have been made by the ministers responsible for those.

It was telling that in the Public Accounts of last year — for this fiscal year ending on March 31, 2014 — although the personal and corporate income taxes were at \$6 million, that was down 17 percent. That is a significant decrease from the previous year.

We will be interested in hearing how the government is managing the decrease of 26 percent that is anticipated on the Shawkak project, and what we are doing in terms of our financial resources in managing those and the decreases in contributions and service agreements with Canada, and the impact on programs and services we already feel and that are here, day to day, and have significant implications and impacts on people who are vulnerable within the income assistance programs. We will be most interested to see more details on that.

There are a number of areas we think need to be looked at — and be mindful, because as the Official Opposition and as legislators, we are all charged with the responsibility. The Official Opposition is charged with the responsibility of

holding the government to account for how it stewards the resources and income that are generated from whatever source, and the decisions it has made in terms of allocation of those resources on behalf of all Yukoners. I think it's not just about how much money you can spend, so we need to be looking at what the trends are, as I mentioned at the outset.

We see that, in 2013-14 for example, the government's total revenues had increased by three percent, but that was down again from the nine-percent increase in the year prior.

As I mentioned earlier, we know that the federal government has made changes that will be substantive and will affect the core of our budget as we see the changes, in terms of support that has been provided — time-limited support — for our health and social programs and that those will become structural as of 2017. What kind of anticipatory actions and work is this government doing to think about that?

There are other areas it's important that, as government and as legislators, we look at — the fact that, when we see our overall expenditures increasing. Three years ago, when the Minister of Finance was elected, the year-over-year increase was two percent in terms of expenditures, and then it went up five percent, and then it has gone up six percent for the last Public Accounts period. So we're seeing a trajectory of expenditures increasing, but our revenues are not increasing at the same level.

That causes us to say we need to think about that and we need to be, constantly at the back of our mind, asking questions — what are the implications for the decisions being taken?

Over the course of the budget debate and as part of our overall questions to the Minister of Finance and his ministers, we will be raising a number of questions. For example, the second largest liability that this government faces after accounts payable and accrued liabilities is post-employment benefits and compensated absences. In the three years since this government has been in power, we see that those liabilities have increased from \$80 million in March 2011 to \$92 million in 2012. In March 2013, they were at \$98 million. So it was \$80 million, \$92 million, \$98 million and we're now at \$101 million. I know those are questions the Minister of Finance is mindful of because they affect his planning and his work with his caucus colleagues as they plan.

No doubt he will refer me to the minister responsible for the Public Service Commission on that and I will have some questions for him. Ultimately, it's the Minister of Finance who bears the burden — and the joys, when he has a good story — of the responsibility and the accountability for the finances of the territory.

We will want to speak with and hold the government to account with respect to the borrowings. I know the Minister of Finance will tell me that I need to refer to the Minister of Health and Social Services when I seek clarification on the outstanding remaining loans to the Hospital Corporation for which parts of that were paid down by loans and parts of it were paid off.

We need more information on the future plans, particularly as we know this government is making

announcements about significant capital investments in this area. It is one thing to be identifying major infrastructure projects, but it is another thing to be identifying from a dwindling surplus what money is being set aside to basically put down payments on that so we're not borrowing if we are seriously intending to build large facilities like 300-bed seniors facilities or any one of the many things that I have heard spoken to.

The Minister of Finance will no doubt tell me that despite the fact that he has responsibility for the overall carriage of this file, he cannot speak to the increasing environmental liabilities that the Public Accounts — for which he signs off — document — so we know that over the last three years, it has increased by at least \$10 million. In March 2012, the environmental liabilities — these are not the liabilities — not the big-picture ones that the federal Government of Canada holds for things like Faro or Ketzia or Mount Nansen or any of the type 2 sites. These are liabilities that, since this government has been in over the last couple of years and has the responsibility for the environment and for ensuring that there is remediation of environmental contamination — so those liabilities.

I can go back further than this but, just as I was going through this the other day as other debate was going on and doing comparisons, my notes from me say that starting in 2012 they were at \$16 million and in 2013 they were at \$22 million. As of March this year, the Yukon government has recorded \$26 million as a liability for the costs related to the remediation of contaminated sites for which the government is responsible.

We will, of course, be raising questions — as we do — with respect to how the government determines what is a reasonable amount to set aside in terms of security for activities that can generate contamination. We know, Madam Chair, that a significant portion of these liabilities — 38 percent — are coming from highway maintenance camps and 27 percent are coming from landfill sites for which the government is responsible. They have the responsibility for maintaining those.

That is a worrisome trend — going back to my opening comments — when we talk about budgets and budgeting. Trends are really very important, and so if we are seeing an increase in environmental liabilities in terms of our highway maintenance camps and our landfills, what are the ministers responsible doing to ensure that those are reduced, if not contained?

There are a number of matters that I think, as the Minister of Finance quite rightly pointed out, that, as we get into departmental debate, we can have a frank and open discussion about these various issues. I look forward to that.

I think I'll leave that for now. There have been a number of interesting opportunities to reflect on Yukon's economy, and some of the opportunities that we have and face, which all have significant implications for us, as we move forward as a territory. Unless there's an intent to continue, I would leave it to moving on with department-by-department debate. Yes, I'll leave it there for now, Madam Chair.

**Hon. Mr. Pasloski:** I would like to first start off — I would be remiss in not acknowledging Mr. Stephen LeClair, who is the new Deputy Minister of Finance. I did mention Mr. LeClair in my second reading speech and acknowledged the work of him and his team, and in fact also the work of the previous deputy minister, Mr. David Hrycan, along with all the people within the various departments who work to put the supplementary budget together. I do want to acknowledge Mr. LeClair's assistance and support here today and the good work he's doing, leading the Department of Finance.

I will just speak a bit to some of the things that were said.

Certainly the Leader of the Official Opposition made a lot of comments, and it would be difficult to answer all of those things in the time limit that is required, but I thought that, as she has suggested, we will get into some of the detail when we get into department-by-department debate.

There were a lot of comments made regarding Public Accounts. Of course, we know that the Public Accounts audit is conducted by the Office of the Auditor General of Canada. During that audit, the Auditor General did again give Yukon government an unqualified opinion — a clean bill of health.

It was noted during that audit that the Yukon government posted its 11<sup>th</sup> surplus in 12 years. In 11 of the 12 previous years, this government has had a surplus. It acknowledges the financial strength that this government also has, which allows us to be able to respond to priorities or to pressures as they do occur. We have seen that from time to time where there can be different things that might occur. I am thinking of the flooding that occurred in your riding, Madam Chair, on the Liard River in Upper Liard. I think of the forest fires. There are many different things that can occur that create funding pressures on the government.

The good news is that this government, through good financial management, has the money to pay for such things as they arise. We don't have to use borrowed money from tomorrow to pay for services and programs today.

What Public Accounts did say is that, on a consolidated basis, there was a surplus of \$92 million and \$346 million of net financial assets. There was \$82 million invested in buildings and infrastructure. On a non-consolidated basis, there was a surplus of \$58 million and net financial assets of \$195 million. As of March 31, 2014, this government had a cash balance in the bank of \$233 million. They also noted the \$27 million given to the Yukon Hospital Corporation to reduce its debt. We saw an increase in revenue of \$22 million — \$11 million of that \$22 million was an increase in corporate income taxes as well.

Just for comment, because the Leader of the Official Opposition implied that our tax revenue had gone down in 2013-14, which is incorrect — taxes increased by six percent between 2012-13 and 2013-14.

When it comes to budgets — as we have said in this House many times, budget really is a best estimate at that time through all the diligence and information that we have. We do that when we table our budget mains in the spring and, as I have noted, this can and does in fact change over time. A lot of times, those changes can occur because of things that can

be beyond our control and I mentioned a couple of examples already as we were speaking.

That is no different from a business that I used to run or even people who are doing a home renovation. Somebody might budget an amount of money to do a renovation on their bathroom, but once they start tearing the walls apart, maybe they realize, "Oh, geez, I need to do some electrical work. I have to change this because of this code." Inevitably, there can be things that can occur. As I mentioned before, one of the great reasons why this government has that flexibility is it is able to pay for these things as they occur because we have the money. We want to focus our energy on receiving the most value for every dollar that we spend. We can afford to move forward with programs and services that we have done because of that financial management.

I think that there is some confusion by the Leader of the Official Opposition in terms of the difference between "surpluses" and "net financial assets." There was a conversation where she was talking about environmental liabilities. In fact, I remember precisely my conversation with the Auditor General complimenting this government on the work that it has been doing on environmental liabilities and recording environmental liabilities. Certainly, we are following standard accounting policies that exist today in this country. They did compliment that work, of course. What we do see is transparency in terms of recording environmental liabilities. You also see annual work that is done to address those liabilities.

As I have stated, if you take all of the cash and the assets of this government and you subtract all of the liabilities — the money that we owe, the money that is acknowledged as required for environmental liabilities — so you take everything that we have and you subtract everything that we owe, we still have over \$170 million in the bank of net financial resources.

The Leader of the Official Opposition brought up highway camps. We can't turn back the clock of time to deal with the way things were done previously that resulted in some of the liabilities that occur today. Of course, practices today are much different from what they were at that time but, as we move forward, I will again mention that this government has the ability to address these issues and not be mortgaging the future of the next generation of Yukoners.

