



Yukon Legislative Assembly

Number 170

1st Session

33rd Legislature

HANSARD

Thursday, November 13, 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

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

GOVERNMENT PRIVATE MEMBERS

Yukon Party

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

OPPOSITION MEMBERS

New Democratic Party

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

Liberal Party

Sandy Silver	Leader of the Third Party Klondike
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Yukon Legislative Assembly
Whitehorse, Yukon
Thursday, November 13, 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 Diabetes Awareness Month and World Diabetes Day

Hon. Mr. Graham: Mr. Speaker, November is Diabetes Awareness Month and tomorrow, November 14, is World Diabetes Day.

On behalf of all members of the Legislature, I would like to draw attention to the fact that the International Diabetes Federation calls diabetes a “global epidemic.” In Canada in 2013, 2.6 million people between 20 and 79 years of age had diabetes, and over 17,000 people in the same age group died of diabetes-related causes. With diabetes, the body either does not produce insulin, produces too little insulin or the insulin does not work properly, resulting in high blood sugar and damage throughout the body.

This condition increases the risk of cardiovascular disease, blindness, kidney failure and limb amputations. Diabetes symptoms frequently include slow healing, weight gain or loss, frequent urination, intense hunger and thirst and tingling or numbness in the hands and feet. There is still much that isn’t known about type 1 diabetes, usually diagnosed in children, and what places someone at risk in developing this disease. We do know that having a close family member with type 1 diabetes increases the risk, but there is still more to learn.

Much more is known about type 2 diabetes and the ability to delay or prevent its progression with regular physical activity and a five- to 10-percent weight loss in people carrying extra weight. There are many risk factors, including being of aboriginal, Asian or African descent, which is why the Canadian Diabetes Association is promoting the CANRISK on-line questionnaire. It is designed to help us identify our risk factors, if any, and then guide us as to what we can do to help reduce those risks.

Earlier this year, the Department of Health and Social Services partnered with a number of Yukon First Nations, the staff of Kwanlin Dun Health Centre and Yukon College staff on the Yukon CANRISK prediabetes and diabetes survey. Over 300 Yukoners, 80 percent of whom were First Nation people, took part in the survey helping to ensure that other Canadian First Nation adults between the ages of 20 and 29 will be able to get an accurate risk score when they do the CANRISK survey.

In Yukon, we have a wonderful on-line resource at yukondiabetes.ca, which is being updated by the Diabetes Education Centre and the chronic conditions support program of Health and Social Services. The site provides valuable links to a number of resources and events to help prevent and manage diabetes. This month I encourage all Yukoners to visit www.dontberisky.ca to see if they have any of the risk factors that could lead to diabetes. There are steps we can all take to keep healthy and lower our risk of type 2 diabetes. We should consider it.

Speaker: Introduction of visitors.
 Are there any returns or documents for tabling?
 Are there any reports of committees?
 Are there any petitions to be presented?
 Are there any bills to be introduced?
 Are there any notices of motions?

NOTICES OF MOTIONS

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

THAT this House urges the Government of Yukon to:

(1) recognize the important paramedical first-response role played by ground and air ambulance paramedics in providing critical care medevac service to Yukon;

(2) acknowledge that ground and air ambulance paramedics undergo intensive professional development to ensure their ability to respond to medical emergencies in an effective manner; and

(3) publicly recognize EMS employees who practise ground and air ambulance paramedicine as “paramedics”.

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

THAT this House urges the Yukon Liberal Party to explain why it does not support ensuring that Yukon’s regulatory regimes are clear, consistent and competitive with other jurisdictions, while also providing for sustainable and environmentally responsible development of Yukon’s resources.

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

THAT this House recognizes the negative economic impact of having the entire Ross River traditional territory, an area equal to 13 percent of the Yukon, under a mineral staking ban for almost a year.

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

QUESTION PERIOD

Question re: Economic outlook

Ms. Hanson: Yesterday I pointed to Yukon statistics demonstrating that in 2013, retail and wholesale sales decreased and Whitehorse business licences fell by nearly 800. When I asked what action he is taking to support small

businesses during this time of negative economic growth, the minister dismissed the importance of the question by saying, "When the member opposite asks for statistics or for evidence, I suggest she go walk around her community." Mr. Speaker, I do walk around my community and I do see small businesses who are struggling and who feel abandoned by the government. Perhaps if the minister was in better touch with this community, he would see the same.

Why can't this minister give a straight answer on what action he is currently taking to support small businesses?

Hon. Mr. Dixon: I thought I answered quite clearly yesterday when I indicated that upon reflecting on the 2013 data that we received recently from Stats Canada, which indicated that 2013 was a very difficult year for Yukon's economy, that the Yukon government responded by bringing forward the largest capital budget in Yukon's history.

We did this, in part, because of the fact that we knew the construction industry is so important, not only for the businesses that are directly impacted by construction, but by the spinoff of those construction projects to other local businesses, whether they be service and supply companies or other businesses in the community.

So we've done that; we've brought forward the largest capital budget in Yukon's history. We've increased government spending on capital projects and, as I indicated yesterday, the evidence of that is very apparent throughout the City of Whitehorse. You can see instances of large capital projects going forward, and you can see instances of a variety of small businesses working on these projects, whether they be contractors themselves or service and supply companies that support those businesses.

We're confident the investments we've made are positively impacting Yukon's economy, right from the large construction companies all the way down to the smaller retail and wholesale companies.

Ms. Hanson: In fact, the challenging times facing the Yukon economy are not new. The rate of annual GDP growth has declined each year since this government was elected. Now that the economy is bottoming out, this government intends to spend its way out of the economic crunch. Large construction projects can be good stimulants for economic growth and job creation when they are done correctly.

According to the minister's own numbers, only 33 jobs have been created by the F.H. Collins construction so far, despite over \$25 million allocated to this project for this fiscal year. Can the minister give Yukoners a straight answer on what actions are being taken to ensure small Yukon businesses see direct benefits from local construction projects?

Hon. Mr. Dixon: First of all, I have to point out that the reason we're able to make the investments we're making in capital projects is because of the responsible stewardship of Yukon's finances by this government.

In combination with the largest capital budget in Yukon's history, we continue to have a very large surplus as well. What this means is that we are spending and we are increasing

our spending, but we are doing so responsibly while maintaining a strong public finance for Yukon taxpayers.

When we invest in projects throughout the territory, we know that it is not just the company constructing the project that benefits; we know that there are spinoffs related to the financial expenditures of those large capital projects. We know that small businesses benefit when there is economic activity going on in the territory. But I have to point out as well that that is not the only thing we have done. There are a number of measures in place that support small businesses in the community. We do that through the Yukon Chamber of Commerce and others. We have a number of funding programs that are available to Yukon businesses. Of course, I have to point out that earlier this year we reduced the small business tax credit by one quarter. We have made Yukon businesses more competitive. We are trying to have Yukon be an attractive place to own and operate a business and to start a new business. That's what our target is, that's what our goal is and we'll continue to take measures to support Yukon small businesses.

Ms. Hanson: Mr. Speaker, let's be clear. The reason the minister has money is because there is between a six-and-nine-percent annual increase every year in federal transfers.

The reality is that the private sector is attracted to investment environments that are sound, supportive of and receptive to the potential benefits they offer. Small businesses, in particular, benefit from clear, accountable and valid procurement policies, including public tendering and requests for proposals. Obtaining contracts, for example, requires a certain level of training, education and capitalization. This government has sat idly by while local industry and businesses have lost contracts to Outside proponents.

What actions will the Premier take to increase the awarding of government contracts to Yukon small and medium businesses?

Hon. Mr. Pasloski: This government has not been idling by. The results of that have been very well illustrated in the last 10 years. What a good thing to have — over 10 years of growth. The Leader of the NDP is worried about the rate of increases. What we can talk about is that this is a territory that did see a decade of positive GDP growth. There is no place in this country that can talk about the great growth that we've had in our economy and in our population.

What we do hear is that the opposition doesn't understand small business, and that was truly illustrated when these parties were in power last time, when we had a mass exodus of employees, workers and small businesses that left.

The Minister of Economic Development articulated very clearly efforts that we are doing. When you inject cash into the economy, whether it's through, for example, investment in exploration or whether government invests in infrastructure, there is a trickle-down effect that affects the whole economy, whether it's directly to the contractor or to the subtrades, to those employees or where, when they go in, they buy a truck or they buy a new stereo, and of course they get their groceries.

Investment in this economy is a benefit to small business as well as large business.

Question re: Teacher Qualification Board

Mr. Tredger: The Teacher Qualification Board is the ultimate authority on the credentials of new teachers entering our education system. The Education minister's credibility is already shaken by recent revelations regarding the board's chair's credentials.

According to the *Education Act*, every new teacher's qualifications are to be reviewed by this board to ensure they are able to effectively teach our children and determine their salary based on their education and past experience. When did the Teacher Qualification Board last meet?

Hon. Ms. Taylor: I just want to say that it is a rather sad day again here in the Assembly when the member opposite in particular finds it amusing to make a compelling case to debate the credentials of our public service on the floor of the Legislative Assembly.

I might add that those public servants don't even have the capacity or the ability to actually defend themselves on the floor of the Legislative Assembly here. I just want to point out that we do defend our public service. We are in support of the good and hard work and valued service that they do provide on behalf of all citizens of the territory and we'll continue to defend our public service and all the processes that are in place, including the Teacher Qualification Board and the Teacher Certification Board which the member opposite speaks of.

There have been no meetings of the Teacher Certification Board since approximately 2010 and that is because we have a number of those certificates. They are routinely issued by the registrar to teachers who come to the Yukon with a valid teaching certificate from other jurisdictions. There has been no requirement to refer any of the teacher certification matters to this particular board.

Mr. Tredger: Mr. Speaker, I asked about the qualification board. It is a matter of public concern and it hasn't met in years. The minister should know better than to avoid the concerns of Yukon teachers. She is responsible for ensuring that the *Education Act* is followed. Potential teachers deserve to have their applications reviewed in a timely manner and their right to timely appeals of their reviews respected. The Department of Education website tells us that the Teacher Qualification Board meets twice a year.

Mr. Speaker, how many potential teachers are currently waiting the final review of their credentials by the Teacher Qualification Board?

Hon. Ms. Taylor: Again, I don't have the specific numbers in front of me. Mr. Speaker, we have a number of boards and committees that each and every department houses. I can say that, with respect to the Teacher Qualification Board — which we now apparently are on — it is comprised of representatives of the Yukon Teachers Association and a representative of the Department of Education and a professional educator who is selected by mutual agreement between the Yukon Teachers Association

and our department. We also have an administrative individual who is appointed to the Teacher Qualification Board.

According to the information that I have, and as recent as just a couple of days ago, the Teacher Qualification Board does meet approximately two times per school year. I have not been made known otherwise — that they have not met. Again, that board is in place. In fact, I know a couple of the individuals who sit on that particular board, and I have been made very aware that they have been meeting on a routine basis. Unless there is something that the member opposite is not revealing to me — then please, by all means, share that with me.

Mr. Tredger: I have been told that it has been at least four years since the board's last meeting — four long years for a board that is supposed to meet twice a year. Fortunately, the Department of Education is not the Newburgh Bible Seminary. We just can't take God's word for it when it comes to accrediting Yukon teachers.

Being reviewed by the board is a legal requirement. If a teacher isn't reviewed by the board when they start teaching, they receive an interim rating that needs board confirmation. The Minister of Education has lost control of the situation. It has become a political fiasco and an embarrassment to the high standards of our education system.

When will the minister call this Teacher Qualification Board from its extended break and instruct it to hold its next meeting?

Hon. Ms. Taylor: I think the member opposite is thoroughly confused. Let me take it through for the member opposite very slowly because we have a difference between the Teacher Certification Board and the Teacher Qualification Board. To my understanding, the Teacher Qualification Board, which is compelled to meet twice a year, has in fact been doing that. The Teacher Certification Board — there have been no meetings of that particular board since approximately 2010. I think the member opposite perhaps is a bit confused with respect to whichever board that he seems to be on.

The TCB — the certification board — and because of the *Agreement on Internal Trade* and those changes that have evolved since 2010, any teacher who has a valid teaching certificate from another Canadian jurisdiction and is in good standing in that jurisdiction is granted a certificate of qualification to teach in the Yukon by the registrar.

There haven't been any meetings for that very purpose because they are routinely issued by the registrar because of the changes to the *Agreement on Internal Trade*.

What I do find embarrassing, however, is that this member continues to mock the qualifications of each of our public servants on the floor of the Legislative Assembly. Those public servants don't have the ability to actually defend themselves on the floor of the Assembly.

Question re: Mineral staking on settlement land

Mr. Silver: Mr. Speaker, in 2013, as a result of another legal battle with Yukon First Nation governments, the Yukon

government was under a court order to find a way to work with the Ross River Dena Council on what land would be available for staking in their traditional territory. I asked the minister in November 2013 if he would be forced into placing a staking moratorium in Ross River traditional territory due to this court order. We didn't hear an answer in the House; however, we did find out days after the legislative session concluded that this government was unable to reach an agreement with Ross River on what area would be withdrawn.

In lieu of said agreement, the entire 63,000-square kilometer area was taken off the table. The government has extended the staking ban more than once since then and it continues to be in place today. Is the government any closer to reaching an agreement after a year of negotiations?

Hon. Mr. Kent: Of course, the member opposite is talking about the Yukon Court of Appeal declaration that came into effect last year around Christmastime. There were two declarations — one dealing with class 1 or low-level mining exploration activity, and we're making progress on that. In fact, we have recently signed an MOU with a number of First Nations and are working through the Yukon Forum that was held in late May of this year to set up a working group to address the class 1 mineral exploration activities.