We continue to work hard to put ourselves in the best position to ensure the greatest opportunity for success for Yukoners. We listened — in fact today in Question Period, the Minister of Economic Development talked about the mining industry being a primary source of our primary economy in the Yukon's economy, but we're not resting on that. As I mentioned, we continue to address issues that we have at least some control over, such as preparing people for training for jobs, looking at assessing roads and the capacity they have, working with our neighbours to the west in discussions about ports, and working on creating energy solutions for the future, where our main goal for the long term will be the creation of more hydroelectricity.

But while we're doing this, and while we've seen in the past 12 years approximately 7,000 people move back after a number of years of NDP and Liberal governments where we saw — you know I saw an illustration one time using the famous picture from the gold rush. People were going up the Golden Stairs, and it was described that when the Yukon Party was in power, you saw everybody climbing and the economy moving forward. When the NDP and the Liberals were in power, everybody was going down the other way and exiting the territory. I thought that was a good reflection of the realities of what has happened in the past under the governance of the Liberals and the NDP.

We continue to work on ensuring that we create a very strong environment for our primary industry and I believe that the work that we are doing in our support of the federal government's amendment through Bill S-6 helps us. That is one of those pieces that we think is important to ensure more certainty and more consistency in terms of environmental assessment. While we continue to do what we can there, we continue to invest in tourism and we continue to look at opportunities for creating a second fibre optic cable to the south which can have tremendous opportunities for the IT and knowledge economies.

We're very proud of the work that is going on at Yukon College as they move toward the creation of their first degree program and building toward the goal that we had set in terms of exploring models to move toward a university in the long term. There is some great news out of the Yukon Research Centre again this year in terms of the amount of money that they continue to be able to attract for research and the work that goes on with industry collaboratively with researchers through the Yukon Research Centre. There are some great exciting projects that continue to go on.

We are looking at things like continuing to update business legislation as well to make sure that we remain competitive for businesses in addressing the needs of business in the year 2014.

We are continuing to move ahead. The member opposite discussed long-term care facilities and yes, we are proceeding with creating a new long-term care facility. We believe it is something that is very important for the overall health of this territory. We see that as the gooseneck right now, in terms of the delivery of programs and services. I want to commend the work of the Minister of Health and Social Services and what he has done with the physicians and also working with the Hospital Corporation.

We have made big investments in home care. We are looking forward to breaking ground on the new hospital expansion in 2015. We are looking forward to the ribbon at the opening ceremonies of the MRI very shortly. I have to acknowledge all of the businesses and Yukoners who responded to the call to raise \$2 million. They set a goal of raising \$2 million in this small economy over three years and what did they do? They raised it in two years. That speaks volumes to the people and the business that very proudly live in this territory. We're very proud to not only match but exceed that to ensure that we could deliver that MRI to this

community. I know that people are very excited about that as well.

We opened a Referred Care Clinic, we have been investing in telehealth in our communities and we were expanding the hospital. We do see that providing services for long-term care is an area where we still have an opportunity and we're going to address that. I'm very disappointed in the characterizations of the opposition on how they've described a facility like this. Of course there are modern-day standards. We are not building boxes. We're building homes for people where they are provided with the care that they require but in an environment that will essentially address the fact that this is in fact their homes.

Those are a few things that I picked out of the comments that were made as the Leader of the Official Opposition did articulate. I expect that there will be questions for each of the ministers who will stand up to talk about items in detail that are reflective of what was asked for in what we are requesting from this Legislative Assembly through this supplementary budget.

**Ms. Hanson:** It is unfortunate that we get into base partisanship right off the bat. I was simply talking about trends based on what the Public Accounts say. I did say to the Minister of Finance that the Official Opposition would be raising those questions based on what the Public Accounts said with respect to environmental liabilities. Those reflect the government's current liabilities, not historic ones. I was very clear about that.

I just wanted to point out for the Minister of Finance that perhaps he has confusion between the comprehensive audit that the Auditor General performs on an annual basis on a select department or entity of the Yukon government, but it's not the Auditor General who prepares or does the audit. The preparation of the consolidated financial statements of the Government of Yukon is the responsibility of management of the Department of Finance not the Auditor General. What the Auditor General does is perform an annual audit of those financial consolidated statements. He's not going in to do a performance audit to see whether or not you've done a swell job on it. It's simply: Do your financial records reflect what you said they did? It's a financial audit, Madam Chair.

From that, he makes observations, and the detailed notes are prepared by the Government of Yukon. So when we talk about the retirement benefits or when we talk about the leases and the increases in payments for leases, we're getting that not from the Auditor General. He has simply verified that, financially, transaction-wise, putting it from one column to another is correct. This is not a comprehensive value-for-money audit that's performed by the Auditor General, as we see on an annual basis, as we will see in the new year when he comes forward with his comprehensive value-for-money audit of correction services, for example.

So yes, there are many aspects of the performance of the government and of the various ministries, and that's what we'll focus on. The purpose of raising the issues as they come out of the Public Accounts was, as I said at the outset and throughout my comments, to follow the trends. One of the



things I've been advised over my many years in public administration is to follow the money — follow the trends.

The trends here are telling. That is simply the point I was making. I was not getting into the specifics, as I alluded to. I said that I expected the Minister of Finance to deflect those to the ministers responsible. I pointed out what the Public Accounts had said in their summary comments at the very first — so you can see in the summary comments before you get into the detailed consolidated statements. These are the highlights. Those highlights are based on what the Government of Yukon provided to the Auditor General.

We are very much looking forward to the discussions and the debate by department. I'll turn it over now to my colleague from the Liberal Party. I'm sure he has many comments to offer.

**Hon. Mr. Pasloski:** I guess I didn't address one comment in the member opposite's first questions, and that was about monies that have accrued for severances and pensions. The reality is that those monies accrued are a result of negotiations that we do with collective bargaining units on behalf of employees. That is done. Quite simply, this government respects those negotiations. If the NDP or the Liberals want to renege on those, that will be their choice, but what has accrued and what is there is a result of negotiations that have occurred. We as a government will continue to respect and honour those contracts.

I guess the other thing that I wanted to bring up as well was just a comment on the Standard & Poor's assessment of our credit rating to the Yukon government. What we have seen is a reaffirmation of a double-A rating that this government has and the territory has. The Yukon has a long-term user credit rating of double A with a very stable outlook. The YDC bond has an issue level rating of double A as well. As you know, double A is a very strong rating. There are only three jurisdictions in this country that have a triple-A rating and that would be the three western provinces of British Columbia, Alberta and Saskatchewan.

Some of the highlights were that Yukon has a strong economy, very low debt and exceptional liquidity compared to that of domestic and international peers. Healthy economic growth in 2012 and 2013 was noteworthy, as Yukon has experienced 10 consecutive years of growth. There isn't another jurisdiction in this country that can say that — continued growth going forward through 2014 as well.

I think that this wasn't brought up by the opposition because it is just another example of the good news that is out there as a result of the management of this government and of the good work that occurs within the departments and at the Department of Finance.

I think another thing that was noteworthy to this discussion is the fact that, again this year, no department exceeded its vote authority. Again this year, we did not table a final supplementary budget for the year ending March 31, 2014. The last time that occurred was in 2010-11. Since this current mandate has occurred, all departments have lived within their means — have not exceeded their vote authority.

For the record, I want to acknowledge the work of their departments in ensuring that they meet that commitment.

**Chair:** Does any other member wish to speak in general debate?

We are going to proceed then into departments, starting with the Department of Tourism and Culture. That would be page 13-3.

Committee of the Whole will recess for 10 minutes while we await officials.

#### *Recess*

**Chair:** Committee of the Whole will now come to order. We are going to start with general debate in Vote 54, Department of Tourism and Culture.

#### **Department of Tourism and Culture**

**Hon. Mr. Nixon:** It is my pleasure to introduce the *Supplementary Estimates No. 1* for the Department of Tourism and Culture for the 2014-15 fiscal year. I would also like to extend my heartfelt thanks to the department officials for joining me in providing support today — Jonathan Parker, who is the director of policy and communications, and Jeff O'Farrell, who is my deputy minister.

This budget reflects the many programs and activities the department undertakes in its mission to facilitate long-term economic growth for the tourism industry through developing and marketing Yukon as a year-round travel destination and maximizing the socio-cultural benefits to Yukoners and visitors by preserving and interpreting our heritage and supporting and promoting the arts. I am pleased to say that in both of its aspects and mission, the department has made great strides in building on the work of previous years.

I would like to begin with the Tourism branch and highlight its recent success, particularly in the marketing of Yukon as a Larger than Life tourism destination. In 2014, in recognition of growth opportunities this industry provides, we are making the single-largest investment in marketing that the government has ever made in the tourism sector. In September, the Yukon government and the Government of Canada announced joint funding of \$3.6 million over two years to increase our marketing efforts and to draw more visitors from Canada and around the world. This historic investment has already generated several exciting and innovative marketing projects that are captured under the program name Yukon Now. Working with our industry partners, the program will include a television advertising campaign targeting other Canadians — currently Yukon's second-largest tourism market. The first commercial will be soon in production and will be aired in February.

The advertising will take an innovative approach and will promote Yukon as a destination like never before. Yukon Now will also engage Yukoners in an unprecedented call for user-generated content that will be distributed through a digital platform. This will include both a web series created by local producers as well as content provided by Yukoners and visitors alike.

The department will be taking advantage of social media by inviting Yukoners and visitors to tell their stories about our great Yukon. While the 2014-15 component of Yukon Now focuses on the domestic market, there is funding allocated to our overseas and U.S. markets as well. Yukon Now will also include an increased investment in media relations in all markets, so the program represents an integrated approach using many marketing tools. This can be seen in the allocation of Yukon Now funding, which is outlined in the operation and maintenance supplementary budget.

The department is requesting an increase of \$2,686,000 in supplementary funding for operation and maintenance expenditures. This funding includes revotes of \$721,000 and \$1,965,000 in other funding requests. The Tourism branch has \$11.9 million identified for operation and maintenance. This includes a revote of \$288,000 and \$1.8 million for Yukon Now, 50 percent of which is recoverable from CanNor. \$1.5 million of the Yukon Now funding will be spent on marketing activities targeting Canadian travellers. This will be combined with the existing \$1.7 million allocated to the domestic market, for a total of \$3.2 million. This investment responds to a request from our industry partners, the Tourism Industry Association of Yukon and the Yukon Chamber of Commerce, and to our own research on the growth potential of the domestic market.

Yukon Now funding will also include a \$50,000 increase in marketing directed to U.S. travellers for a total of \$596,000. Marketing efforts overseas with our partners in Europe, the U.K., Australia, and our growing Asian markets in Japan and China will receive a boost of \$195,000 additional dollars through Yukon Now for a total of \$1.5 million.

I would like to mention that in the spring of 2015, I will be travelling to our Asian markets with department officials and Yukon businesses. I hope that these visits will have the same positive impact as the government's previous missions to overseas markets, including German-speaking Europe, the United Kingdom, the Netherlands and Australia. The Industry Services Unit has been allocated \$2.1 million for its work to support Yukon businesses in the development and enhancement of tourism experiences. The funding includes a revote of \$176,000 for the tourism cooperative marketing fund agreement, which is in place but not claimed by the applicants before year-end.

The \$1.9 million allocated to Visitor Services includes the additional \$70,000 required to extend the visitor information centre season to September 30. In August, I joined the Minister of Environment to announce the visitor information centre extended season and Environment Yukon's extension of full services in 10 key campgrounds.

As we know, Yukon government's visitor information centres play an important role in increasing tourism revenues for Yukon businesses through the provision of high-quality travel counselling services to literally hundreds of thousands of visitors every year. Over the past number of years, at the request of industry and communities, the Carcross and Dawson City visitor information centres have periodically extended their seasons to accommodate the lengthening of

cruise tour itineraries, Diamond Tooth Gerties' operating season and the growing September market, particularly from German-speaking Europe.

Beginning in 2015, all visitor information centres will open their doors to the travelling public on May 1 and stay open until September 30. The visitor information centre in downtown Whitehorse will continue to stay open year-round. Visitors from all over the world will now have access to Yukon travel information from qualified travel counsellors for a longer period than ever before and enjoy full services at many campgrounds throughout their September visits. It goes without saying that I offer my great thanks to the Minister of Environment for working collaboratively on this initiative with me.

Between September 20 and 30, 2014, Yukon visitor information centres provided services to 5,990 visitors. Yukon government's investment in visitor services, industry services and, of course, tourism marketing speaks to the importance of the tourism industry to the economy and we are committed to supporting the sector in realizing its significant potential.

I would now like to speak to the exceptional work that is being done by the Cultural Services branch and its mission to preserve and interpret our heritage and support and promote the arts.

The Cultural Services branch has a budget of \$11.3 million for operation and maintenance, which includes \$600,000 in the supplementary funding. The arts section budget of \$4.2 million enables continued support of Yukon's dynamic arts community.

In July, I was pleased to announce \$70,000 increased funding available to individual artists through the Advanced Artist Award. The annual budget for the Advanced Artist Award is increasing from \$80,000 to \$115,000 this fiscal year, and then to \$150,000 in 2015-16 and beyond. This award is funded through Lotteries Yukon and is the cornerstone of the Yukon government's arts funding system. Support for artists at this level ultimately contributes to a vast array of events, exhibitions, tours, literary works and concerns. Together, these make up Yukon's vibrant arts scene and benefits Yukoners and visitors alike.

One project supported through the Advanced Artist Award is visual artist Sandra Storey's solo exhibition titled "We are Golden", which is now showing at the Yukon Arts Centre.

Kaska Dena artist Dennis Shorty received funding to explore new methods in jewellery making, while musician Sarah MacDougall will work with a mentor to create string arrangements for an upcoming album. These are just a few of the many innovative projects Yukon's advanced artists are undertaking thanks to this award.

The arts fund supports a variety of creative, community projects throughout our territory. A few recent projects supported through the artist fund include the Yukon Film Society's media arts programming project for the Available Light Film Festival and the Yukon Educational Theatre Society's plans for events highlighting the arts as a vehicle for community-building.

A revote of \$253,000 is requested for arts fund projects approved for various art groups, but not expended by year-end. The \$50,000 new Canadians event fund, which was announced in March of 2014, has been accessed by three organizations to date to host cultural events that help promote multiculturalism and diversity in our territory. These events include "A Night of Africa" showcasing African traditions and cultures, a Chinese cultural show and a Chinese new year celebration planned for February 2015. This fund supports newcomers in sharing their unique culture, which in turn helps reduce the potential for isolation of new Canadians and strengthens the expanding cultural fabric of Yukon.

Heritage Resources has a budget of \$1.1 million for all aspects of land-based heritage resources, including archaeology, palaeontology, place names, scientists and explorer licensing. Yukoners take great pride in the fact that their home produces the most abundant and significant ice age mammal fossils in Canada. The palaeontology program continues to provide an enhanced presence in the Klondike goldfields, where seasonal staff from the palaeontology field office work with the placer mining community to ensure the territory's incredible fossil heritage is managed for the benefit of all Yukoners.

In cooperation with the placer miners, the palaeontologists acquired over 3,000 new fossils during the summer of 2014 for the Yukon palaeontology collection. Based on the abundance and quality of fossils recovered, 2014 has been the most successful field season to date for the palaeontology program.

The field office is one way that the department is fostering a new positive working relationship with placer miners and the Klondike Placer Miners' Association. At the annual general meeting of the Klondike Placer Miners' Association in September of this year, the association voted unanimously in favour of a resolution supporting the development of a palaeontology facility in Dawson. The resolution also supports the development of a program to voluntarily report fossil finds in the goldfields and to legitimize the ownership of woolly mammoth ivory. I don't have the actual resolution in front of me.

The government is presently considering these requests, which would support scientific research while celebrating and preserving Yukon's rich fossil heritage. The palaeontology program's success in the Klondike is exemplary of the relationship building that happens in every unit of the Department of Tourism and Culture. The Yukon government continued its support of museums and cultural and heritage centres in the summer of 2014 with \$1.5 million through the museum contribution program and the special projects capital assistance program.

There was a revote of \$144,000 that is being requested for the 2013-14 transfer payment commitments made by the Museums unit to First Nation cultural centres. The unit is also requesting a revote of \$61,000 for the heritage and cultural essential skills program funded by northern strategy and delivered by Yukon College through a transfer payment agreement.

There is a revote of \$40,000 that is being requested for the 2013-14 commitments from the museums assistance program.

Madam Chair, since 2001, the number of institutions receiving annual funding from the department has grown from eight to 19 and annual operation and maintenance funding has increased from \$178,000 to over \$1.17 million. An independent consultant's report indicated that operational costs have increased by approximately 20 percent to 30 percent since operational funding was last increased. As a first step in addressing this concern, the department met with the museums community on October 20 to discuss options. Community input on the consultant's report will guide discussions on potential changes to the program for the 2015-16 year. The museums community plays an essential role in preserving and presenting Yukon's history and First Nation culture and we are committed to finding solutions to support them in their work.

Yukon's built heritage is supported by the Historic Sites unit, which has been allocated \$1.3 million for the research, preservation, management, development and interpretation of Yukon's historic sites and routes. A revote of \$8,000 and supplemental funding of \$11,000 is requested to cover three outstanding 2013-14 transfer payment commitments under the attraction site support program. In addition, funding of \$16,000 is requested for the Yukon historic resources fund to replace interest earned when the fund was characterized as a trust.

The Yukon historic resources fund assists special projects that are focused on native language preservation and local history and helps build historic legacies for both residents and visitors now and into the future. We applaud the work of the Yukon Historic Resources Board for facilitating this important funding.

The department is requesting an increase of \$243,000 in capital funding. Supplementary funding requests include \$50,000 for an assessment of riverbank erosion at Fort Selkirk. Fort Selkirk is a designated Yukon historic site and one of the most historically significant sites in the territory. Yukon government is working with Selkirk First Nation and consultants to investigate options to mitigate effects of erosion at this site. There is a revote of \$110,000 that is being requested for the replacement of heating, venting and cooling systems of the Transportation Museum, as well as a \$5,000 request to complete a transfer payment with the MacBride Museum for artifact assessment. Beringia Centre revotes include \$14,000 to complete upgrades to theatre seats and \$16,000 for mechanical system controls.