When it comes to the other declaration that deals with the withdrawal of the Ross River area, of course, it is something that we had to do because of a court order. We are working with the Ross River Dena Council. It is something that is being led by Executive Council Office. My understanding is that the staking ban is due to come off at the end of January and we will have lands identified within the Ross River area that will no longer be available for staking at that time.

Mr. Silver: Almost 13 percent of the Yukon is now currently off-limits to staking because of this government's frayed relationship with the Ross River Dena Council. The staking ban has been extended twice and now stretches until January 2015. It will have been in place for more than a year if a deal is reached by this time. If not, it will be extended once again. The government's strained relationship with the First Nation government is not good for the economy as it marginalizes the mining industry. It must be difficult for the Yukon Party to come across as pro-mining with an ongoing inability to work with the First Nation government when it comes to the resource sector. What would be some of the outstanding issues that remain unresolved?

Hon. Mr. Kent: Of course, as I've mentioned on the floor of this Legislature before, it serves no purpose for us to negotiate on the floor of this Legislature in public. As I've mentioned, discussions are ongoing, led by Executive Council Office with the Ross River Dena Council on this particular issue. As mentioned, the staking ban is due to come off in January of this year and we look forward to that very mineral-rich area being opened up to staking and additional resource development as early as this next exploration season.

It is interesting to note though, again there are constants that we always come across in November. We always set our clocks back an hour and we can count on the Liberals to come up with some sort of pro-mining stance, but the Leader of the

Liberal Party broke that trend yesterday when he voted against a motion brought forward by the MLA for Watson Lake to address regulatory certainty. He has asked about regulatory certainty every November that this House has sat, and now he has changed his tune. When it comes to the identity crisis that the Leader of the Liberal Party seems to have with respect to supporting responsible development, he may want to check the calendar. It's November; he is supposed to support mining in November.

Mr. Silver: Yesterday I voted against a unilateral approach by this Yukon Party government — which clearly has a problem with economic development, as we can see by the GDP numbers.

Mr. Speaker, 13 percent of the Yukon remains closed to mining under the leadership of this Yukon Party government. One hundred percent of the Peel has been banned from any exploration because of this Yukon Party government. So let's stick with the actual question and let's see if we actually get an answer from the minister. Maybe I can ask him one question and get an answer without getting heckled from the Minister of Economic Development.

Could the minister at least comment on the fact of whether or not he has sat down and negotiated with the government, and when was the last time he and the Ross River Dena Council have met?

Hon. Mr. Pasloski: What is not good for the economy is the Liberal Party and the NDP. That is quite clear. We saw it again yesterday when both parties voted against this strong regulatory system — improving our regulatory system for responsible resource extraction and responsible resource industry in this territory.

The Leader of the Liberal Party does not support the YESAA amendments, even though the Senate Liberals unanimously supported them in Ottawa. For the record, we know where the Liberal leader is when it comes to the Peel. He wanted the Peel shut down. Now he is calling for us to open it up — another example of the leadership that we see from the Liberal Party, depending on who he is talking to and who he supports. That's what we expect and that's what we get.

Question re: Medevac flights

Mr. Tredger: On several occasions I have raised a concern I've heard from the residents of Pelly Crossing: medevacs take far too long to take critically sick or injured patients to Whitehorse. People being medevaced out of Pelly Crossing are taken by Pelly ambulance to Stewart Crossing, where they are transferred to the Mayo ambulance, which takes them to the Mayo hospital and, from there, they are medevaced to Whitehorse. This has been going on for far too long.

In the spring, the minister indicated that his government took the safety of Pelly Crossing residents seriously and would look into extending the runway on an interim basis. What is the status of the interim extension to the Pelly Crossing airfield?

Hon. Mr. Istchenko: I do thank the member opposite for the question. I was hoping I would get this question.

The gravel airstrip at Pelly Crossing — I just want to give him an update. I'm not sure if he knows how long it is. It's 3,300 feet long and is primarily used for small private and charter aircraft the RCMP and occasionally for medevac flights. It is believed that Pelly has fewer than 200 aircraft movements annually.

The airstrip was constructed in 1986 to support light- and medium-size aircraft certified for use on gravel runways. It was not designed to accommodate the higher performance aircraft, like the Beech King Air 300, which is used for medevac flights today. The runway surface and the subsurface are in fair condition. Soft sections do occur in the spring and with moderate precipitation in the summer months. Reconstruction of the existing runway is scheduled to begin in 2015-16 and, in the interim, the department is investigating the cost-benefit of extending the runway by approximately 1,000 feet.

Mr. Tredger: This spring, we were talking about extending the runway. We need to take concrete steps to actually fix the problem. The health of critically ill patients is being compromised. When the family of the individual being medevaced out of the community makes it to the Whitehorse General Hospital before the patient does, it says a lot about the state of the medevac process.

This is a serious health and safety issue for the residents of Pelly Crossing. The government knows this and they have acknowledged it in the House, but it has gone on long enough. This government needs to make the safety of Pelly Crossing residents a priority. How much longer will the community of Pelly Crossing have to wait for an airstrip that can accommodate medevacs?

Hon. Mr. Istchenko: On this side of the House, we have the utmost respect for our first responders, those folks who work on the medevac flights or are in an ambulance. The medevac carrier requires that runway surface condition reports be provided before they could consider using a runway. Presently, at that location, there is no program or trained staff available to provide these inspection services on a routine basis. We are, however, investigating the possibility of training volunteers to provide unofficial runway conditions. I spoke a little bit earlier about looking at the cost-benefits of extending the runway by approximately 1,000 feet and I talked about the construction work that is going to happen in 2015-16.

Mr. Speaker, I can tell you that we efficiently manage and maintain four airports and 25 aerodromes in the Yukon Territory. You just need to look at the budget — over \$18 million put into our airports.

Question re: Residential Landlord and Tenant Act amendments

Ms. White: On November 2012, a government news release indicated the new *Residential Landlord and Tenant Act* would provide modern, clear and effective legislation to

benefit landlords and tenants and promote a healthy private-rental market. The release indicated the act would create a new dispute resolution process, where the Residential Tenancies Office would hear and settle landlord and tenant disputes outside of the courts and have the ability to make binding decisions on those disputes. This news release also indicated the new act would come into force in 2013, after the regulations had been approved.

We are months away from 2015 and still, there are no regulations. Can the minister explain what has changed for landlords and tenants since November 2012, when the government announced the new act would come into force in 2013?

Hon. Mr. Cathers: I would like to begin by thanking our staff of Community Services, who have worked on the development of the *Residential Landlord and Tenant Act* and who worked on the development and consultation as well on the regulations for the act. Consultation on the regulations occurred this spring and as I indicated to the member in a previous response, I look forward to, in the near future, announcing the regulations, once they have been approved by Cabinet.

I would point out to the member opposite that this act had not been modernized in 50 years. It followed the work of an all-party committee — significant consultation with landlords and tenants and other stakeholders in development of the act and again, consultation on the regulations. This is a very important matter. We look forward to announcing the regulations in the near future, but we are also very much committed to getting it right and that is exactly what is being done.

Ms. White: I too look forward to the day the regulations are tabled and that the Residential Tenancies Office can do the good work that they are set out to do.

On a weekly basis, we have people coming into the office — and I understand the frustration that a tenant or a landlord has when they seek assistance currently from the Residential Tenancies Office. They are shown a brochure outlining what should be happening and told if they are unable to resolve their dispute, they have to file a claim with the Small Claims Court.

The government's inability to approve the act and regulations means Yukoners are forced to continue using the legal system to resolve those problems rather than a dispute resolution process administered by the knowledgeable staff of the residential tenancies office. What is the delay in enacting the legislation that would empower the Residential Tenancies Office to hear and settle disputes outside of the courts?

Hon. Mr. Cathers: I would point out to the member opposite that this legislation had not been modernized in over 50 years, including three terms of NDP governments that did nothing to modernize this legislation. We created an all-party committee which consulted with Yukoners on this important matter. That led to the development of the act, which included public consultation, and the regulations themselves, which involved public consultation and also involved consideration with other involved departments — because there are some

very key provisions in these regulations — which is why it's important that we get it right and that is exactly what is being done.

The office has now been staffed and staff will be ready to take on their new powers under the act once those regulations are put in place in the very near future. I want to again thank staff and thank the legal drafters and everyone involved in this process, including stakeholders and citizens who have commented, for their good work in modernizing legislation that had not been modernized in over 50 years.

Ms. White: I would point out to the minister that it was his very own news release — or his government's news release — that said it would be enacted in 2013. Maybe this minister doesn't fully understand the impact his inaction has on tenants or landlords.

I have spoken with many mobile home owners who are experiencing damage to their personal property because the mobile home park has water drainage problems. These homeowners are forced to go to the courts because of this minister's continued inaction.

In 2012, the government said the new legislation was modern, clear and effective. So how can the minister justify that two years later, landlords and tenants are still dealing with legislation that is outdated, unclear and ineffective?

Hon. Mr. Cathers: While I won't comment on specific court matters, I think the issue that the member is referring to, first of all, has not actually gone to the courts and, in fact, is being worked on right now, without homeowners actually having to seek court action.

Again what I would point out to the member is that the member doesn't seem to understand that when there is significant policy work being done and we hear feedback from stakeholders that requires adjustment and legislative re-drafting — that does take time. The consultation that occurred on the regulations this spring — again we hear the Leader of the NDP not appreciating the importance of this topic or how it affects Yukoners through her off-mic comments. But again, Mr. Speaker, we very much appreciate the importance of ensuring that this balances the rights of landlords and tenants fairly, as committed to in the project. We very much appreciate the good work done by the staff of Community Services and other involved departments, including Health and Social Services and Yukon Housing Corporation staff who are affected by this legislative change and deal with groups and citizens who are directly affected by the provisions of these changes.

We are committed to getting it right, and that is exactly what our capable and competent staff are going, and I thank them for the good work they are doing.

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

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 75: *Public Interest Disclosure of Wrongdoing Act* — Second Reading

Clerk: Second reading, Bill No. 75, standing in the name of the Hon. Mr. Dixon.

Hon. Mr. Dixon: I move that Bill No. 75, entitled *Public Interest Disclosure of Wrongdoing Act*, be now read a second time.

Speaker: It has been moved by the minister responsible for the Public Service Commission that Bill No. 75, entitled *Public Interest Disclosure of Wrongdoing Act*, be now read a second time.

Hon. Mr. Dixon: It's a pleasure to rise today at the second reading of the *Public Interest Disclosure of Wrongdoing Act*. I would like to begin by thanking a number of folks in the Public Service Commission who aided in the development and construction of this act. The folks who have worked on this over the past number of years have done so diligently and done a fabulous job. I would like to thank the staff in the Public Service Commission who have done the difficult work of bringing forward this legislation and also working with the Department of Justice officials who drafted the bill itself and were able to arrive at the bill that we see before us today.

This bill ensures that an employee who believes that wrongdoing may be occurring in the Yukon public service workplace has a legal avenue to bring those concerns forward, secure in the knowledge that the law is designed to protect them from workplace reprisal.

The fundamental premise of this kind of legislation is that the public interest is best served when strong mechanisms exist to prevent and address wrongdoing in the workplace. This legislation is an important addition to our governance and public accountability toolbox. It supplements existing laws and policies governing the conduct of business in various Yukon public service workplaces.

Business is conducted by people and the people we entrust to conduct public service business on behalf of Yukoners are expected to do so with professionalism, integrity and honour. However, if a person commits a wrongdoing, we want to know about it and what, if anything, can be done to fix it.

We also want those with responsibility for wrongdoing to be held accountable for it. This bill aims to help ensure that wrongdoing can be identified and appropriately addressed. It does this by setting out the kinds of wrongdoings that we believe need to be within the scope of the act, setting out ways that such wrongdoings can either be prevented or addressed, setting out some possible consequences for those who are found to have committed a wrongdoing, and setting out how Yukoners will be informed about a activity occurring under the act.

With the introduction of this bill, we join the federal government, seven provinces and one territory that have

already passed or introduced similar legislation in Canada. One other province also covers similar ground under a more narrowly focused law. Internationally, countries such as the U.K., the U.S., Australia, New Zealand and South Africa have also enacted laws dealing with wrongdoing in the public service. We can expect many more to do so over time.

This bill contains our recommendations for wrongdoing disclosure legislation for Yukon based on consideration of the Assembly's select committee report on whistle-blower protection, a review of similar laws in other Canadian jurisdictions, input received last spring from employees and members of the public, and dialogue with and input by interested key stakeholders.

Relative to other jurisdictions with such laws, we are a jurisdiction with a small public service workforce. We purposely looked to find a way to meet the need for efficient and effective legislation that would work to fulfill its intended purpose. I believe the bill strikes a good balance in addressing the interest of all concerned Yukoners for this legislation.

For the purposes of this act, "wrongdoing" means: (1) breaking a Yukon or federal law, (2) doing or not doing something that creates a substantial and specific danger to people or the environment, (3) gross mismanagement of public funds or assets, or (4) knowingly directing or counselling someone to do any of these things.

Regardless of the basis for their employment, all employees of Yukon government departments, directorates, secretariats or other similar executive agencies, the Yukon Development Corporation, the Yukon Energy Corporation, Workers Compensation Health and Safety Board, the Yukon College and the Yukon Hospital Corporation are eligible to make wrongdoing disclosures under the act. The offices of the Chief Electoral Officer and Child and Youth Advocate are also included.

The wrongdoings that can be disclosed are ones that have occurred, are occurring or are likely to occur if action is not taken to stop it. A wrongdoing disclosure could be made about a fellow employee of the same organization, an employee of another organization covered by the legislation, a governing board or board member of an organization covered by the legislation or for whom an employee provides support as part of their job duties or a responsible minister for an organization covered by legislation.