I would like to take this opportunity to mention that this fall, the Beringia Centre partnered with the Yukon Arts Centre to present the long-awaited travelling exhibition "Ice Age Mammals". Prior to coming to Yukon, the exhibition has been on the road and has been seen by almost one million people in Canada and the U.S. The centre also worked with Yukon palaeontologists to produce a publication, called *Ice Age Mammals of Yukon* to accompany the exhibition and provide people with a book so that they can enjoy it at home or on-

line. The centre plays an important role in communicating Yukon's fossil history to Yukoners and visitors.

I would like to close by thanking the staff at the Department of Tourism and Culture for their dedication and commitment to their clients and stakeholders. Initiatives such as Yukon Now, the Advanced Artist Award funding increase, the Yukon palaeontology field office and the extended visitor services season are just a few examples of the many activities the department undertakes to foster a prosperous tourism industry, rich heritage resources and vibrant cultural communities. Thanks to the expertise, skills and enthusiasm of its employees, the department continues to deliver programs that benefit all Yukoners.

**Mr. Barr:** I am happy to rise today and speak on behalf of Tourism and Culture and also to acknowledge the hard work of the departmental staff in Tourism and Culture. I was attending the KIAC open house last week, and there was some great stuff going on there with the department in facilitating discussions and talking about the Yukon Now initiatives and so on and so forth.

I would also like to extend a huge shout-out to TIAY themselves for their tireless lobbying and work on behalf of tourism and culture in the territory. I'm happy to hear about the funding changes — however, realizing that advocating for that myself, as with TIAY — to encourage the government to come forward with this money — it still is \$1.4 million short of what was being asked for in the total amount.

So we would continue to push for the rest, knowing that, from what I hear, it is a welcome amount. I would just reiterate what I've said before, which is that we could have had it a long time ago. It would have been great to put this kind of money toward tourism and culture in the territory long ago and build. One more thing about this funding is that I would like to impress that this become core funding, and it's only the beginning of what has been long awaited for the tourism culture economic growth in the territory.

Before I get too far into the rest of all of that, I would like to also say that I'm very proud to stand here and represent those in my riding of Mount Lorne-Southern Lakes, and maybe just acknowledge some of the great things that are happening by the efforts of local entrepreneurs — the CTFN Development Corporation — for the Caribou Commons, for example. I realized when I was out and around my community of Carcross that also the Caribou Hotel looks like it'll be open in the springtime. It's going to be a great opportunity for the attraction through the hard work of the other local businesses at Caribou Commons, such as Scoop 'em Jim's, the Bistro — which is now open — the Caribou coffee shop, Frisky Fresh Fish, and so on and so forth.

Then there is the Tin Man and you can get stuff there. It's going to be exciting as it was this year, but I think even more exciting to know that people will have a place such as the Caribou Hotel to stay overnight. I know they're working hard. The rumour has it that it will be open in the spring. We're really hoping that the Caribou Hotel can be open. There are other places in that area that do provide accommodation — bed and breakfasts. There are Cabins over Crag Lake and

Dunroamin' on Crag Lake. There are tourist opportunities in the Mount Lorne-Southern Lakes areas that are going to benefit — by information at Southern Lakes, for example and that association that helps people advertise the amenities that are available.

That reminds me — I would like to make this point to the minister. I know that for the folks in Tagish and their opportunities, they are still waiting for the highway signs on the Alaska Highway to let people know that these new amenities are available in the Tagish area. People are still stumbling upon places such as the Six Mile River Resort and the great ice cream stand that is at the Tagish bridge where many people gather to fish, as with the fishing bridge at Carcross.

I know that people come up from Marsh Lake and stand there all day, stay at the campground, have something to eat and catch a fish and cook it at the campground or, if they're unlucky, they go to one of the new places that are open right in Tagish to eat as well as in Carcross.

I know the Premier was out there and also the Leader of the Official Opposition and I and others — members from Copperbelt South, Riverdale South, Mayo-Tatchun, Takhini-Kopper King. We were at the pole-raising in Carcross this summer and if you weren't there and you have not gone down to see that new totem pole, it was an amazing effort by the carving shed and also, I believe, Wayne Price from Alaska was involved with the Northern Cultural Expressions Society totem-raising here by the old White Pass building — Keith Wolfe Smarch who headed up this totem pole — and there will be more coming. I noticed that while we were pulling on the ropes, the tourists were in amazement that day — and the dancing that happened. Also what commemorated that day were the Dakh Ka Days, which were on the same weekend as the Moosehide Gathering this summer.

People were commenting — and although I had previously committed up to Moosehide, I was up there but came back down for part of the Dakh Ka Days in Carcross — that both communities were swelling with not only tourists, but local folks from around the territory to participate in both of those celebrations and look forward to that being biannual, I guess it will be — off and on with the coastal Tlingit gathering celebration that happens in Juneau.

The vision of those operators and the culture of First Nations continues to grow and I can see that these domestic dollars will only attract more and more folks to a tourism industry and the economy that it brings to the territory, especially in these times when we see the mineral prices dropping again. It recognizes tourism as a main thrust for our economy in the Yukon. The amount of money, when I think the Yukon Party government's stats — for every \$1 there is a \$28 return in tourism from your stats. When we think of that, it's important that we do recognize what tourism and culture brings to this territory.

I was speaking to that with one of my colleagues back at the caucus office. People who come here come because they don't have the pristine wilderness, they don't have the aboriginal culture that we share — especially with the markets

from Europe. If you've been there, it is great to go see that, but when you have the same meal every day, if you will, from wherever you are at, you want to go experience new things.

What we have here is unlike anything in the world, and we can be very proud to know that we live here and that we care about our culture, our environment, and just the intact wilderness that we do have is something nowhere else can be matched in the world.

I would like to remind that the Tlingit gathering will be July 24 to 26 in Teslin, and there will be people coming from Alaska and all over the north, as far as other provinces and territories, hopefully, with the commercials that will be heading out over the airwaves. We'll have to build more places for people to stay, and that's exciting.

I would also like to mention that the road up Mount Mountain was upgraded this spring and was a welcome. I took a drive up there. I hadn't been up there for many years, but through the efforts of the First Nation development corporation getting on the ball — because there had been complaints for the last few years that it was starting to become impassible.

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

**Mr. Barr:** Really. I only have 20 minutes in this part? Is that correct, Madam Chair?

Can you give me a few more? Just kidding — eight minutes left.

I would like to keep going on this. We'll ask questions and things. We have time. I will wait before we get into line-by-line to ask some questions of the minister and the officials who are today. I'm not going to rush things. There is just so much going on out in my riding that I want to mention.

In Marsh Lake, the bed and breakfasts are there. There was a great Canada Day celebration, and I happened to be able to lead the parade this year — a bunch of us on our motorcycles. We had young teens with helmets on on their little dirt bikes going in the parade. We had fire trucks and floats. I know that out in my riding — Mount Lorne-Southern Lakes — that parades are a big deal. They are happening in other communities also out in the Southern Lakes.

In Mount Lorne, it's ongoing — the cultural opportunities there that people can attend in Mount Lorne at their community hall. We had great local food, using wild ingredients and homegrown ingredients in the cooking. We had live music. It was so well-attended. I got to do the bread — slice the bread. I had an apron and all that kind of stuff. People were testing; there were homemade spirits that people were sipping on. That's just another example. If you're not doing that for people who are coming through Mount Lorne — like I say, there are wilderness tours offered, dogsledding adventures and cabin rentals, gardening that you can go help WWOOFing at. So for the traveller who is thrifty, or counting on being able to attend those things, they can — as they do at Muktuk Kennels — work for part of the week and enjoy what we have to offer.

I know that when I can, I'm so happy to be able to visit with the folks in the riding out there.

I didn't mention this, but I would like to mention that my sister passed a couple of weeks ago.

I was very touched by the LACs that sent cards in support of the passing of my sister — just the phone calls I received from the many constituents in Mount Lorne-Southern Lakes, as throughout the territory. As you know, this disease of cancer can carry on a long time. Just the support in general of this going on up to two years that I've spent lots of times with my family — the encouraging letters and just stops on the street asking me how things are going — that "we're behind you." Comments like, "You work hard" and "we just want you to know to take care of family at times". I wanted to just say thanks, from the bottom of my heart and our family's for all that happened over this last while. When I combine a lot of that with just what is available with Tourism and Culture, we have a great community in Mount Lorne-Southern Lakes. People care about each other.

All of these things that I've been talking about are just an extension of when people get to come and visit there, wherever they are in that riding — it's personable. It's personable that the people in any of these ice cream shops or whatever you got going on — it makes people want to come back.

I realize that I have four minutes. I have a lot more that I would like to speak to about this.

However, I do think that just in that Southern Lakes loop — the Tagish loop — that people very much welcomed the asphalt going to Marsh Lake this summer, which was a surprise, given that there wasn't going to be any more asphalt paving. People are wondering if it could be the whole loop with bike lanes.

In the meantime, the people who are waiting at Pennycook Lane were still hoping that the rest of that work would be done when we can do things such as paving. I'm happy that some folks in the riding get these opportunities and it's great for the travelling public coming to visit and the tourists who can ride on the roads like that. I would encourage the minister opposite — with his counterparts — to have these same opportunities even for places like Pennycook Lane — for that work to get completed. It's very important when ambulances have a hard time getting to somebody who needs their assistance or maybe can't get down the road.