A wrongdoing disclosure means disclosing something that an employee has learned of in the course of their employment. In other words, a disclosure cannot be made based on rumour, gossip or innuendo. The employee must reasonably believe that they have information that could show that a wrongdoing has been committed or is about to be committed.

Under the act, there are up to four possible avenues for an employee to get advice about disclosing or to actually disclose a wrongdoing: first of all, their immediate supervisor; second, the chief executive officer for the organization they are working for; third, a person formally designated in procedures that may be established by a chief executive office to receive

and deal with disclosures; or fourth, to the Public Interest Disclosure Commissioner.

The Public Interest Disclosure Commissioner is a newly created position under the act with responsibility to investigate disclosures and complaints of reprisal the commissioner receives under the act. Unless another person is appointed according to the process set out in the act, Yukon's Ombudsman will serve as that commissioner. Yukon's Ombudsman is also the Information and Privacy Commissioner under the *Access to Information and Protection of Privacy Act*. Unless someone else is appointed as Public Interest Disclosure Commissioner, this same office will field inquiries and deal with matters under all three acts. This leverages the expertise and resources that that office has to fulfill these very important functions on behalf of Yukoners.

I want to extend my appreciation to the Ombudsman for helping in our work to shape this bill. The Ombudsman offered several suggestions for our consideration and I am confident that, as commissioner, the Ombudsman will do an excellent job dealing with disclosures and complaints received by that office, as well as well as serving as the primary point of public information and annual reporting on all organizations' activities under this act.

I mentioned that an employee could potentially choose to disclose wrongdoing to a person who is formally designated in procedures that may be established by the chief executive officer to receive and deal with disclosures. The act sets out minimum content that disclosure procedures must include if a chief executive officer elects to establish them.

Aside from the designation of a senior official to receive and deal with employee disclosures, this includes: (1) procedures for receiving, reviewing and investigating disclosures and reporting on outcomes of investigations; (2) ensuring that rights to natural justice and procedural fairness of all individuals involved is respected; and (3) ensuring the confidentiality of information collected and protecting the identity of individuals involved.

The commissioner must be provided opportunity to review and comment on any proposed new or amended procedures and must be provided a copy to the final procedures that a chief executive officer elects to establish after receiving the commissioner's comments. This is important for two reasons: the commissioner may have suggestions for procedural improvements that could better enhance protections for all parties involved and, if the commissioner receives a disclosure from an employee or an organization that has established disclosure procedures, the commissioner can only investigate the matter if the disclosure has previously been made according to those procedures, and either (1) the internal investigation has been completed, a final decision has been issued and the employee is dissatisfied with the decision or action of the organization, or (2) an unreasonable amount of time in the circumstances has passed since the disclosure was made and the internal investigation has not been completed.

However, the commissioner can investigate a disclosure at any time if the disclosure implicates the employee's chief

executive or designated officer, or the commissioner believes it would not be appropriate, considering the circumstances of the employee, to require the disclosure to be made or dealt with according to the organization's disclosure procedures. So it is essential for the commissioner to know when a chief executive establishes new or amended disclosure procedures and what those procedures contain.

It is also essential for employees to know about this act and about any disclosure procedures established by their chief executive officer. The act requires chief executives to widely communicate such information to their own employees.

A disclosure made internally or to the commissioner may or may not result in a formal investigation being undertaken. Every disclosure will need to be considered on a case-by-case basis, and much will likely depend on the depth and quality of the disclosure and the seriousness of the alleged wrongdoing. If the commissioner receives the disclosure, the commissioner is authorized to take any steps considered appropriate to help resolve the matter within the affected organization. This is good, as it may not be necessary or even desirable to launch into a formal investigation in every instance if the matter can be more readily resolved through other means.

In the event of an emergency situation where there is no time to make a disclosure through the regular process, there is also provision for an employee to make a public disclosure if they believe there is an imminent risk of substantial and specific danger to people or the environment. In this case, the employee must first contact an appropriate law enforcement agency and follow any direction of the agency before going public about the matter. The employee must then inform their employing organization that a public disclosure was made.

We truly hope that it will never be necessary for an employee to make an emergency public disclosure. However, we believe it is an important public interest safeguard to enable an employee to do so, should circumstances warrant.

There are only three matters that employees are prohibited from disclosing under this act: first, information as set out in subsection 15(1) of the *Access to Information and Protection of Privacy Act*, except as permitted by subsection 15(2) of that same act; second, information protected by solicitor/client privilege; and, third, in the case of a public disclosure, information that is restricted under federal or Yukon law. For example, an employee who publicly disclosed an emergency situation could not, as a part of that disclosure, publicly release personal information details about the alleged wrongdoer that would typically be restricted from release under ATIPP act or other health information protection legislation.

In every instance of a wrongdoing disclosure, if the disclosure involves personal or confidential information, the employee must take reasonable precautions to ensure no more information is disclosed than is necessary to make the disclosure. In other words, only essential information should be disclosed. The act allows a person receiving a disclosure to ask for any additional information they may reasonably require to investigate the matter. It is also important for employees to know that making a disclosure under this act

does not alleviate any obligation they may have under other Yukon laws to disclose or report on the matter. For example, if an employee is required to report on an unsafe situation under the *Occupational Health and Safety Act*, the employee would continue to have that obligation even if the matter was disclosed to a person under this act. If a disclosure investigation is conducted either by an organization covered by the act, or by the commissioner, there are obligations to report on it. I will outline this in more detail a little later on.

What I would like to note now is that the commissioner will have the discretion to not investigate a disclosure and could cease a disclosure investigation under various scenarios — for example: if the commissioner believes there is another procedure available to the employee that could adequately deal with the matter in whole or in part, for example a procedure provided for under Yukon or federal law; if the disclosure is frivolous, vexatious or has not been made in good faith or does not deal with a sufficiently serious subject matter; if so much time has passed that there is little to no value in pursuing the matter; if the disclosure relates to a matter resulting from a balanced and informed decision-making process on a public policy or operational issue; if insufficient information has been provided to support the decision to investigate; or, if there is another valid reason for not investigating. The key point is that the decision to investigate an employee's disclosure or to cease any disclosure investigation is largely within the commissioner's sole authority to make.

Also within the commissioner's authority is an ability to investigate another possible wrongdoing that comes to light in the course of a disclosure investigation. The act obliges the commissioner to prepare a report following a disclosure investigation. It must include findings and reasons for the findings and may include recommendations. In making recommendations, the commissioner can also request information from an affected organization on steps taken or that will be taken to give effect to the commissioner's recommendations.

An affected organization will always be provided reasonable opportunity to make representations on the commissioner's draft report before the report is finalized. If the commissioner believes the affected organization has not appropriately followed up on the recommendations or did not cooperate in the investigation, the commissioner can also make a report on this.

The act details the parties to whom the commissioner must give various disclosure receipts, decision notices and investigation reports.

I want to assure the House that we have taken care to ensure that any time a chief executive is implicated in a wrongdoing disclosure to the commissioner, the responsible minister and, if applicable, the chair of an organization's governing board, would be made aware of it.

An employee who is found to have committed wrongdoing is subject to discipline up to and including dismissal. In addition, they may face other penalties, depending on the nature of the wrongdoing. For example, a

breach of another law could potentially be prosecuted to the fullest extent under that law.

Fundamental to this legislation are the provisions governing reprisal against employees who sought advice about, or made a disclosure, cooperated in an investigation under the act, or declined to participate in a wrongdoing. Under this act, it is an offence for a person to take reprisal against an employee for doing any of these things. So in addition to a possible fine of up to \$10,000, a person who is found to have committed the reprisal could also face discipline up to and including dismissal.

A reprisal can be committed by one or more subordinates, peers, colleagues or managers, can take many obvious and indirect forms and can be indicated by a single incident or series of negative measures or behaviours. A reprisal is a retaliatory measure or threat that adversely affects the employment or working conditions of the affected individual, such as unwarranted discipline, a demotion, termination of employment, denial of training and development opportunities, or harassment or shunning.

The act enables an employee who believes they are suffering reprisal to choose the door through which they will endeavour to have the matter satisfactorily resolved. For example, if they are governed by a collective agreement, they may want to file a formal grievance through that process. Alternatively, they may wish to present their reprisal complaint to the commissioner for investigation consideration.

Generally, an employee who chooses to file a complaint with the commissioner must do so within 90 days. Typically, collective or employment agreements have shorter timelines for initiating a formal grievance. The 90-day timeline is designed to encourage reprisal reporting as soon as possible after the employee becomes aware of it so that an appropriate action can be taken to deal with it as quickly as possible, including remedying the situation for the person against whom a reprisal is found to have been taken. However, the commissioner will have discretion to accept a later complaint, depending on the employee's circumstances.

The act disallows duplication of process to deal with a reprisal complaint. It does this by prohibiting the commissioner from investigating complaint if the employee who made the complaint has commenced or commences a related procedure under another Yukon or federal law, a collective or employment agreement, or policy of the affected organization. This means that an employee cannot look to the commissioner's office to re-hear a reprisal-related complaint that was already dealt with or is in the process of being dealt with elsewhere in the hope of getting a more favourable outcome. This is significant, as most grievance-type matters can be pursued through binding adjudication or appeal to the courts. For this reason, the commissioner will not be stepping into any reprisal-complaint arenas where an employee's complaint has been or is being dealt with through another forum.

However, it is also important to note that, similar to a disclosure, the commissioner will have discretion to not investigate or to cease investigating a reprisal complaint if the

commissioner believes that the subject matter could be more appropriately dealt with initially or completely through another procedure available to the complainant, or if the complaint was not made in good faith, or there was another valid reason for not investigating.

For this, it will be important for an employee who believes they are suffering reprisal to give the soonest possible consideration as to which door they might want to enter with their complaint. The requirement for chief executives is to ensure wide communication about this act to their employees aims to help ensure that employees not only know that reprisal is an offence, but what their options are for making a reprisal complaint and how such complaints might be dealt with by the commissioner's office

The act encourages informal, expeditious processing of disclosures and complaints where possible. In relation to a complaint, the act empowers the commissioner at any time during or after an investigation to take any steps they consider appropriate to help settle the matter. Any proposed settlement relating to a remedy to be provided to an employee who made the complaint must be agreed upon by the affected employee and the person in the affected organization with the authority to implement the remedy.

As with the disclosure investigation, upon completion of a complaint investigation, the commissioner must prepare a report containing findings and reasons for the finding and may also offer recommendations. An affected organization will have the opportunity to make representations under the commissioner's draft report before it is finalized.

Without 30 days of receiving the final report, an affected organization must decide whether it will follow any report recommendations and give written notice of the same to the commissioner. Organizational failure to provide the written notice within the time frame will be considered a deemed refusal of the recommendations made.

If the organization agrees to follow the recommendations, it must take action to implement the recommendations as quickly as possible. If an organization decides to not follow the recommendations, the act lays out a process by which a finding of reprisal or the remedy to be provided to a complainant can be taken to arbitration for a final binding decision. If the arbitrator finds a reprisal has been taken against an employee, the arbitral award may require the affected organization to do various things to remedy the situation of the affected employee, including, but not limited to: permitting the employee to return to work; reinstating the employee or paying damages to the employee if the arbitrator believes the trust relationship cannot be restored; compensating the employee for lost remuneration; and paying for any expense or other financial loss the employee incurred as a direct result of the reprisal.

The award is binding on the commissioner, the affected organization, the employee who made the complaint and the person or persons who took the reprisal. If the award requires action by an organization, it must take the action as quickly as possible. The arbitrator's fees and expenses will be equally cost-shared by the commissioner and the affected

organization. A significant transparency and accountability element of this legislation is the annual reporting obligations of the chief executives and the commissioner. Chief executives must prepare and submit to their responsible minister and, if applicable, to the chair of an organization's governing board an annual report on any disclosures and complaints of reprisal made internally, including information on the number of these that were received, acted on or not acted on, the number of investigations commenced, and where a finding of wrongdoing or reprisal was made, a description of the matter and information on corrective actions taken or reasons why no corrective action was taken.

A copy of this report must be provided to the commissioner, who will include in his or her own annual report information received from the various organizations.

The commissioner's own annual report must include similar information as well as information on the commissioner's own activities under the act including: the number of recommendations made and whether the applicable organizations complied with the same; the number and description of matters referred to arbitration; whether the commissioner believes there are any systemic problems that could give or have given rise to wrongdoings; and any recommendations for improvement the commissioner considers appropriate. The commissioner's annual report must be given to the Speaker for tabling in the Legislative Assembly within 15 days of receiving it if the Assembly is sitting, or if it is not sitting, within 15 days after the next sitting begins.

The commissioner will also have the authority to publish special reports relating to any matter with the scope of the commissioner's authority, which must also be provided to the Speaker for tabling.

Finally, the commissioner may be asked by the Legislative Assembly or any of its committees to investigate and report on a matter. Subject to any special direction the commissioner must investigate the matter so far as it is within the commissioner's jurisdiction and can report back as the commissioner sees fit.

Allegations of wrongdoing or of reprisal are extremely serious matters. The act accordingly vests the commissioner with very strong powers to investigate such matters. This includes the powers of a board of inquiry under the *Public Inquiries Act*, with various provisions of the *Ombudsman Act* applying to the conduct of such investigations, such as the power to enter premises and speak in private with any person, require information, documents or things relating to an investigation to be produced or provided, and summon and examine under oath a person the commissioner believes can give the investigation relevant information.

We are also proposing to make it an offence for an employee to make false or misleading statements in relation to a disclosure or reprisal complaint, and for a person to obstruct another person in the performance of their functions or duties under the act, or for a person to destroy, falsify or conceal evidence, knowing it was likely to be relevant to an investigation or to order or counsel another person to do this.

It's essential that action be taken as quickly as possible to deal with and prosecute alleged offences under this act. For this reason, we are proposing that prosecutions must be commenced within two years of the alleged offence being committed. It is my belief that the vast majority of Yukon public servants and those employed by the organizations encompassed by this act work diligently every day to uphold Yukoners' trust in them. I want to thank them for their contributions in helping to make Yukon a great place to live, work and play. I also believe that our employees are deserving of strong legal protection if they act in good faith to prevent or stop wrongdoing that they might become aware of in the course of their employment.

We want to ensure that this legislation works to uphold the public interest in having a mechanism in place that puts their interests first. For this reason, within five years of the act coming into force, a review of the legislation will be initiated.

I'm happy to present this important bill to the Assembly for its consideration. I look forward to our future discussions and to seeing the bill pass so the hard work of preparing for its implementation can begin in earnest. Thank you very much, Mr. Speaker, and I commend this bill to the House at second reading.

Ms. Stick: I would like to thank the minister, his department and staff for bringing forward this long-awaited bill or act. I want to thank the officials for the briefings that we received. It was very thorough.

The Official Opposition are pleased to see this legislation come forward. It has been a long time, going back to 2007 when the first select committee was established to look at whistle-blower legislation. Again, in 2012, this select committee was re-established to review the work done by the previous select committee and come forward with recommendations. I think we should give thanks to both of these committees for the work that they did on those.

The final report of the Select Committee on Whistle-blower Protection was tabled in this House in December 2012, so again, Mr. Speaker, we are happy to see this finally arrive here.

It was interesting to go back and look at the many documents, reports, drafts and consultations that resulted from those years of work. I recall being daunted by a three-inch binder, with hundreds and hundreds of pages of reports and documents and legislation from across the country. I am always amazed that so much information can be taken and result in a nine-page final report, and then on to 31 pages of legislation in both English and French.

Legislation from across this country was reviewed and looked at so that best practices could be implemented here. Many individuals and groups put a lot of time and effort into this and I hope that they see their concerns reflected in this new legislation. I want to thank the many individuals and groups, including the Yukon Employees Union, Yukon Federation of Labour and many interest groups that provided information for consideration.

We know that public consultations were carried out through an on-line questionnaire and report asking Yukon citizens to give their opinions. We heard from the Ombudsman during this process, who raised concerns with regard to reprisals and protection for employees coming forward. She made a number of recommendations and put forward different options. I'm happy to see included in this new legislation the ability of the Public Interest Disclosure Commissioner to appoint an arbitrator to decide and make recommendations with regard to reprisals. Protection from reprisals for employees is one of the keys to this legislation being as strong as it is.

The Ombudsman has come out again, though, since this legislation or act was tabled, to make a few more suggestions; in particular, with regard to wording at clause 34(2) around timelines and recommendations made by the commissioner. Currently, the wording is: "...as soon as is reasonably practicable", and that leaves this open-ended. I just want to be clear, Mr. Speaker. There is "practical", which is a synonym for "useful", but "practicable" is a synonym for "doable" and "feasible."

It's important to recognize this difference in the words because the Ombudsman has suggested that it just leaves it too open, that there needs to be clear timelines — and we would agree with this. If an employee has suffered reprisals for information that they have disclosed and recommendations have been made with regard to the remedies, then the employee should feel confident that they will be followed immediately — not later down the road, not if practicable.

The second issue is a bit murkier and I believe the Ombudsman was looking at clarification with regard to public disclosure in matters of imminent risk to life, health, safety, health and safety of individuals or the environment. Currently the legislation would not allow public disclosure if it is information that is subject to any restriction created by a Yukon or federal law.

I think a person would have to be quite versed and have quite the background to be able to understand any restrictions that might exist. The concern with this is that in an emergency or when there is imminent risk, an individual may not be aware of all the restrictions territorially or federally. If they were to disclose something, they would not be protected from reprisal if it turned out that there were restrictions.

The last item is no less important — the issue of regulations and what will be included in those. We heard from the Ombudsman that for the powers of a Public Interest Disclosure Commissioner or an arbitrator, there should not be the potential in the regulations to limit those powers already given in the act. These powers are — or should — remain as stated.

We do support this legislation. But do we think it could be improved? Yes, in some of these areas that the Ombudsman has pointed out. We hope that employees will feel the protection that they have asked for in this legislation.

We also appreciate the review period mentioned in this legislation at the end, although we had heard earlier in this sitting that the Premier did not believe in the legislative

reviews. We believe it is important and that it is an opportunity to review and see what's working, what's not and what could be improved on. We believe that one of the recommendations that extending coverage to other public institutions, non-profit organizations and private organizations could be reviewed in this review that needs to be done by fifth year.

We look forward to further discussions in Committee of the Whole and perhaps some of our questions and concerns can be addressed there. I again want to thank the minister for bringing this forward and his officials for the briefing and their work on this legislation.

Mr. Silver: It gives me great pleasure to rise to today to speak on Bill No. 75, *Public Interest Disclosure of Wrongdoing Act*. I do want to thank the minister as well for bringing forth this bill. As he is aware, the Yukon Liberal Party has been calling for this piece of legislation for some time now. It has been a long road to get to where we are today to be discussing an actual tabled bill, so I commend him for his efforts.

I have served on the most recent Select Committee on Whistle-Blower Protection. The final report of that select committee was tabled in December 2012, as the Member for Riverdale South mentioned. At the time, the committee had issued 10 recommendations to guide the creation of this act. This legislation is missing a couple of these recommendations, most notably the sunset clause provision.

In the 32nd Legislative Assembly there was also a select committee on whistle-blower legislation, as mentioned today in the Legislature. This select committee never did table a final report. I must give credit to the minister responsible for the Public Service Commission for tabling this bill and succeeding where the previous Yukon Party government could not.

There are a handful of concerns that I do have, and I am hoping that the minister will be able to address these in Committee. There are also some issues that were flagged, as mentioned by the Ombudsman. I am quoting these out of her statement: (1) there is a need to define a time frame in which recommendations are made by the Public Interest Disclosure Commission, the PIDC, and accepted by a public entity to remedy a reprisal to be implemented; (2) there is a need to modify the public disclosure provision to allow a public service employee to disclose information publicly when he or she does not knowingly violate the law; and (3) the potential to limit the powers of the PIDC and the arbitrator through regulations should be removed.

I need to commend the officials from the department for doing an excellent job of clarifying these issues during our briefing. I want to absolutely thank them for that — and also the minister for addressing those concerns here today in the Legislative Assembly.

Some of my own concerns that I flagged with the bill are as follows — and I will be asking these again in Committee if the Official Opposition doesn't get to them before I do.

There will need to be appropriate resources and staff provided to the Office of the Ombudsman in order to carry out the new duties required under this new legislation. We're wondering what the expectations are, as far as increase to the ombudsman's office, following the adoption of this bill.

After an investigation, the commissioner only has recommending power when making a finding on wrongdoing. When investigating complaints of reprisals, the commissioner can make recommendations but if they are not accepted, the commissioner, or the public entity, can send that matter to an arbitrator, who can make binding decisions that must be implemented. We're going to need more explanation as to why this decision was made, as far as the arbitration position.

Section 5(1) states that a public entity may adopt procedures for disclosure, but they need not. Based on the delay and slow implementation of consistent procedures within government under the ATIPP act, the fact that adopting procedures are not required will likely result in many departments or organizations not adopting such procedures, as it will not likely be a priority for them. So we're looking for the minister to explain why these are not mandatory.

In section 56(i), the provision permits new definitions to be added to the process by regulation, rather than in the act, where most definitions are embedded. We're looking for clarification as to why this is.

In summing up my comments today for second reading, I just want to say that the all-party Select Committee on Whistle-blower Protection had lofty expectations with our recommendations being modelled from the Province of Manitoba, which is a gold standard across Canada for this type of legislation. I found that the all-party committee's deliberations were very amicable and, based on the history of the previous committee's inability to come to any agreements, it mirrored our relative seamless process that we had and so therefore our lofty expectations were validated, I believed.

I'll echo the comments from my colleague from Riverdale South, this legislation does fall a bit short of the gold standard of Manitoba, but it is absolutely a positive first step forward. At this time, I am intending to support the bill as I feel that it is, like I said, a step in the right direction and I do look forward to debating it further in Committee of the Whole.

Ms. Hanson: I just want to reiterate the comments from my colleague from Riverdale South and the Member for Klondike. The Official Opposition is very, very pleased to see Bill No. 75 reaching the floor for public debate. As the Member for Riverdale South has indicated, we do support the fact that we have a much more robust piece of legislation than the concepts that were put forward last spring.

We do want to enter into discussions with the minister and with the members of this Legislative Assembly about ways to address what we believe are the very valid and substantive issues that remain identified by the Ombudsman.

It's difficult, unless you have been a public servant, to really understand the implications and the power that is

embedded in this legislation and the danger that exists too if as a public servant you cannot rely upon some certainty. The key ones that the Ombudsman has identified are very, very important with respect to not getting caught in a never-ending limbo land in terms of the notion of not having a specified time frame within which recommendations should be implemented. At least to have a framework within which to operate is incredibly important, because otherwise it becomes one of these — you can push it out forever. We have all seen processes from various ombudsmen and other things that have been set up from the military Ombudsman to various other organizations where these are not clear and ultimately, the individual who takes the risk suffers. We really hope that we could have a good conversation about that.

Of the two that the Member for Riverdale South also pointed out, the real challenge of the issue of knowing the laws and the importance of the need for the modifying of the public disclosure provision to allow public servants — because no one of us is an expert and ignorance of the law is supposed to be no defence, they say — but for God's sake, if we're going to penalize people because they don't know all the laws or not allow them to go forward, that's a challenge.

In terms of the actual notion of "fairness and transparency", the real importance is if we put something in legislation, then let's be prepared to stand by that legislation and not try to change it or be perceived as changing the effectiveness or the import of that through regulation.

I think the third comment made by the Ombudsman is really important — that we must make sure what we set out in the legislation, if there is a need to limit the powers of the PIDC and the arbitrator then say so in the legislation. Say what those limitations should be, but don't try to do it behind the scenes through regulation, because that is how it will be perceived by the public servants who are forced to try to make this work.

Thank you, Mr. Speaker. We do support the overall intent of this legislation and we will very much look forward to the conversations and debate that will ensue as we move this legislation forward.

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

Hon. Mr. Dixon: Thanks to members who have spoken at second reading and voiced their thoughts on the bill. I do look forward to getting into Committee of the Whole in this bill so that we can explore some of these issues a bit and discuss why some of the decisions were made about various provisions in the act.

I will make sure we have the appropriate staff with me in the Committee of the Whole so that we can answer some of the more technical questions. For instance, I know there are certain reasons why certain words were chosen and that having drafting counsel and relevant Public Service Commission officials accompanying me in committee will benefit that discussion.

I also wanted to note that many of the comments made by the opposition parties about the bill related to the Ombudsman's input. I should note again here that we have received a total of four different letters of correspondence from the Ombudsman in the development of this. The first was on April 16, where she was providing input based on the public consultation documents. Following that, we made a number of changes, including going down the path of arbitration, which we'll discuss in Committee.

Then we received another letter on July 17, noting a number of additional issues, which we responded to by making changes in what we were doing. Then once we had a draft bill — a finalized draft bill — we provided that draft bill to the Ombudsman and she responded to that draft bill on September 26, noting four particular issues. We responded to those issues, or the vast majority of them at least — I think three, for sure, and the fourth was somewhat responded to. The last letter or public presentation of issues with this bill from the Ombudsman came actually after the bill had been tabled in the House, which was difficult for Public Service Commission staff obviously, because we had provided the draft bill to the Ombudsman, heard her input, responded to it and then tabled the bill, and then she came up with new issues that we had never seen before after the bill had already been tabled.

So it was difficult for officials to incorporate the Ombudsman's comments when the Ombudsman is providing those comments after the bill has been tabled.

That input provided on November 3 through a news release, emailed not to the Public Service Commission but to the members of the Legislature, indicated that there were three issues that were referenced by both the Liberals and the NDP, two of which we had never heard of before — or we had never heard the Ombudsman take issue with them prior to that. Obviously, officials and I had some consternation about those issues because of the fact that we hadn't heard them before until after the bill had been tabled, despite the fact that we had provided a draft bill to the Ombudsman prior to tabling.

We can get into all of this in Committee, and I look forward to doing that and explaining why the decisions were taken with regard to the various provisions. But I look forward to getting into those in Committee and explaining the various aspects of the bill. At this point, Mr. Speaker, I am pleased to see at least the initial support of the NDP and the Liberal Party for this bill. Once again, I would like to commend the officials in the Public Service Commission, as well as the drafters in the Department of Justice, who collectively worked to see this bill come forward and ultimately be tabled in the Legislature for us to consider in this present sitting.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Pasloski: Agree.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Mr. Hassard: Agree.

Mr. Elias: Agree.

Ms. Hanson: Agree.

Ms. Stick: Agree.

Ms. Moorcroft: Agree.

Ms. White: Agree.

Mr. Tredger: Agree.

Mr. Barr: Agree.

Mr. Silver: Agree.

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

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

Motion for second reading of Bill No. 75 agreed to

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 Vote 53, Department of Energy, Mines and Resources, in Bill No. 15, entitled *Second Appropriation Act, 2014-15*.

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. 15: *Second Appropriation Act, 2014-15* — continued

Chair: The matter before the Committee is Vote 53, Department of Energy, Mines and Resources, in Bill No. 15, entitled *Second Appropriation Act, 2014-15*.