I would like to maybe ask a question to the member regarding the UNESCO funding that would be coming to Tr'ondëk Hwëch'in's application for the Klondike to be recognized as a UNESCO World Heritage Site. We support that here on this side of the House, and so I would like to ask the minister to tell the House if he has made any commitments to providing the territorial funding to this important project?

**Hon. Mr. Nixon:** To start off, I would like to talk about a really crucial component of the department — one that works with many stakeholders and one that has particularly been involved with some of the community members in the Kluane region — which is the product development in Industry Services. The Industry Services Unit, in their 2013-16 strategy, had identified three goals for the territory: first, to provide tourism businesses and entrepreneurs with the

education and training needed to make better business decisions; second, to support industry development and consultation with non-governmental organizations and industry stakeholders; and third, to ensure tourism interests are represented and communicated.

Industry Services continues to engage NGOs and tourism industry associations on tourism-related issues and development opportunities, and they continue to participate in a variety of interdepartmental committees and other initiatives, including the labour market strategy, land use planning and environmental and socio-economic assessments.

In 2014-15, their initiatives to date include 23 one-on-one business counselling meetings with tourism entrepreneurs, consultants and not-for-profits, providing feedback on tourism community development projects and administering the product development partnership program, or the PDPP.

Through the PDPP, funds have gone to TIAY — Tourism Industry Association of the Yukon — for its spring conference and the Alaska Highway Heritage Society Yukon for its nomination of the Alaska Highway as a national historic site. In addition to these initiatives, the Tourism branch has held tourism open house events in Dawson City and Watson Lake, and has held meetings in Haines Junction with the departments of Economic Development and Community Services, Parks Canada, the Village of Haines Junction, Champagne and Aishihik First Nations, Kluane First Nation and tourism stakeholders along the north Alaska Highway.

As I mentioned, through the 2013-16 product development strategy, the Industry Services unit of Tourism and Culture continues to provide tourism businesses and entrepreneurs with quality education and training programs. The strategy supports industry development, in consultation with non-governmental organizations and industry stakeholders, and it ensures tourism interests are represented and communicated.

During 2014, the department led a Kluane tourism leadership summit, and the Member for Kluane was present at that. A Kluane tourism industry summit in Haines Junction will be leading up with a follow-up Kluane destination development forum this Friday at the Da Ku Cultural Centre. I would like to thank the Member for Kluane for working with his community on this important initiative.

The member opposite was speaking a little bit about the Yukon Now funding that we announced in September. This is a historical announcement for Yukon — for the Department of Tourism and Culture — the single-largest investment in marketing in Yukon government's history.

Tourism Yukon has made investments in television advertising since the late 1990s. These investments have included leveraging and integrating Yukon TV commercials through partnership initiatives with television networks. It has included marketing and partnership with the Northwest Territories and Nunavut, supported by CanNor. It has included commercials associated with the hosting of TV programs including *Canada AM*, *Gold Rush* and several overseas TV productions, as well as the development and airing of TV

commercials integrated with hosting of *The Amazing Race Canada* and through the Yukon Now marketing program, the development and airing of directed purpose-shot Yukon TV commercials. Given the high cost of television advertising, the approach that Tourism Yukon has taken has been to leverage partnerships to create a strategic, effective and affordable presence in TV. Generally this is accomplished by developing a marketing campaign in partnership with a media partner. Value is provided through contests, hosting TV programs — for example, *Canada AM* — and contributing to the development of broadcast content to appeal to existing audiences and to attract new viewers. As well, Tourism Yukon has partnered with Global TV, CTV and TSN on this matter.

In 2007, Yukon, Nunavut and N.W.T. — collectively the pan-north partners — were successful in securing four-year funding from CanNor in support of a domestic marketing campaign that included TV as a core component. Working as a consortium with the support of CanNor made TV marketing possible and delivered a good return on investment in terms of raising awareness of Canada's north as a travel destination. This campaign resulted in TV commercials launched in advance of, and during, Yukon's hosting of the 2007 Canada Winter Games. Subsequent to the 2007 Canada Winter Games, the pan-north partners continued the TV marketing effort — again with the support of CanNor — that leveraged the 2010 Olympics as the campaign anchor. In 2011 the pan-north partners received \$3.4 million from CanNor in support of a four-year marketing program that again focused on TV and digital broadcast media.

There was also a key activity in the pan-north marketing program in 2013 — that was investing in the first *The Amazing Race Canada*, with each northern jurisdiction hosting an episode. The pan-north TV commercials were produced by CTV and were fully integrated into *The Amazing Race Canada*. John Montgomery, the show's host, was the celebrity in the pan-north commercials.

In 2014, Tourism Yukon went it alone and was the exclusive investor and host of *The Amazing Race Canada* 2014 — 3.18 million people saw the Yukon episode of *The Amazing Race Canada*. Our commercials reached over 8.65 million people during the season.

Also in 2014, as part of the 2014 Destination: Yukon summer campaign, Yukoners saw Yukon commercials placed on Global, HGTV, History, Showcase, National Geographic Canada and National Geographic Wild domestic channels during the Yukon theme shows like *Yukon Gold* and *Dr. Oakley, Yukon Vet*.

The recently announced \$3.6 million Yukon Now program includes a significant investment in the development and airing of new Yukon TV commercials over the next two years. This will be the first investment of its kind by Tourism Yukon. More than \$1 million has been committed to produce a series of winter and summer TV commercials, with a further \$1 million plus to be invested in the purchase of media to air the commercials.

The Newfoundland tourism marketing campaign was launched in 2006 with a budget of \$6 million per year. This was subsequently increased to \$13 million a year before being reduced to \$9 million for the 2013-14 fiscal year. As of early 2013, Newfoundland has spent a total of \$94 million on their campaign. Yukon is much smaller than Newfoundland, yet Yukon compares favourably with Newfoundland on a number of tourism-related metrics. At 526,000, Newfoundland's population is over 14 times that of Yukon, and the Newfoundland government's annual budget is roughly six times greater than Yukon's. However, when it comes to tourism marketing expenditures, Newfoundland's tourism marketing budget in 2014-15 is \$13.4 million, 1.7 times larger than Yukon's budget of \$7.6 million.

In terms of visitation, Yukon again holds up well. Newfoundland had 497,933 visitors in 2013, compared to Yukon's 442,200. That's an interesting fact, Madam Chair.

We know that both the president of TIAY and the president of the Yukon Chamber of Commerce had some very kind words and have been very good working together. Neil Hartling, the chairman of the Tourism Industry Association of the Yukon, indicated, "Past programs overseen by the Department of Tourism and Culture that are researched-based and driven by industry representatives have shown substantial return on investment... By building equity for the destination in the minds and hearts of identified tourism targets, these programs build sustainable demand for the products offered by our industry members and have a lasting impact on the growth of the tourism economy." He also went on to say, "It is a sensible way for the Government to invest in a fashion that delivers strong returns."

Rich Thompson, the chair of the Yukon Chamber of Commerce, added, "This outcome is a great demonstration of how the Yukon Chamber is able to act in partnership with organizations dedicated to specific industry segments in order to gain important outcomes for Yukon businesses. We take our hat off to the Yukon Government" — those were his words — "for bringing this funding forward in a manner that is supported by the Federal Government; and to the opposition parties who have also advocated for support for the tourism industry."

It is a great example of business associations and political parties of all stripes working together to create an outcome that has a high likelihood of really paying off for the tourism industry. This is certainly the way things should work in our territory. I thank both of those organizations and individuals for their comments.

The member also asked about the funding that was allocated both in a partnership with Canada and Yukon. Yukon government is continuously re-evaluating its marketing investments and strategic opportunities to grow sustainable tourism revenue. I think the key word there is "strategic". The government will carefully review the impact that this enhanced marketing initiative has on awareness of Yukon within Canada and also within the U.S. and overseas markets, and the overall impact on Yukon visitation and revenues. Yukon maintains strong partnerships with the private industry,

and we continue to work together to build a sustainable tourism industry.

Earlier, I spoke about a tourism trade mission that we have committed to take part in early 2015. I will be leading a mission of tourism businesses to Japan from Yukon from February 22 to around February 27. This will be followed by meetings in China potentially during the first week of March. The dates are still being worked on.

The objective of the Asia mission is to increase Japanese visits to Yukon and to explore opportunities for both group and independent travel from China. This mission will demonstrate our commitment and support for the Japanese and Chinese tour operators and facilitate long-term investments in Yukon's tourism industry from these markets. We see great growth potential for both of these markets.

I also spoke briefly about our U.S. markets to Yukon. Yukon leverages the Alaska tourism brand in all of its consumer and trade marketing initiatives in the U.S. The \$177,000 joint Yukon-Alaska program is a core component of Yukon's U.S. consumer marketing strategy delivered in partnership with the State of Alaska.

Yukon invests \$122,000 in the Tourism North marketing program, a joint marketing initiative with Alaska, B.C. and Alberta that targets the highway travellers.

Yukon conducts trade marketing activities with U.S. tour operators, including a \$50,000 cooperative marketing program each year with Holland America Line.

The Yukon attends key trade marketplaces in the U.S., including the United States Tour Operators Association and the National Tour Association marketplaces to maintain and grow U.S.-based tour operating listings of Yukon products and experiences.