Department of Energy, Mines and Resources

Hon. Mr. Kent: It's my pleasure to rise to speak to the supplementary budget, the vote for Energy, Mines and Resources. Before I get into opening remarks, I would like to welcome the officials who have joined us here today to provide support during Committee debate on this vote — no stranger to the Legislative Assembly, Shirley Abercrombie, who is one of the assistant deputy ministers we have in the Department of Energy, Mines and Resources, and one of our newest officials to arrive at the department, the deputy minister, Mr. George Ross. Mr. Ross joins us from a similar posting in Ontario, where he was deputy minister of Northern Development and Mines in that jurisdiction. We're very happy, pleased and excited to have him on board here in the Yukon. To be able to attract an individual of his calibre speaks a lot to what is going on in the Yukon and what we have to offer when it comes to energy, mines and resources and all the associated activities that accompany it.

In the department of Energy, Mines and Resources, we're very proud of recent achievements that have met our government's mandate as well as the platform commitments, and I want to highlight a few of those in opening remarks before we get to specific questions from members of the opposition.

When it comes to providing land for Yukoners, this is something that EMR plays a very key role in. Urban land in Whitehorse has become available through phase 2 of the Whistle Bend project. Country residential and commercial lots have been made available in Carmacks and country residential lots were recently developed and made available in Teslin on Sawmill Road. Lots continue to be available in Dawson City, Haines Junction, Carmacks, Destruction Bay and Grizzly Valley.

Approximately 83 rural residential lots have become available as the result of new subdivision policies for areas in the Whitehorse periphery, specifically the Hot Springs Road, Ibex Valley, Golden Horn, Mayo Road as well as the Hamlet of Mount Lorne. Amendments to the Mount Lorne zoning regulation in March 2014 will allow the subdivision of privately owned rural residential and agricultural lots. This could, or has the potential to, result in an additional 93 rural residential lots over the next few years.

The remote recreational lots development area regulation was developed and approved in August 2014 for 19 recreational lots on Tagish and Bennett lakes. They were released by lottery in September 2014. They were released by lottery in September 2014. I don't believe we'll know until December, when the payments are due, how many of those have actually been spoken for. If there are extra lots available or some that weren't purchased as a result of the lottery, we will use a fair and transparent process to dispose of any additional lots, but we won't know until December. I believe that is the time frame.

Over the past year, the Yukon government sold approximately 177 hectares of new Crown land for agriculture. Government is currently preparing another 370

hectares of land for sale through the planned land area review process in a number of areas throughout the territory, including Ibex, Sunnysdale, Marshall Creek, Golden Horn and Watson Lake.

Land planning at regional and local area scales continues as well. A parcel of Carcross-Tagish First Nation settlement lands — the C-31 FS block on Bennett Lake in Carcross has been rezoned to a mixed residential commercial zone in the spring of this year. This will facilitate the development of this parcel in accordance with the Carcross local area plan and the memorandum of understanding that was signed between the Yukon government and CTFN in December of last year.

A local area plan for the Fox Lake area is also underway. This area has, in the past few years, experienced intense development pressures as a result of new lots and increased activity. The planning area extends from north of Deep Creek to Little Fox Lake along the Klondike Highway.

Development of a local area plan for Tagish is also underway in accordance of the provisions of the CTFN final agreement and self-government agreement. The planning committee has been established. Comprehensive zoning regulations are being developed for Carcross and West Dawson/Sunnysdale and will implement the policy and land use designations in the plans.

They are being developed collaboratively with the respective First Nations — of course, THFN in the Dawson City area and CTFN in Carcross. The Yukon government is also working closely with THFN and Vuntut Gwitchin First Nation on a number of other initiatives when it comes to land planning with respect to the local area.

When it comes to the economy, the Yukon government has actively pursued strategies and activities to support our economy, specifically through resource development when it comes to the responsibilities of Energy, Mines and Resources. Through the Growing Forward 2 program, a five-year funding agreement continues to support various projects, including ongoing agricultural marketing activities at the Fireweed Community Market.

Applications were accepted in the summer of 2014 for the third consecutive year for tier 1 commercial harvesting opportunities as per the Haines Junction wood allocation strategy. Opportunities were designed with the Yukon Wood Products Association to support new entrants to the commercial firewood business as well. Wood supply continues to be developed in other areas of the Yukon — of course, Haines Junction was mentioned previously, but also Whitehorse, Dawson and Carmacks. Additional timber harvest plans have been prepared to meet wood supply demands. In accordance with the MOU that I mentioned and that was signed by CTFN and the Yukon government, there is a feasibility study for the development of a marina in Carcross. I believe that RFP closed most recently. I am not sure that it has been awarded yet, but I did see it advertised that it was scheduled to close, I believe, last week.

The Energy Solutions Centre's wind prospecting service is now in its fifth year. The Yukon Geological Survey supported 47 exploration projects in 2014 with a total of \$1.4

million in grants under the Yukon mineral exploration program. These program grants leveraged an additional \$3.9 million in investment commitments. The Mineral Resources branch continues to process decision documents and approvals that support industry work in the territory. There have been eight new quartz approvals, six placer class 3, nine amendments to approvals and 24 placer class 4 decision documents that were signed this year so far.

North American Tungsten's Mactung project received a favourable decision document from the Yukon as well. As an executive committee screening, of course, the decision body on that is done through the Executive Council Office. In visiting the Cantung mine and speaking with company senior officials, I was accompanied by the MLA for Watson Lake as well as the MLA for Porter Creek Centre on that trip. We certainly had a good opportunity to learn more about their plans — not only enhanced plans for the Cantung mine, but future plans for the Mactung property as well.

In support of exploration and future development, this government has continued research through the YGS and other branches of EMR. The digital bedrock compilation map of Yukon continues to be upgraded. By November 2014, data between 60 degrees north and 64 degrees north will be incorporated into this compilation. Digital shape files will be available for download from the Yukon Geological Survey website.

I would encourage all members of the Legislature and anyone listening to visit with the YGS folks. They will be set up at the Geoscience Forum, which is put on by the Yukon Chamber of Mines and starts this weekend with a number of activities, including an investment forum and technical talks, as well as the trade show. It's something that has become a very well-established annual event — well over 40 years old, I believe — with respect to the Geoscience Forum. It's something that is a must-do on many calendars for mining executives, not only mining executives in support companies, not only here in the territory but those from southern jurisdictions as well.

In July 2014 the Yukon government hosted an open house at the Gunnar Nilsson and Mickey Lammers Research Forest. I was happy to attend with the MLA for Lake Laberge and get a tour of that facility and the forest itself. It was a great opportunity for me to see some of the great work that is being undertaken by the Forest Management branch of EMR.

In spring 2014, a strategic plan for this forest was completed, which will increase family and community engagement within the research forest.

The 2013 forest health report has been finalized. It outlines the results of our forest health monitoring program, including information on monitoring of mountain pine beetle. The south central Yukon vegetation inventory project, which is part of the forest management implementation agreement with Champagne and Aishihik First Nations, is also well underway. The aerial photography has been captured and the interpretation and inventory are underway. This is a fundamental information source for making sound forest investment and management decisions.

The Yukon government has undertaken strategic initiatives in implementing both the climate change strategy and energy strategy for Yukon. The Energy Solutions Centre's refrigeration and freezer retirement program is in its third year of operation. This program provides Yukoners with a \$50 rebate for the retirement of older inefficient refrigerators. Over 670 appliances have been retired during the course of the program, resulting in an estimated 630,000 kilowatt hours of energy savings.

Implementation of the microgeneration policy, which we brought forward in October 2013, is providing opportunities for residential and commercial electricity customers to generate electricity. Ten applicants are now generating electricity through renewable energy systems and exporting a portion of that power to the grid. It's a very successful program that has really been in existence since January, which was when the program came into existence following the development of the policy, so we're excited with these 10 individuals and hope for many more to join the program in the months and years ahead.

Over the summer in 2014, the public had a chance to review and contribute to a draft independent power production policy, which will enable small producers to generate power to help the territory meet present and future power demands. As of spring 2014, the Energy Solutions Centre's good energy rebate program has completed seven years of program delivery. Over 6,600 clients have participated in the program and contributed to the program's projected lifetime savings of approximately 17 million kilowatt hours of electricity; 10 million litres of displaced oil consumption and 24,000 tonnes of CO₂ emissions.

Championed by the Energy Solutions Centre, the Faro community energy plan was publicly released in November of 2013. It provides recommendations for reducing energy consumption and greenhouse gas emissions in Faro. The Old Crow community energy plan is in the final stages of development and should be released publicly this winter. Since 2008, EMR has led and directed ongoing care and maintenance operations at the abandoned Faro and Mount Nansen mine sites without incurring any significant lost-time incidents, thereby effectively ensuring the ongoing protection of human health and safety.

Yukon government has taken action on several fronts to ensure the health of our air, land, water and wildlife. We have advanced initiatives to ensure high regulatory standards and compliance for industry. By spring of this year, EMR had come to an agreement with the City of Whitehorse to accept liquid processing waste, worked with the Department of Environment to develop composting guidelines and has provided Environmental Health with engineered plans for approvable septic systems for abattoirs.

Oil and Gas Resources branch completed final abandonment of the B62 well in Eagle Plains. I should note that this project did come in underbudget too, so a big thank you to Oil and Gas Resources branch officials as well as the contractors who worked on the final abandonment of that well.

Through the implementation of the select committee report recommendations, EMR has amended the *Territorial Lands (Yukon) Act* and is preparing for public consultation on regulations for the management of off-road vehicle use in the territory.

As follow-up to the resource access roads framework document, EMR is developing a set of regulations to enhance its ability to manage resource roads. Public consultation closed in August of this year and there was quite a bit of interest, so obviously we are still sifting through those public comments to come up with a process for the resource access roads framework that will work going forward.

Assessment and Abandoned Mines branch successfully completed the construction of a new \$16-million water treatment plant at the Faro mine complex in order to continue to protect the environment. Just prior to the commencement of this fall sitting, I travelled to the Faro mine complex with the MLA for Pelly-Nisutlin, as well as the new deputy minister and a number of other officials, and was able to see the water treatment plant in action up there. It is a very impressive facility, and I know it will help to, as I mentioned, protect the environment as it treats water and releases it back into the natural environment.

Yukon government's \$254-million five-year plan for work at the Faro mine includes development of an overall remedial solution for environmental assessment by 2017, execution of a series of interim capital works and ongoing routine care and maintenance activities.

Land administrators continue to harmonize and streamline the land and subdivision application and development processes. Mineral Resources branch completed amendments to the *Quartz Mining Act* and the *Placer Mining Act* and associated regulations to ensure that legal obligations as per the court declaration with respect to class 1 activities were in place. Yukon government has worked collaboratively also with other governments and partners. A partnership created by the Alaska-Yukon Intergovernmental Relations Accord, which was signed by the Premier and Governor Parnell in June 2012, has led to an investigation of the viability of a southeast Alaska and Yukon economic development corridor. If constructed, it could increase telecommunications as well as electrical transmission capability to the Yukon and also to southeast Alaska.

The Yukon government, as mentioned before, has worked with Carcross-Tagish First Nation and the Kwanlin Dun First Nation to develop local area plans in Carcross and Marsh Lake. The Carcross local area plan has been completed and approved. A local area plan for the Fox Lake area is being developed collaboratively with Kwanlin Dun First Nation and Ta'an Kwäch'än Council.

Energy, Mines and Resources continues to work with KDFN, Ta'an Kwäch'än Council and Carcross-Tagish First Nation on the development of a new forest resource management plan for Whitehorse and Southern Lakes region. We also continue to work with Kwanlin Dun First Nation to enable the leasing and development of their land.

The Yukon government has committed to continue working with the YESA board to improve clarity around assessment for oil and gas projects, conducting full and vigorous scientific review of any proposed oil and gas projects and working with the VGFN and others to facilitate a broad oil and gas engagement framework.

Seeing as my time is running short, I have a few brief comments that I will save for my next speaking opportunity with respect to the supplementary estimates, but I will save those and turn the floor over to the Member for Mayo-Tatchun.

Mr. Tredger: I thank the minister for the introduction to EMR. I too would like to welcome the officials. Ms. Abercrombie has been a fixture here many times and is much appreciated. Her help with the department has been noticed and I know, in talking with various people, it's much appreciated.

I would also like to welcome our new deputy minister to the Department of Energy, Mines and Resources as well as to the Yukon. You are spoken of very highly and I look forward to working with you and you working with all Yukoners — and particularly the Department of Energy, Mines and Resources — at what I believe is a fairly critical juncture as we step forward into the future. Energy, Mines and Resources are critical to how we enter and how we make a living in the 21st century. Welcome and good luck.

I would like to also thank those in public service in Energy, Mines and Resources. In particular, I would mention the Yukon Geological Survey. I know when I was in Vancouver last January for the mineral Roundup, people talked very highly of the survey and how they were punching above their weight. It's quite exciting this year. I came across the new map system that the minister referenced and it is a tremendous resource. I would encourage everybody to take a look at that. It's on-line and it provides information in a geographic information system for geo-science data, mineral tenures, and First Nation settlement lands. The map includes parks, protected areas, base map features and imagery. It was quite a thrill when I pulled it up and was able to find my place on the map. It was very good.

I have nothing but good things to say about the Agriculture branch and the work that they are doing, particularly through Growing Forward, but also working with farmers, producers and consumers in the Yukon as we work toward more sustainable and local food production.

The Energy Solutions Centre, mentioned by the minister, continues to deliver good results. On a very critical issue, I have had a number of interactions — I was going to say run-ins, but that wouldn't sound right — with Compliance Monitoring and Inspections. They were very positive and the work that they are doing in the field and in Yukon is much appreciated. They get to know the situation, they have a hands-on approach and they get involved.