Yukon participates in Canada Media Marketplace and the Alaska Media Road Show to recruit high-profile U.S. travel writers to Yukon.

I have had the opportunity to attend Quartzsite, Arizona, and it's really something to see. It's a small town — the population base can't be over 5,000 people and, in the course of this RV tradeshow that they put on once a year, I believe the numbers are upwards of one million people going through this small town in the course of a week or 10 days.

The U.S. is Yukon's largest visitor market, with more than 230,000 visitors in 2013 representing 67 percent of Yukon's total visitors and an increase of seven percent over 2012. Through August 2014, U.S. visitation was down four percent, due in large part to travel interruptions on the south Klondike Highway and issues with the Skagway dock earlier in the season. Yukon invests more than \$500,000 annually marketing in the U.S. through consumer trade and media relation channels. In 2014 and in 2015, an additional \$50,000 will be invested in the U.S. marketing through the Yukon Now program.

In the Yukon Party platform, we committed to work with industry, communities and First Nations to promote the Yukon tourism brand that markets Yukon as an attractive year-round destination. We committed that and we've delivered. We also committed to enhanced marketing of

Yukon as a quality travel destination through general awareness campaigns, especially in relation to Yukon's traditional markets in the United States, Canada and Europe. We committed and we have delivered. We also committed to promote affordable domestic and international air access — we have committed and we have delivered.

Finally, to the member opposite's point on the UNESCO World Heritage Site, we continue to support the Tr'ondëk Hwëch'in in their process, moving forward. The Department of Tourism and Culture will continue to assist the community of Dawson and Parks Canada as they move forward. But the application, as the member should know, is currently within the Department of Economic Development and it would be better suited to be answered by that minister.

**Mr. Barr:** I thank the minister opposite for his comments. I do want to state that, although it isn't the CanNor funding that requires the applicant to secure other sources of funding, the deadline is coming close and so, in order to secure this funding, I would encourage the Minister of Tourism and Culture to speak with the — or hopefully he is — Minister of Economic Development. I see him shaking his head that he isn't. I know that we can have a little bit of humour here, but this is a very pressing timeline for the Tr'ondëk Hwëch'in application that they've been working on. I would just like to hope that we, in the Yukon, do not pass over or get passed over on having another world heritage site in the territory.

I would like to ask the minister: When can we expect to see the first commercial from this new funding?

**Hon. Mr. Nixon:** Madam Chair, in my earlier remarks, I talked about the Klondike Placer Miners Association's resolution. I think it's important to come back to that because this is an interesting resolution that was passed on in a letter to me — I'm just looking for a date on it; there doesn't seem to be one — just about a month ago. The resolution that they put forward says the following: The KPMA supports the creation of a voluntary disclosure and reporting of mammoth ivory and the development of a certification program to assist miners and buyers in the legitimization of mammoth ivory ownership and the right to sell and export ivory. The KPMA would like to support and assist the government in the development of this program and would like this program to be as efficient and easy to use as possible. The KPMA also thinks it's important that the government build and staff a palaeontology museum and research centre in Dawson City to showcase ice age fossils and as an example of the cooperation between miners, researchers and the local community.

That's a very interesting resolution. I thank the KPMA for their continued relationship with the department. It's an important one.

I just want to back up one step. The Member for Mount Lorne-Southern Lakes indicated that he wanted a UNESCO site in the Yukon, and there is already a UNESCO site in the Kluane region. I'm not sure that he was aware of that, so I just wanted to bring that to his attention.

I want to come back to our Yukon Party platform again and some of the commitments we've made. Another one was that we committed to work with the Yukon Convention Bureau, industry and Yukon communities to further promote the Yukon as a choice destination for hosting meetings, conventions and sport events. Again, we committed and we have delivered.

The member opposite was asking about the TV commercials and production. Perhaps he didn't hear me when I was talking about that earlier, but the first commercial goes into production this month and will be ready, complete for airing, in February. Starting in the summer, they'll produce a summer-type commercial that will be used to promote summer travel. We look forward to those commercials being produced and aired. I believe that the goal of the department and the agency is to have a final product, or products, that Yukoners are extremely proud of.

I would like to talk for a few minutes about our tourism. The visitation data from January to August revealed some very promising trends, including a five-percent increase in total arrivals and a 27-percent increase in international arrivals at the Erik Nielsen Whitehorse International Airport. Visitation from overseas markets is also up seven percent and overnight stays by overseas visitors are up 14 percent compared to the same period last year. Overseas visitors spend more money per person per day in Yukon than any other market segment.

As well, arrivals to Dawson through Little Gold border crossing, combined with international air arrivals at the Dawson Airport as part of Air North, Yukon's airline's, new jet service from Fairbanks for Holland America, are up 21 percent compared to the same period last year.

In 2012, the department conducted a major tourism study called the Yukon visitor tracking program. The tracking program had two objectives: to provide detailed information about Yukon's visitors and their trip characteristics consistent with the previous visitor exit surveys, and to develop a model to estimate the total monthly visitors to the territory.

Along with the new model, the department also developed a new Tourism Yukon visitation report that tracks total visitation to Yukon on a monthly basis. This report estimates total visitation using the new YVTP, which is the Yukon visitor tracking program model, and also incorporates traditional tourism indicators, including border-crossing numbers, airport passenger counts and visitor information centre statistics.

From January to August 2014, the Yukon visitor tracking program estimates that 345,200 people visited our territory, a decrease of four percent compared to the same time last year. Monthly border-crossing statistics are provided by the Canada Border Services Agency and include the number of people who cross the Yukon/Alaska border and who arrive at Yukon's airports on international flights. Visitors' country of origin and length of stay — same day or multiple day — is recorded at land border crossings. Vehicle types are also captured. For our purposes, we exclude Yukon residents,



transport trucks and visitors travelling by train from Skagway to Fraser and back.

From January to August 2014, a total of 270,926 travellers entered Yukon through CBSA's air and land border crossings. This is a decrease of five percent over the same period in 2013. This decrease can be attributed primarily to a reduction in the number of visitors entering from Skagway via the Fraser border crossing.

This summer, Skagway experienced a number of unfortunate incidents that affected that flow of traffic from Skagway to Yukon, including the sinking of the ferry dock, washouts on the Klondike Highway, and the train derailment. These factors, combined with the very wet and cool summer, appear to have had a negative impact on excursions to Yukon.

Passenger counts at the Erik Nielsen Whitehorse International Airport are another reliable visitation indicator. Statistics collected by the airport include the number of passengers arriving in Whitehorse. However, no breakdown by country of origin is provided with passenger counts.

From January to August 2014, 105,694 passengers were counted arriving at the Erik Nielsen Whitehorse International Airport. This figure is approximately five percent higher than the same period in 2013. These passenger counts do include Yukon residents.

Another key tool the department uses to help assess tourism visitation is major visitor studies like the Yukon visitor tracking program that I mentioned earlier. Major visitor studies typically occur every five to eight years and provide an in-depth analysis of visitors to Yukon over a defined period of time. The benefit of major visitor studies is the very detailed information that they capture about our visitors, which provides the most accurate estimate of total visitation. Their weakness is that they are expensive and only provide a snapshot of visitors at the time the survey is conducted. However, if conducted regularly over a long period of time, they could potentially become an excellent tool to show visitation trends.

The 2012 visitor tracking program differed from past visitor exit surveys since it was the first study to include surveys of both summer and winter visitors and it included the development of a model that allows the department to estimate the total number of visitors to Yukon on a monthly basis. Results from the Yukon visitor tracking program indicated that from 2004 to 2012, visitation to Yukon had increased 26 percent and visitor expenditures increased by 31 percent. This equates to an average growth rate of three percent per year.

The Yukon visitor tracking program indicates that the growth in visitation since 2004 was fuelled primarily by other Canadian jurisdictions and our overseas markets.

Other notable findings compared to 2004 were increases in visitors arriving by air and in the length of stay. Yukon also received strong satisfaction rates and visitors indicated a strong interest in visiting again and referring the destination to others, which should really come as no surprise to any of us in this Legislature.

Tourism visitation has been growing, which leads to growing business revenues and a stronger, healthier economy. All the reports from the Yukon visitor tracking program can be found on the department's website at [www.tc.gov.yk.ca](http://www.tc.gov.yk.ca).

The member opposite had made some reference to marketing the territory. I have certainly spoken to that many times in this Legislature. Tourism Yukon has embarked on the largest tourism marketing initiative in Yukon's history. As I've mentioned before and as we announced in September, \$3.6 million in enhanced marketing primarily focused on our domestic Canadian market.

The Yukon government supported *The Amazing Race Canada* with its 2014 episode in the territory, and the impact of the show was significant in raising the profile of Destination: Yukon. Our Twitter handle @travelyukon received the most mention of any tourism organization and the Yukon episode was the second-most tweeted in season 2 — that's 2014.

2013 was a record-breaking year for border-crossing statistics with an eight-percent increase in the number of private vehicles and motorcoaches crossing the border into Yukon.

The stats show a seven-percent increase in the number of visitors from the U.S., a 17-percent increase in Canadians and an eight-percent increase in the overseas market in 2013. Year to date in 2014, January to August, as I've mentioned, Yukon's tourism industry continues to benefit from a five-percent increase in total arrivals and 27-percent increase in international arrivals at the airport. Dawson has also greatly benefited from a 21-percent increase in the number of combined travellers entering through the Little Gold border crossing.