This coming week is the Geoscience Forum and again, as the minister did, I would encourage everyone to attend and spend a little bit of time there. There is a lot of information. I am particularly pleased to see the number of booths and

projects that cater or attract young people. As a former educator, it is so important that our children get exposed to some of the ways we have of making a living and some of the ways we relate to our land. There are some excellent booths at the Geoscience Forum, so if there are any parents out there listening, this weekend would be a wonderful time to take your children down to the convention centre.

Energy, Mines and Resources — it's through those that we determine how we are going to make a living on our land. One of the elders — a chief, actually — mentioned to me the other day that it was a relationship of people to our natural environment that is critical and the relationship of one to each other. When many of our resources are gone, the people will still be here. They will still be drinking from our lakes and rivers; they will still be sustaining themselves off the land and our relationship there is critical.

Yukon people want development. The Yukon is blessed with resources and vast tracts of land. Yukon people need energy. It's a challenge to obtain the energy we need in a world that is increasingly being impacted by climate change or, as one scientist put it, climate chaos. Yukon is rich in resources. Our forests are vast; we have agriculture; there's wildlife, fish, caribou, moose; our rivers, our land — how do we go about developing that? How do we have discussions? How do we ensure that we're on the right way forward?

Of critical importance are our relationships. We cannot afford to become mired in conflict and in legalistic wrangling. We don't need polarization. As a member of a small community, I have watched polarized discussions, conflicts and unilateral decisions tear that community apart. We have in place systems that allow us to work through these. Are they perfect? Not yet. But I believe in the Yukon people and their ability to work their way through that.

The NDP believes that the Yukon people have the ability, the interest and the desire to work together, to come together and to meet the challenges and the NDP will promise “no sudden moves, no hidden agenda.” The NDP will ensure that all parties are at the table. The NDP will respect treaties and agreements.

We came through a mining peak time. It wasn't that long ago that the cycle was high — that exploration was peaking and that the Yukon was humming. Now is the time to sit back to consider, to explore and to contemplate what worked and what didn't. How did we go from an exploration boom to where we are now? Some of it is international markets, some of it is our monetary system, but some of it we can control. We can do something about it.

We don't want to lose the opportunities and the discoveries that were made. We need to use our *Umbrella Final Agreement* and our self-government agreements. We need to use the goodwill of industries that want to come here and develop. We need to use the people in each and every one of our communities, and we need to involve them from the beginning as stewards and as entrepreneurs.

I'll ask questions about a number of things as we go through today, but I wanted to lay that bit of groundwork, because Energy, Mines and Resources is serious business. We

need to work together and play together. We need to grow our communities to ensure that any distribution of gain is fair and equitable and that we don't leave behind a community or an area or a people. Too often that is the way resources have been developed around the world, and I look to my area — Carmacks, Pelly, Mayo — home of the Little Salmon Carmacks First Nation, Selkirk First Nation and Na Cho Nyäk Dun, rich in development. The First Nations there want that development, but not at any cost. They don't want to be sitting by the roadside, seeing the big trucks coming and going, and all they get is the dust and the noise.

How do we go from here? We need to build those relationships. We need to listen to everyone.

I'll start by talking a little bit about energy and a question for the minister.

Yukon 10 years ago had a couple of the only windmills in Canada. Now when you go south, you see windmills in Alberta, in Dawson Creek. Each day you hear — Scotland, the other day, set a new record for wind production. The government has steadfastly refused to consider renewable energies. We have watched as our energy consumption met the line of our ability to produce energy, backing us into a corner.

Other jurisdictions looked at wind, solar and geothermal. We are late to the game. We have been backed into a bit of a corner and I hear the Premier and the minister saying, well, we have no choice but to go to liquefied natural gas — a fossil fuel in this day and age when other jurisdictions are realizing the need to get out of it.

We are experiencing catastrophic events due to climate change right here in the Yukon. Ask the Minister of Highways and Public Works how much the melting permafrost is affecting our roads, our buildings. The average temperature in the Yukon has increased dramatically, far more than the rest of the world, because we're in the north. Our rivers are warming. There is some speculation that part of the problem with our returning salmon is the fact that the Yukon River is now at least one degree warmer than it has been. The Intergovernmental Panel on Climate Change has stated that if we are to avoid catastrophic increase in temperatures and the accompanying chaos, 60 percent of our known fossil fuel reserves must stay in the ground.

Given what the minister knows about climate change, given how the minister knows it is affecting us and costing us, as we speak — in terms of salmon habitat changes, roads, wetlands — I saw a chart the other day on how many of our glaciers have melted and are melting at an ever-increasing rate.

Given that knowledge, how does the minister reconcile this government's commitment to combatting climate change with the development of a novel, or brand-new, fossil fuel industry in the territory, where we continue to explore and develop a fossil fuel industry? How can that be reconciled?

Hon. Mr. Kent: I thank the member opposite for his opening remarks. I'll just beg his indulgence so I can just complete my opening remarks with respect to the supplementary estimates, and then I will get into specifics

around his question about energy and perhaps touch on a couple of the other points that he made in his opening remarks.

For this supplementary budget, EMR is requesting an overall increase of \$12.4 million for operation and maintenance expenditures and a decrease of \$1.9 million for capital expenditures. O&M expenditures for the Sustainable Resources division have increased slightly by \$253,000 from the original \$9.9 million mainly due to increases for the Forest Management and Agriculture branches.

A \$150,000-revote is allocated to the Forest Management branch to complete forest inventory work. Forest Management branch is updating the forest inventory in the Haines Junction and Whitehorse regions, which will provide essential information to support annual allowable cut determinations and forest resource management planning.

A minor increase of \$22,000 is to complete legal surveys for the Lands branch. An increase of \$81,000 is allocated to the Agriculture branch for a balance of the Canada-Yukon Growing Forward 2 program not spent in 2013-14, as well as funding for food safety.

Growing Forward 2 places emphasis on proactive, strategic investments and innovation; market-based profitability; adaptability; and long-term sustainable growth. The agreement provides \$1.48 million annually for five years beginning on April 1, providing a suite of agricultural and agri-food processing projects and activities.

In the first year of Growing Forward 2, which was 2013-14, the agreement funded 82 projects in the Yukon with expenditures of \$1.2 million. The O&M budget estimate for the Energy, Corporate Policy and Communications division has increased by \$392,000 from the original \$4 million, due to increases under the division's Energy Solutions Centre and the Corporate Policy and Planning branch.

The \$254,000-increase in the Energy Solutions Centre budget is allotted primarily toward the pre-feasibility study that will investigate the viability of an electrical interconnection between Yukon and southeast Alaska, as per the Intergovernmental Relations Accord MOU that I spoke of earlier. The State of Alaska is contributing \$150,000 toward this amount.

Technical scenarios describing the engineering requirements of a transmission line through the corridor have been completed. The consultant is now working to determine the economic costs and benefits of the project, which will be presented in a final report as early as February 2015.

The \$138,000 increase for Corporate Policy and Planning is primarily to cover research work in support of the implementation of the *North Yukon Regional Land Use Plan*. This research is focused on seismic line recovery and wildlife usage and occupancy.

The Canadian High Arctic Research Station is providing \$100,000 for three Yukon government initiatives: seismic line recovery through Energy, Mines and Resources; ecological land classifications through the Department of Environment; and cumulative effects being led by Executive Council Office.

Operation and maintenance expenditures for the Oil, Gas and Mineral Resources division are increased by \$11.7 million from the original \$57.8 million, primarily due to increased funding under the Assessment and Abandoned Mines branch. Assessment and Abandoned Mines will see a net increase of \$10.8 million, mainly due to an increased allocation for Faro of \$14.7 million, which is offset by decreases of \$1.4 million for Mount Nansen, \$2.2 million for Clinton Creek and \$75,000 for Keno. Of course, members know that these allocations are recoverable from the Government of Canada.

Yukon government's Faro project team is in year 1 of a four-year and approximately \$180-million plan that includes the development of a long-term remediation solution, a series of interim capital works designed to address emerging risks to human health and safety in the environment, and ongoing care and maintenance activities.

Yukon Geological Survey will have its budget increased by \$950,000, due to additional funding from the federal strategic investments in northern economic development, or SINED, fund. This federal program focuses on strengthening the driver sectors of the economy in the territories, economic diversification, and encouraging the participation of northerners in the economy. SINED has been operating in the north since 2004. The program has four streams: the targeted investment program, the innovation and knowledge fund, the partnership and advisory forums and the pan-territorial fund.

When it comes to capital, the capital expenditure estimates for Corporate Services are increased by \$1.3 million, primarily due to funding allocated to the Dome Road relocation project. The \$3.2-million decrease in capital expenditures for the Land Management branch reflects EMR's new responsibilities for rural Yukon land development, transferred from the Department of Community Services last spring. We've signed land development protocols with the Town of Watson Lake, Dawson City, Teslin, and I believe one was recently completed with the Town of Faro as well.

What these protocols do is outline a proactive and collaborative approach to fostering planned development to meet community needs for affordable lots. We're currently engaging with Mayo, Carmacks and Haines Junction to finalize the remaining protocol agreements in this current fiscal year 2014-15. These protocol agreements establish clear roles and mutual responsibilities for Yukon government and each community and land development projects.

Capital expenditures under the Agriculture branch are increased by \$50,000 to reflect additional funding required to complete roadwork in the Haines Junction area to allow access to agricultural lots.

This concludes comments with respect to the supplementary budget itself. I know I will get into more detail when we get into line-by-line on this, or perhaps even in general debate.

I wanted to address the comments made by the member opposite, starting with energy and this government's commitment to renewable energy. Members will recall that last October in this House, I tabled a motion that outlined our commitment to a clean and renewable energy future for the

Yukon Territory. Obviously one of the most important projects that serves as the long-term bookend to our plans is the next generation hydro. It's being led via a directive that we issued to the Yukon Development Corporation to develop a business case so that we can begin planning and seeking partnerships to develop that large-scale hydro project here in the territory.

As members know, it was the work of individuals decades ago in establishing some of the hydro facilities around the territory that we are able to enjoy today. Of course, there have been enhancements to those facilities through the years at the Whitehorse Rapids facility, more recently Mayo B and work at the Aishihik dam as well, and refurbishing of Yukon Electrical Company Limited — or what has now been rebranded as ATCO Electric Yukon — of their Fish Lake facility. I was able to visit that facility earlier this fall with the Minister of Environment and the MLA for Pelly-Nisutlin. The company general manager, Mr. Dwight Redden, and some of his staff, gave us a very good tour of what they have done to refurbish that project. They should be congratulated for the work that they have done. I know it is something that the company is very proud of and does supply clean, affordable energy to Yukon customers.

When it comes to that hydro piece that I spoke about — and we'll get into more detail, I'm sure, when we talk about the Yukon Development Corporation. I should also just restate for members the commitment that I made in the spring, and again earlier this sitting, that officials from the Yukon Development Corporation and Yukon Energy Corporation will be appearing as witnesses in this Legislature prior to the rising of this current Fall Sitting.

We haven't nailed down the exact date yet, but we certainly look forward to having them here to answer questions on the projects that are underway, including on the next generation hydro and the contractors and timelines that have been set forth by the Yukon Development Corporation to complete that work.

When it comes to renewable energy targets that were set in the 2009 *Energy Strategy for Yukon* — I think it was the first press release I put out after assuming my duties as Minister of Energy, Mines and Resources last year. It was a press release put out on August 28, 2013, entitled "Government of Yukon on track to exceed renewable energy targets". Highlights of that include that the vast majority of electricity generation in the territory comes from renewable sources. The report states that, in 2012, 95 percent of the electricity demand was met by renewable energy and nearly 20 percent of heating demand was met by renewable wood-based heating. Per capita, this is greater than any other jurisdiction in Canada. Additionally, it mentions that the Aishihik third turbine and Mayo B projects have increased Yukon Energy Corporation's renewable generation capacity by 22 percent, already exceeding the territory's target of increasing renewable energy by 20 percent by 2020.

Again, we were able to meet that within four years of the release of the strategy, but we certainly don't want to rest on our laurels. That is why we have also implemented programs

in the energy strategy, such as the microgeneration program. I am not sure if the member opposite is still one of the 10 individuals who was taking advantage of that program, but I know that he had submitted an application early on and I am hopeful that he is still participating. I think that it's a great program that allows individuals to contribute excess renewable energy back into the grid beyond what they use for themselves.

Again, we're very excited about bringing that program forward and I should also congratulate the Department of Energy, Mines and Resources for the work on the independent power producers policy. That was out for consultation this summer and we're now, as I mentioned, going through all the public comments that we received. We would expect to make an announcement I would think sometime early in the new year as to what that IPP policy will look like.

It was released for public review in May of 2014 and it proposes to allow larger scale generation of electricity for sale to the utilities. Much of that will be done through renewables but, as part of the 2009 energy strategy, we contemplated the use of natural gas as well for some of the larger scale projects that could be developed. Again we included that in the consultation. Whether or not that ends up in the final policy is yet to be determined. At the time, the energy strategy went through significant public consultation. Granted, public thoughts with respect to natural gas have changed, so perhaps there will be a different product at the end.

Again, the IPP policy will be released and I'm sure I'll be answering question perhaps in this sitting and definitely in the next sitting as far as the IPP policy and what it entails and how we expect to see it contribute to our energy needs.

I should also mention that the Yukon Energy Corporation — this year alone, 99.5 percent of the grid-supplied energy was from renewable sources. That is a tremendous number, Madam Chair, that all Yukoners should be proud of. Most of that was hydro and there was some wind energy generated by the two windmills that are close to Whitehorse.