Another successful tourism trade mission to Europe resulted in three new cooperative marketing agreements with German tourism operators and its new ties with the Netherlands market. In February, a Tourism Yukon delegation attended Canada Corroboree, Canada's premier travel trade event held in Australia each year. The delegation signed cooperative marketing agreements and discussed marketing opportunities with the Australian travel trade and met with Canada's Consulate General. Australia is Yukon's second-largest overseas market as of February 2014.

Last year in February during Winterlude in Ottawa, the department hosted and supported several events to promote Yukon as a travel destination and to introduce Air North's new Ottawa service. We will continue with that work in the upcoming Winterlude in early 2015.

I again look forward to travelling with my colleagues and with some of our stakeholders from the territory to really showcase Yukon as a destination for people living in Ottawa.

The department led a delegation of 15 tourism related business to Vancouver to attend the first-ever Yukon-Japan tourism marketplace on January 28. Japan is Yukon's fastest growing international market. As I mentioned, we will be taking a tourism mission to Japan and China and we will look for other opportunities to meet with the Japanese travel trade in Vancouver. I think that was a very valuable exercise.

Yukon also hosted the tourism minister's meeting in September 2013. The meeting was focused on Canada's tourism competitiveness. The ministers discussed improving visitor access, marketing and tourism attraction development. I just came from the 2014 tourism ministers meetings in Alberta and I can tell you that they all speak to the same issues on how competitive the tourism market is on a global scale.

As you'll also remember, Premier Pasloski and I and 16 — I need to back up, that was under my justice portfolio in Alberta.

In September I was in Charlottetown, PEI, for the tourism and culture ministers meeting. I have to tip my hat to the minister there and the department for hosting some very successful meetings — still, the outcome remains the same. The competitiveness is heard from every jurisdiction across Canada as being perhaps one of the number one issues when it comes to marketing.

As I was saying, the Premier and I and 16 Yukon tourism industry representatives travelled to Germany and England for the first-ever Premier-led tourism trade delegation from a Canadian province or territory. Madam Chair, I think it is important to note that — with the commitment of this government — a common theme that we see over and over is "first-ever." I think that is important for the members opposite to note.

The Premier's European tourism trade mission resulted in an accord between Yukon government, Air North and Condor to bring more European travellers to Yukon. The accord supports an air travel agreement that will allow seamless travel from Europe to Air North's entire flight network, providing increased travel options for Europe, European tourist and Yukoners. I know that Air North and Condor continue to work on an agreement such as that.

The Premier and European partners signed several marketing agreements with German tour operators. The resulting marketing efforts targeted over three million people in German-speaking Europe.

The Government of Yukon and the City of Whitehorse signed the first formal collaboration on tourism marketing promotion and a visitor services MOU. This MOU outlines a range of partnership initiatives including joint work on fam tours, sharing of tourism inquiries and joint management of the visitor parking passes. I have to tip my hat to the City of Whitehorse for working very collaboratively with the Department of Tourism and Culture. Their partnership is certainly appreciated.

The Government of Yukon and the State of Alaska renewed an agreement to market both regions as tourism destinations. This joint Yukon-Alaska cooperative marketing partnership began in 1989, delivering Canadian and American advertising campaigns to increase highway travel and promote summer adventure experiences in Alaska and Yukon.

Yukon was designated — the Member for Klondike will remember this one — by *Lonely Planet* as one of the top-10, must-visit travel destinations for 2013. Subsequent global media coverage generated tremendous exposure for Yukon

and expanded awareness of Yukon as a premier outdoor travel destination.

Improvements to the Whitehorse visitor information centre include brand-new painting of the entire centre, updated equipment to improve the audio-visual experience in the theatre, new hanging banners, wall-mounted televisions to present Tourism Yukon's photos and videos and a refreshed look to the interior displays.

To help further develop Yukon's shoulder tourism season, and in response to requests from European tour operators, as I mentioned earlier, the visitor information centres and key campgrounds — 10 of which were extended this year and will be extended further. Again, I thank the Minister of Environment and his department officials for their collaboration with the department.

**Mr. Barr:** I would like to make a few comments and ask a few questions in succession and hopefully get moving forward on this portfolio.

I wanted some clarity. I know that the woolly mammoth ivory — with the placer miners as it comes out of the ground — for those who want and are able to create art out of this ivory do find it difficult to sell because of the difference in the ivory from here and other parts that can be on an endangered species list. I'm happy to hear that there are going to be some changes regarding the woolly mammoth ivory, but I want to seek some clarification from the minister. Will this woolly mammoth ivory still belong to the placer miners or whoever unearths it? I was listening in earlier in the discussion where the ownership would fall to the Yukon government as far as palaeontology assets. I'm seeking some clarification on that. While I'm speaking about Dawson, I know that the Holland America deal struck with Air North this summer was a welcome increase to the stay for folks in Dawson City this summer. However, the number could be higher if the tarmac received the upgrade at the airport that we had asked about. I asked if the minister had any updates on that, knowing that in terms of dollars, profit margins and the ability to compete in the tourism market and also in the airline business, which Air North's doing such a great job at — where that's at.

One of the other questions would be with the Yukon Now funding, what is in place to measure the effectiveness — so what we would see as a return. What tools are in place to let us know that we're getting a fair return for our dollars and to ensure that we will know that this is going to be core funding and not just a two-year increase in funding for domestic marketing with the other small amounts for the other markets — the States and European markets?

**Hon. Mr. Nixon:** The member opposite spoke briefly about the paleo and the collection of fossils in the Klondike region. The department will work with the placer miners. They have established a really excellent relationship with many of the placer miners up there. This is something that we believe moving forward will legitimize particularly the trade of the woolly mammoth ivory and perhaps present some opportunities to locals who wish to carve and sell some of these items.

The department and the placer miners will ultimately decide on the significance of the find. If an artifact or fossil is deemed as a significant find, then it will remain in the ownership of Yukon government and be collected by the palaeontologist or archaeologist. If it is not a significant find, then a certificate will be issued to that placer miner and from there, they can sell it, keep it or do what they want to do. But I think the key here is that the relationship between the placer mining community and the Department of Tourism and Culture has blossomed and done very well over the last number of years.

The member also asked about the Dawson City airport. I'm going to refer any questions about the Dawson City airport to the appropriate department, being the Minister of Highways and Public Works. He will have more information on where that is at.

The member asked about the Yukon Now program and tools of measurement. We'll continue to use the same tools that we use year-in and year-out and even on a monthly basis, which I spoke about earlier. The member opposite perhaps missed that, but we use border crossings, airport passenger counts, and major visitor studies like the one that was conducted last year. Those continue to give us really good numbers.

I want to just for a second come back to some more commitments that we made through the Yukon Party platform. We committed to utilize the tourism cooperative marketing fund to build partnerships with industry that improves marketing efforts for both government and industry. We committed on that and we have delivered. We also committed to create a product development program to assist tourism operators in developing and enhancing the quality of their product. We have committed to that and we have delivered on that. In fact, I look forward to our meetings in Kluane this coming Friday. I think there will be some tremendous opportunities in that region.

Coming back to measurements in visitation, we know that the measurements will give us a sense of increased awareness. Those tools also give us a sense of reach, and a sense of frequency, impressions and audiences, especially with some of the digital marketing that we're doing. The department continues to work with those stakeholders to acquire that information. I thank the department and those involved in working with that.

Speaking about Industry Services, we know participating in tourism open houses in the Whitehorse, Kluane, Dawson and Watson Lake regions has really helped identify new opportunities for tourism growth and to work together with communities to adapt to changes to our patterns across Yukon. We see that especially in Kluane — since Holland America made some changes to their travel patterns, people want to get perhaps Holland America to consider doing day trips back to that area.

I just want to — within the Industry Services Unit — talk about the visitor information centres. I have already spoken to the point that the season has been extended from May 1 to September 30. That is an extension of approximately four

weeks. We have six visitor information centres in six Yukon communities that provide travel information to over 209,000 visitors — almost 210,000 visitors — through until the end of August of this year. We still have another month of data to collect with those numbers.

I have been around and visited all of the visitor information centres and spoken to the staff. I have spoken to tourists who are travelling through those communities and accessing some of the information and speaking to the staff. I have to commend the staff at the visitor information centres. All the staff do a tremendous job at providing information on road conditions, weather conditions, products that are available within those communities and products that are available in other communities. My hat is off to the good public servants who work in the visitor information centres providing our tourists with some real quality information.

Speaking about some of the information that they might provide, we can look at the Cultural Services branch. We see lots of new cultural products that are coming on-line. The Cultural Services branch has a budget of \$11.3 million for operation and maintenance and this includes \$600,000 in Supplementary No. 1 for revotes. The Cultural Services branch is responsible for historic sites, museums, arts, archives and heritage resources, which include palaeontology and archaeology.

Heritage Resources has a budget of \$1.1 million for all aspects of land-based heritage resources, including archaeology, palaeontology, place names, and scientist and explorer licensing.

The Historic Sites Unit has been allocated \$1.3 million, and this includes a revote of \$35,000 for the research, preservation and management, development and interpretation of Yukon's historic sites and routes.

The Museums Unit has a total budget of \$2.3 million. This includes a revote of \$245,000 to enable continued partnerships in support of Yukon's vibrant museums and cultural centres.

The Yukon Beringia Interpretive Centre has an annual budget of \$442,000 for operation and maintenance. The department provides over \$500,000 to directly support operation and programs at seven Yukon First Nation cultural centres.

The Arts section budget of \$4.2 million this year enables continue support of Yukon's dynamic arts community. We do not need to walk very far downtown or around town to see that the arts community is truly thriving. I continue to be impressed with some of the displays that are at Arts Underground and at the Yukon Arts Centre. The individuals associated with bringing those displays in and meeting with artists are really to be commended. They do a tremendous job in our territory.

The Arts section received ongoing funding of \$70,000 to increase the funding for the Advanced Artist Award, as I spoke about earlier. The department provides \$814,000 in operational funding for the Yukon Arts Centre.

The department is supporting the Old Fire Hall with \$150,000 to enable artists and community groups to showcase

and market performing arts, literature, visual arts and crafts. Yukon Archives has a budget of \$1.5 million to enable its continued operation. The department provides \$345,000 to the Northern Cultural Expressions Society in funding to support its carving programs that help emerging artists to develop the artistic, social and business skills required for personal success. \$50,000 has been allocated to establish a program to provide funding for festivals and events that celebrate the multicultural diversity of Yukon's communities of new Canadians. I spoke earlier about the three organizations that have access funding for this year and we continue to work with those multicultural groups. We have seen a number of festivals that have been put on over the years. Now this just gives them a new tool to use to maybe step up their game and to continue to provide opportunities for Yukoners to take part and maybe have a full understanding of where those individuals have come from and some experiences in their life. I look forward to continuing to see some of the festivals that will come out of this new fund.

Madam Chair, \$3.2 million will be spent on marketing activities targeting Canadian travellers. This includes \$1.5 million from Yukon Now funding, and we've seen the domestic market increase over the last number of years, a steady increase of visitation, and as I travel around to places like Edmonton, Calgary, Vancouver, Toronto, Ottawa — some of the strategic key markets for Canada — we continue to see the presence of Yukon built up. It's becoming more familiar to people living in those areas of Canada and we're excited. We're excited to continue share stories of Yukon and opportunities of Yukon with people living in those jurisdictions. We have a tremendous product here to share with Canada, the U.S. and the world, and the department does a tremendous job at marketing Yukon in very strategic sectors across the globe.

There is \$1.5 million to be spent on marketing activities targeting overseas travelers. This includes \$195,000 additional from Yukon Now funding. As I go to places overseas — like Germany, Australia, Netherlands, Switzerland — people are excited. People are excited when they know Yukon's in town. When we host receptions to attract the travel trade, we talk about competitiveness — and these people could be going to other receptions. They could be going to other meetings but in many cases they choose to come to Yukon because we have something exciting to share with them.

Madam Chair, \$1.2 million is spent in support of all marketing activities including the development of our website, our brand, publications and fulfillment.

The Industry Services Unit has been allocated \$1.9 million. This includes a revote of \$218,000 to provide industry and entrepreneurs with the education and training they need to make better business decisions and to support industry development in consultation with non-government organizations and industry stakeholders. We saw this not long ago with cuts to Parks Canada and the private sector stepping up to the plate to take on some of those tours in Dawson at Dredge No. 4 and the *SS Klondike*. The Member for Klondike

will be well-familiar with how well the private sector has taken over those initiatives.

The tourism cooperative marketing fund will spend \$876,000, including funds revoted from 2013-14 to help tourism businesses market the territory and tourism products to prospective visitors around the globe. Also \$1.9 million has been budgeted, which includes the additional \$70,000 to fund the extension of the visitor information centre season. Visitor Services Unit supports the operation and maintenance of all the visitor information centres that provide vital traveller and visitor information in communities throughout our great territory. There will be an ongoing additional funding of \$86,000 that has been allocated to the Visitor Services Unit to extend that season.

There is \$43,000 has been budgeted to market Yukon's tremendous opportunities for sports tourism. I thank the Minister of Community Services for his work on that file too. I know that sports tourism is something that is near and dear to his heart and that he continues to work with his government officials to promote it in our territory. There is \$244,000 to support the work of the Tourism Industry Association Yukon to promote and develop tourism in Yukon.

The members of TIAY, including Neil Hartling, who is the president, continue to work collaboratively with the department to address some of our marketing — I'm not going to say issues — of the territory across Canada and truly around the globe. There is \$200,000 to support the work of the Yukon Convention Bureau society to attract and support visiting meetings, conventions and events. I understand they too will be a part of the Winterlude opportunities in Ottawa in 2015.

There is \$75,000 to support the Yukon Sourdough Rendezvous society's annual celebration. We have seen through the past number of years that little society having a huge impact in Yukon, especially here in Whitehorse at really a much-needed time — February — after we have gone through a long and cold winter. That organization continues to impress upon me and the department and my colleagues on this side of the Legislature and we thank them for their hard work, their dedication and their goal of providing Yukoners and visitors with a fantastic product at a crucial time when it's really needed.

I talked earlier about the new Canadians event fund. As I have indicated, since that was announced in March 2013, there have been three organizations that have accessed it to host cultural events.

This is a fund that's particularly important to many of the cultural organizations in Yukon and one that they're very excited about being able to access it. In speaking with the president of the Canadian Filipino Association of Yukon and the Chinese-Canadian Association of Yukon — they're very excited to be able to access funds to use to pay for the venue, so they can promote their culture and bring people in. I think that's perhaps one of the most important components of this — bringing people together from one culture into one venue and having them feel great about showing other Yukoners where they come from and what their culture means to them. I

think that we see that when we go to events like the Chinese New Year or some of the Filipino events, Korean events, Japanese or the African event — Yukon African Caribbean Association — they're so proud to be able to share with us what their culture means to them.

In August 2014, the arts fund supported a variety of creative community projects, dispersing close to \$110,000. As well, five recipients shared \$30,000 through the touring artist fund, allowing them to tour nationally and internationally to showcase their work to a wider audience.

The Government of Yukon and the City of Whitehorse signed an MOU, which I spoke about earlier. The member was also asking about the — and I spoke a little bit about it earlier — paleo in Dawson. We continue to be excited to work with the KVA in that community and the placer miners to come up with something that is going to work for everybody.

**Mr. Barr:** I would like to ask a little bit more about the woolly mammoth — the palaeontology. What constitutes a significant find?

There are a few unrelated questions I will ask. I understand that in developing the campground, which people come to and they love to stay in — the Conrad campground that is coming up — there has been the commitment to work hand in hand as this opens up to deal with heritage and cultural sites. Is there anywhere in this budget — because that development is happening now? From the cultural side of things, will there be monies put toward place names and so on and so forth with the Conrad campsite? I will just leave that for the moment.

**Hon. Mr. Nixon:** I thank the member opposite for his questions. The member first asked about the paleo and the significant finds, especially when it comes to fossils and woolly mammoth ivory in the Klondike gold fields. As I mentioned earlier, the relationship and the partnership between the Department of Tourism and Culture and the placer miner community has been one that has been very impressive, to say the least.

Certainly, I am not a palaeontologist or an archaeologist, but when the palaeontologists go into the field and when a placer miner reports a find, they will meet up. They will take a look at what is coming out of the ground and what they have taken out of the ground — and I guess what would constitute a significant find is, for example, if a full skeleton of a woolly mammoth was unearthed. That would be a significant find. If a full intact tusk was unearthed that would be a significant find. In circumstances where maybe a broken tusk was unearthed, that might be an area where they would determine on the ground whether it would be a significant find or not. A “significant find” is a technical term and is truly determined by the experts in the Yukon palaeontology program, and I thank them for their work and for being able to build those relationships with the placer miners in that community.

It has certainly helped us to get to the point where we are now. I truly hope to see in some of the jewellery stores and souvenir shops, some Yukon-made carvings up for sale that can be taken out of Yukon and used on the trade market.

The member opposite talked a bit about the Conrad campground. Before my time runs out here, we have started the process as far as a letter going from me to the First Nations and the community that calls for their participation in a process to determine some of the significant areas in the Conrad site. Our department will continue to work with the Department of Environment when looking at that campground, but I know when I talk to Yukoners and my good constituents in Porter Creek South, they're really excited about new campgrounds. There was even talk about potentially a private campground coming on-line. I cannot announce that, but people are excited to have those kinds of opportunities because they know that when they go to Wolf Creek campground or Fox Lake on a Thursday afternoon or a Friday afternoon, they pull in and the campground is full. Sometimes they're disappointed that they have to either come home or go find another campground in a different area.

We'll continue to work with CTFN. Many of the details of this site will be determined through this planning exercise and we certainly look forward to working with them.

Seeing the time, I move that you report progress.

**Chair:** It has been moved by Hon. Mr. Nixon 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 Hon. 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. 15, entitled *Second Appropriation Act, 2014-15*, and directed me to report progress.

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

**Some Hon. Members:** Agreed.

**Speaker:** I declare the report carried.

**Hon. Mr. Cathers:** Mr. Speaker, seeing the time, I move that the House do now adjourn.

**Speaker:** It has been moved by the Government House Leader that the House do now adjourn.

*Motion agreed to*

**Speaker:** This House now stands adjourned until 1:00 p.m. tomorrow.

*The House adjourned at 5:25 p.m.*