Wind energy remains something that I am very interested in seeing advance. I think that, as Yukoners, we need to ensure that we have an informed discussion when it comes to wind energy. It is, as I mentioned on the floor before, an intermittent source of energy. Obviously, the wind in Whitehorse often blows quite strong — or near Ferry Hill at Stewart Crossing where there is another opportunity for a wind project — but it is not a consistent source of energy. There needs to be backup power to kick in when the wind isn't blowing. We certainly want to ensure that we have sufficient backup power to offset when that source isn't available.

I mentioned before that in many southern jurisdictions, natural gas is used as the fuel to generate that backup power. There are cost implications to bringing the wind piece forward. I have asked the new president as well as the current chair of the Yukon Energy Corporation through the Yukon Development Corporation to come forward with options and opportunities so that we can have that informed discussion as Yukoners, so we can truly understand what the true costs of

wind will be and what the true benefits of adding that type of energy production to our grid would be with respect to the renewable opportunities — and how we can look to meet some of the growing energy demand with clean, renewable wind power.

As I mentioned in my opening remarks, the Energy Solutions Centre has a wind program for monitoring wind flow that they continue to use. This is something that multiple departments are looking at — the line departments as well as the two Crown corporations for which I have responsibility. Madam Chair, I'm happy to talk about renewable energy and our commitment to renewable energy all day, whether it's wind or hydro or the work that will be undertaken for a biomass strategy. There are several things that we're looking at and some opportunities to invest in other types of renewable energy sources, such as geothermal energy. Are there opportunities to use geothermal to provide energy or electricity generation or is it more along the lines of providing space heating and that type of thing? Again, these are informed conversations that we as Yukoners need to have.

Attending the Opportunities North conference that the Yukon Chamber of Commerce put on here in Whitehorse in early October, I sat on an energy panel with officials from the Energy Corporation as well as someone from Northern Cross Yukon. There was good discussion at the panel.

I spoke specifically to the next generation hydro work that we're doing, but some of the questions from the floor were very good and some of those in attendance also recognized the need for fossil fuel to meet short- and medium-term demands.

It's something that we've talked about in our 2011 election platform and we do need to ensure that we meet those increased demands for electricity that are occurring just from natural growth of the population, but also with increased industrial demand for projects as well.

We see natural gas as a cleaner and cheaper alternative to diesel. Diesel is primarily being used for that backup and off-grid power generation in the territory right now. I think that fossil fuels are an integral part of any energy system, particularly those like ours where we have an isolated grid and some communities and projects that aren't connected to the grid, so we do have to look for alternatives. It would be great if we could supply all of the demand through renewable sources, but we do have to look at fuel sources such as natural gas to provide some of the energy demand that we're going to require over the next number of years.

Mr. Tredger: I thank the minister for that discussion. As we tackle our energy it's not going to be easy but other jurisdictions are doing it. Each day we hear of jurisdictions, small and large, moving further and further away from fossil fuels. We are even hearing of industries and countries like Norway that are very dependent on fossil fuels now producing more and more without that dependence, and divesting themselves of their interests in fossil fuels.

Some people have mentioned it as a transition. The economics of fossil fuels ensure that it's not a transition fuel. Those LNG backups are expected to last 50 years. That's not a

transition. That is an investment in an energy system. Don't call it a transition.

Fossil fuels are a commodity destined to the vagaries of a market, ever harder to procure and increasingly obtained by questionable means. These costs will only escalate over time. Currently, the fossil fuel industry is dependent on massive subsidies to even exist.

The difference between fossil fuels and renewable energy, other than from an environmental standpoint, is that renewable energy is based on technology and technology, as we have seen, drops dramatically over time. A \$5,000 computer can now be had — the computing power can be had far more in an iPad and far more cheaply. We have seen the cost of solar drop 90 percent since the year 2000 and it continues to dramatically drop. Reading the financial pages, this new agreement between China and the United States — if it goes through, will only accelerate that drop.

Other jurisdictions have found ways to shave the peak periods off so that they don't have to use gas or fossil fuels. They have worked with demand-side management. They have developed geothermal — which by the way, we are sitting in a very favourable geothermal area. Geothermal is on all the time. It could solve your problem of needing a reliable backup. Renewable energy will only increase in value. Fossil fuels — their extraction and their delivery will only increase.

The question is: Will this government reconsider its support of the fossil fuel industry and make a wholehearted effort to develop the renewable energy industries? We have been talking about wind since 1993. Other jurisdictions have done more than talk. Engineers and scientists who have looked at the Yukon situation say that wind and hydro are a good match; that in the spring, when our hydro is low, the wind blows. The Energy Solutions Centre was at the forefront of discovering ways to make it work. They looked at the frosting of the blades and overcame that. It's unique in the north. Now they are conducting more wind studies. We have some proven resources for wind.

I am concerned. When we look at our energy consumption in the Yukon, transportation is 55 percent of Yukon's total energy use. Space heating is 20 percent. Diesel-fuelled electricity, as the minister mentioned, is less than one percent and renewables or hydro are 17 percent.

Yes, due to the legacy and the foresight of previous leaders, we have had an easy ride and we have had hydro energy, but this government has sat there for 10 years watching the two lines come closer and closer to the point now where, in the winter, our hydro isn't quite enough. There are solutions. We encouraged you to look at electrothermal storage. We encouraged geothermal and we encouraged other alternatives. Right now, countries are developing storage capacities and new storage systems. The easy way for short-term gain and long-term pain is to continue or to go to LNG. But Yukoners want more than that. They want some hard targets.

I'll ask the minister a couple of quick questions. When we got into microgeneration — and by the way I am still considering it, I just have to talk to my banker. Once that

discussion is done, I'm sure I can convince him to let me invest in that.

What was the specific target? How much energy did the minister want to produce with the microgeneration policy? Have we met those targets? Are we looking at what is admittedly an attempt to come up with a solution? It is a bit experimental — you're not sure of the costs and stuff — but what are our targets? What would a successful microgeneration policy look like? Would we be looking for solar panels on every house, on every second house? Would we be looking for geothermal projects? What percentage of our electricity could we look for in the next year, in the next five years, in the next 10 years? I am sure the department and the minister have looked at that in their long-term planning.

Hon. Mr. Kent: There are lots of comments to respond to that the member opposite made. Some aspects I will repeat from my opening remarks because I thought I had touched on some of things and some of what we've seen with respect to offsets.

Of course, I have mentioned the good energy rebate program, which has completed its seventh year of program delivery. There were 6,600 clients participating in that program and contributed to the program's projected lifetime savings of approximately 17 million kilowatt hours of electricity, which would be a displacement of 10 million litres of oil consumption or 24,000 tonnes of CO₂ emissions. Those are tremendous numbers for what is a relatively small jurisdiction — probably over that time frame, growing from about 33,000 or so people to what our current population is now.

We have come up with community energy plans for Faro and are working on one for Old Crow as well. Since 2008, EMR has led and directed a number of aspects through the Energy Solutions Centre with respect to the refrigerator buyback and retiring some of the old fridges that I mentioned.

Madam Chair, to restate the number that I mentioned in previous remarks as well, 99.5 percent of the grid-supplied energy being renewable in the territory is a tremendous number. I know that there are projects underway and some microhydro projects underway, as well as geothermal investigations in your riding of Watson Lake — as it is an isolated community from the electrical grid. Power is supplied there by ATCO Electric Yukon. They are not only looking at the biofuel project to reduce the CO₂ emissions from the diesel generators by blending that diesel with natural gas, but I know they are investigating microhydro and even geothermal opportunities in the immediate vicinity.

Something I didn't mention earlier is that the Energy Solutions Centre is putting together a geothermal favourability map as well to highlight some of the zones. They are working with the Yukon Geological Survey to develop this, and I think it will provide opportunities for individuals who are seeking to develop geothermal energy. As I mentioned before, it is certainly something that can be used for space heating for sure, but whether or not there is enough geothermal energy to generate electricity is another question — perhaps on a small scale or perhaps on a larger scale. We just don't know.

It is something that is very expensive to find and to develop. Given the size of our ratepayer base here in the Yukon as well, what comfort level would Yukon electricity consumers have in seeing their electricity bills increase by a substantial amount? Those are the questions that we have to answer as Yukoners with respect to those costs. Everyone puts together a budget when they run their households and utilities are part of that budget. Are Yukoners willing to see their electricity bills double or triple or more? I certainly don't think they are and that's why we have continued the interim electrical rebate. It has become more than interim; it has certainly been something that we've recognized and that Yukon consumers recognize as something that they want to see to combat the high price of electricity that they have.

That is not to say that we're abandoning these opportunities for geothermal. As I mentioned, we're looking at areas and zoning so we can narrow down the focus for people who want to develop that and see opportunities to develop that. It doesn't exist everywhere in the territory and that's why we're using experts in the Yukon Geological Survey to help us find and identify those areas where it exists.

I should say that it's my understanding that finding reliable geothermal sources in the Yukon is much like finding a viable mine. It's very difficult but if we can narrow that search and have individuals or perhaps even the utilities expend some money — but, again, there is a cost that is associated with that and that cost has to be borne by someone and usually that's borne by the individual ratepayer.

It's something that we have to have an informed and adult conversation with Yukoners about when it comes to developing these new forms of renewable energy. The same goes for wind. I'm very interested in having that informed discussion when it comes to these wind-energy concepts.

As I mentioned, I've had conversations with YDC and YEC senior officials about the opportunities that exist. Much like what would occur at the member's home near Pelly Crossing if he were to access the microgeneration program — whether he installed wind or microhydro or solar there, I'm sure that if he were living out there year-round he would certainly want some sort of backup source of power. That is normally done through fossil fuels. I'm not sure what fuels his generator now or even if he has a generator at his home. I'm sure perhaps he does.

When you have an isolated grid such as we do, I've heard the president of the Yukon Energy Corporation — who has spoken about this topic inside this House both previously to when I was minister and the last time and in local media — say when it comes to backup power and power to meet peak demands, renewables are just not an option on an isolated grid like we have here right now.

When it comes to the LNG generators, we have felt, since the Energy Corporation and the Development Corporation made the recommendation to our government to replace those 45-year old diesels with natural gas generators, that it was a cheaper, cleaner and more affordable option for us to go through. I know that certainly isn't something that the member opposite or members opposite and I will agree on, but there

were a number of studies commissioned — I believe three studies commissioned — by the Energy Corporation to look at that. It was something that the Yukon Utilities Board looked at, through an economic lens, and they recommended that the project proceed without terms and conditions.

The independent assessor — the Yukon Environmental and Socio-economic Assessment Board — also reviewed the project, looking at environmental and socio-economic impacts of that project and they too agreed that the project should proceed with some terms and conditions. The decision document issued by the Yukon government reflected that.

When it comes to backup power — I have said it a number of times on the floor of this Legislature before — it's a very small portion of the energy mix that we have in the territory, but it's an incredibly important aspect of that energy mix as well. We need to ensure that Yukoners are safe in their homes in the wintertime when there are power interruptions. If it was 40 below — and often here in Whitehorse, when it is 40 below or colder — and I don't mean to scare George; it's not 40 below that often here — but when it is 40 below or colder, the wind doesn't tend to blow and that is when energy demand is definitely up, as everyone's furnace is running or their space heaters are running or their vehicles are plugged in and, boy, I am sure happy that we have a reliable source of backup power to keep my family safe and warm, and I am sure all members who are on this side of the House agree with me on that. I am sure many people who are listening — many Yukoners — agree with me on that. I can imagine the calls my office would receive if the power went out and it didn't come back on — if we had no reliable backup or reliable energy to meet that peak demand.

I know the member opposite has cited other jurisdictions, and perhaps some of them are unique like us in the fact that they have isolated grids — perhaps not. I am not meaning to answer a question with a question but, if he has ideas for backup power beyond fossil fuels beyond what the experts at the Energy Corporation and others have advised the government, I am certainly willing to listen to what those options are. I would ask him to take those to the experts at the Energy Corporation or ATCO Electric Yukon, and others who are much more informed than I in this field of electricity generation and what works, and ask them the viability of what he would suggest to use as a reliable source of backup in peak-demand energy.

Mr. Tredger: I guess I will answer a couple of those questions.

The minister mentioned the safety of Yukoners, and of course the safety of Yukoners is of concern to me. Of course I want Yukoners to be warm in their homes. We do use fossil fuels. We as a society have become dependent on fossil fuels, to the point that it has made our planet a very precarious place to be. Yes, I drive a vehicle; yes, I use a generator — but dammit, I want to get off of that. I want to move past that so that we, as a society, don't continue to pump out greenhouse gases.

There are other jurisdictions that have followed it. There are other ways to ensure the safety. Geothermal storage — we

had the opportunity to put it into one of our new buildings. We had an opportunity to put it into F.H. Collins school and develop an industry around that. We didn't. We watched through a high-rise boom, as high-rise after high-rise — perfect for geothermal — went to electricity.

We've watched the price of oil and natural gas go up, go down, go sideways — that's not certainty. We've watched the price of renewables in other jurisdictions go down and down. The minister says: Would I want to pay double or triple or four times what I'm paying now for electricity? I'm not sure where he's getting his numbers.

But right now, in many jurisdictions around the country, without the massive subsidies that our fossil fuel industry is receiving, many jurisdictions are providing competitively priced electricity through various means. We're doing wind studies, we're going to do another geothermal study, we're going to look around, and we're going to say that this is safer or that is safer than another thing. We know.

I have solar out at my place — at my home. It was kind of a delicious feeling to be sitting out there one day, listening to the radio via satellite Internet, with power, when all of Whitehorse didn't have power and the Internet was down.

It was provided through solar. There are times when solar and wind are more reliable. There are times when the propane will freeze. There may be times in the near future when the LNG trucks can't get up and down our roads. If you want certainty, what would be more certain than every house having a solar panel on it? What would be more certain than pumping heat from the ground that is right there into our buildings? What would be more reliable? Yet we're caught in the 20th century. I hope I have that right. We need to move into the 21st century.

A geothermal favourability map — a number of years ago, Yukon Energy Corporation did a study on geothermal. They spent about \$20 million on that as I recall. I could be wrong. Don't quote me on the amount, but they spent a fair bit of money on a geothermal map. That has never been made public. I would ask that the minister make that public, so independent people can use it. The Canadian Geothermal Energy Association has offered to come up and partner. Thank you to the members of the Yukon Geological Survey and if I hear from the minister right, perhaps the Energy Solutions Centre is going to work with them to do a favourability map.

As a first step, that first study should be made available. Too often our public institutions have done studies — a wind study done many years ago took years before it was released. Geothermal — the potential and the possibilities. Yet we are still building buildings — 55 percent of our greenhouse gas emissions come from transportation and another 20 percent from heating. Yes, as the minister has repeated, our electricity is largely produced by hydroelectric. Wouldn't it have been nice to have been on top of it 10 years ago, when the Yukon Party first came to power, and developed some of that so he wouldn't be looking 15 years minimum down the line to a hydroelectric project — 15 years minimum.

The IPP policy, when it originally went out for consultation, talked only about renewable energy. Now we are

talking about renewable energy and fossil fuels being less greenhouse gas emission-producing than diesel. That's arguable, and I know the minister and I don't agree on that.

I will cite a couple of numbers from the Pacific Institute for Climate Solutions. Coal produces 1,000 tonnes of CO₂ per kilowatt hour; natural gas produces 469 tonnes per kilowatt hour — approximately half. However, the caveat on that is that CO₂ and the fugitive emissions and the amount of methane that escapes from natural gas has a far greater influence on our greenhouse gases than an equivalent amount of CO₂. That is not taken into account in that number. Science has looked at that and determined that anywhere from two percent to seven or eight percent escapes into the atmosphere. Anything over 2.5 percent renders natural gas equivalent to coal. It is somewhere in between or maybe it is over. Our instruments for measuring methane are in their infancy. But, here is the kicker: solar, cradle to grave, produces 46 — an order of 10 times less CO₂ than natural gas. Wind is at 12, another huge drop.

Given the state we are in, Yukon people are looking for some leadership. Yukon people want to see an aggressive move toward renewable energy. Saying it's going to cost twice or double or four times, that's not valid. That's not valid.

The study that was done around geothermal was done a number of years ago and, in conversations with CanGeo, they have developed new technologies — the beauty of technologies — to do a similar study for a lot less. In fact, they're talking in the neighbourhood of \$200,000 for a favourability map. It's there. We're not stuck in the 20th century. Technology is enabling us to make a difference and to move.

As I mentioned, LNG — and the Premier mentioned that we have an industry waiting, that we have developed the regulations around that — is not an interim fuel. Infrastructure built around that is expected to last, at a minimum, 40 to 50 years. There has been some talk from this government of moving our fleet vehicles to LNG, on the premise that it's cleaner than diesel.

I would question that. It may be marginally cleaner, but science will tell you that if you have a solid, it's easy to contain it. If you have a liquid, there will often be spills, but it's quite a bit more difficult to contain. So when you go to gas, as in gasoline, or in our water systems, there are commonly leaks because it's a liquid. When you move to a gas in a gaseous state, it is even more difficult to contain. Anybody who has bought a bottle of propane will recognize that, when you turn the valve and it goes psssst as they're filling it up, each time there is some gas escaping. Magnify that by a fleet.

Before we go to natural gas, we need to consider being able to measure the fugitive emissions accurately, because science tells us that if we are going to have any benefit at all, we must cut fugitive emissions to less than two percent. It hasn't been done yet. Even the best scenarios have not achieved that. Many connections will increase the risk. Has the minister in his oil and gas regulations considered fugitive

gases, invested in the technology and the instruments to be able to measure gas escaping from around a site and in a site and be able to report to Yukoners with some reliability the amount that is escaping?

Chair: Would members like to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: Order. Committee of the Whole will now come to order. We're going to resume general debate on Vote 53, Department of Energy, Mines and Resources.

Hon. Mr. Kent: Just to follow up on the Member for Mayo-Tatchun's questions and comments he made prior to the break, I think we're certainly able to make a bit of a breakthrough when it comes to power generation. It's really from the member's own personal experience at his remote property, where he did say that he does have solar panels and renewable energy opportunities there, but he does have a diesel generator as well. I think that highlights that he, at an isolated property, similar to us as Yukoners with an isolated grid, do rely on fossil fuel — in his case, it's diesel; in our case, it's diesel and, soon, cheaper and cleaner burning natural gas — to provide that backup power that does contribute to the health and safety.

I think that's another thing we were able to find some common ground on, prior to the break. He does agree that Yukoners need to be safe in their homes and they need reliable power for those individuals whose heating is electrical and, of course, rely on electricity to power their furnaces as well. Obviously we were able to establish a little bit of common ground on the energy file.

He spoke quite extensively about geothermal opportunities with respect to space heating and buildings. He mentioned that the price for a favourability map is relatively low. I did mention in earlier comments that the Yukon Geological Survey and the Energy Solutions Centre were working on that favourability map so that we can narrow down those zones when it comes to geothermal heat.

As chair of a group looking at the education reserve that has, among others, Selkirk and the new F.H. Collins School being built on there, as well as a few other ancillary facilities on that site, we did have the opportunity at the initial meeting to speak about heating options for the new school. In its previous location, geothermal was certainly an option to be considered, given its proximity to the well that was going to be used.

I can't state enough that I am certainly not an expert or a scientist when it comes to electrical generation or geothermal or any of this stuff. I rely — as I believe do most individuals in this Legislature — on experts in the field and what you're able to research and read to provide the advice that we need when it comes to making decisions.

With geothermal, my understanding is that the proximity of the well to the new location of the building may introduce

some challenges, but it is not to say that it has been ruled out. It is not to say that it has been ruled out for the tech ed wing, which is now a stand-alone building that will require a heating system of his own as well, given the revised design and location of the school. What the member opposite suggested is that we had abandoned geothermal at F.H. Collins and I don't believe that to be the case. I am sure the Minister of Highways and Public Works, during debate on his department, will be able to provide further information. I know there are alternative energy sources being looked at for the buildings on that education reserve.

Let's talk a little bit about the price. Obviously when I was mentioning what Yukon consumers would be willing to pay for alternative, renewable energy systems, I referenced two, three, perhaps four times as much. Of course those are hypothetical. I wasn't assigned numbers and I apologize to members of the House, in particular the Member for Mayo-Tatchun, if he thought I was quoting numbers from some source. Those were hypothetical numbers that I think Yukoners would want to look at.

Consumers are obviously concerned. Our residential electricity bills are the lowest of the three northern territories and are actually right now competitive with other jurisdictions in Canada. This includes the interim electrical rebate, but I will just run through a few numbers to give individuals here an idea of what the residential electricity bills are throughout Canada and in particular our two northern neighbours.

Based on 1,000-kilowatt-hours-per-month consumption, the following numbers are the current net monthly bills, including those applicable rate relief and taxes for several cities across Canada: Whitehorse, \$138.57; Toronto, \$175.33; Regina, \$140.78; Edmonton, \$135.29; Calgary, \$178.97; Yellowknife, \$325.80; Iqaluit, \$541.90. Obviously our two northern neighbours are two and three and perhaps even as much as four times the monthly bill that we are paying here in the territory, and that is due largely in part to the 99.5 percent that I quoted earlier as far as renewable energy that is being fed into the grid.

We are looking at other renewable options, but again, when it comes to fossil fuel, I know that members opposite perhaps prefer the use of diesel for that fossil fuel backup, but we consulted with experts on at the Yukon Energy Corporation and Yukon Development Corporation. They brought forward ideas that the two 45-year-old diesel generators at the Whitehorse facility should be replaced with natural gas and, looking through that, we agreed with them. It is not only us who agreed. The Yukon Utility Board agreed and the Yukon Environmental and Socio-economic Assessment Board agreed with that, and the NDP Official Opposition doesn't agree with it. That's okay. It is certainly their prerogative to not agree with independent boards and the experts at the Yukon Energy Corporation and the Yukon Development Corporation who brought forward this, and it's the decision ultimately that the government made.

As a majority government in here, we're elected by Yukoners to make decisions on their behalf and this is a decision based on the best evidence and experts at the time.

It's a direction that we decided to go and it's something that I think will provide savings to Yukoners once switching from diesel to natural gas generation is accomplished. I mentioned those boards — the Yukon Energy Corporation, the Yukon Development Corporation, the Yukon Utilities Board, the YESA board — all recommended that that project proceed.

I think one of the important things to touch on as well is the lifecycle analysis that the Yukon Energy Corporation commissioned to look at the comparison of the direct and indirect environmental effects of natural gas versus diesel. Yukon Energy Corporation had three independent analyses done. The studies confirm that, by switching from diesel to natural gas generation, greenhouse gas emissions will be reduced by up to 26 percent. Yukon Energy Corporation is of course committed to providing Yukoners with a sufficient supply of reliable, affordable and safe backup power and natural gas meets that bill on all accounts.

I'm just going to highlight those three independent assessments for members. I'll read directly from the briefing note, so there is nothing lost in translation here from what was provided to me by the Yukon Energy Corporation.

The first one was done by ICF Marbek — a comparison between LNG and diesel. They looked at all components of diesel, conventional gas and shale or unconventional gas at all stages from drilling through production and processing, transportation to Whitehorse and the generation of electricity.

The comparative assessment was done based on industry standards and confirmed the following: greenhouse gas emissions would be reduced if Yukon Energy switched from diesel to natural gas; nitrogen oxide and particulate air emissions would also be reduced; unconventional gas uses about three times more water than our diesel source, and conventional gas uses 10 times less water than our diesel source.

A second lifecycle analysis was done by the Pembina Institute. They did an assessment of the initially presumed LNG source, which was just outside of Calgary. That project is no longer going to be the source. I understand the proponent decided not to proceed with that project, so a different source was found.

Anyway, the Pembina Institute is a not-for-profit environmental think-tank that advances clean energy solutions through research, education, consulting and advocacy. Pembina was hired to do a lifecycle analysis of the LNG from Shell's Jumping Pound complex outside Calgary — which, again, at the time, Yukon Energy believed would be the source of LNG for the proposed project. Compared to emissions from the new diesel engines, Pembina's study concluded the following: the first is that the environmental performance of the LNG system modelled was better than diesel across all categories of environmental impact.

Sulphur dioxide emissions were much higher for the LNG pathway due to the high sulphur concentration in the conventional gas fields supplying Shell's Jumping Pound facility. The LNG pathway continues to have lower greenhouse gas emissions than the diesel pathway for both

methane and nitrous oxides, using the 100-year global warming potential.

Once Yukon Energy learned it would no longer have access to the LNG from Shell's Jumping Pound complex, it secured supply from FortisBC, which is located in the lower mainland of British Columbia and is currently supplying LNG to the Inuvik market.

Yukon Energy Corporation had this third independent assessment done by (S&T)² Consultants Inc., based on the new confirmed LNG source. (S&T)² Consultants Inc. is a nationally recognized company, specializing in energy and environmental issues and technology assessment. The company developed the greenhouse gas emissions lifecycle model used by Natural Resources Canada. That assessment determined that the reduction in lifecycle emissions for Yukon Energy Corporation to convert from diesel to LNG is 26 percent; 708 tonnes of greenhouse gases per gigawatt hour for LNG compared to 957 tonnes of greenhouse gases per gigawatt hour for diesel. It also confirmed that nitrogen oxide emissions are reduced by up to 50 percent, sulphur oxide emissions by up to 80 percent and particulate emissions by up to 99 percent.

These aren't my words; these are direct words and an assessment of the three lifecycle analyses that Yukon Energy Corporation had done and obviously, by three very reputable organizations. The Pembina Institute is the one that I am obviously familiar with as the not-for-profit environmental think-tank. We thank the Yukon Energy Corporation for the foresight in soliciting these independent lifecycle analyses. If members opposite have more questions or seek more detail, officials from the Energy Corporation and the Development Corporation will be appearing during this Fall Sitting to answer any questions specific to this.

It's a number of people and experts from the Development Corporation, the Energy Corporation, the Utilities Board and the YESA board as well as these three independent analyses that have said that switching from diesel to natural gas is a good thing. Of course the NDP doesn't believe it's a good thing, but that's okay. I have to say I am going to listen to the experts and these three independent lifecycle analyses rather than listen to the opinions of the NDP on this.

One of the final questions, I believe, that the member asked about was with respect to oil and gas regulations and what we are doing with oil and gas activities here in the territory. There are a number of regulations that the Oil and Gas Resources branch is looking at. Obviously we signed an MOU with the BC Oil and Gas Commission to assist us with our regulatory regime — very similar I believe to the government of N.W.T. coming out of devolution, where they assumed responsibility for management of their oil and gas resources and partnered with Alberta and perhaps even the National Energy Board for advice.

My understanding from officials in the department is that the BC Oil and Gas Commission is one of the most respected in the country, if not the world, for regulating that industry. Perhaps members opposite may not agree with that

assessment, but I certainly value and appreciate the advice that I get from officials in the oil and gas branch and Energy, Mines and Resources.

There are a number of activities that the government is doing to develop and safely manage oil and gas activities. The Yukon government is strongly committed to the responsible and sustainable development of oil and gas resources, as stated in the *Energy Strategy for Yukon*. We continue to develop and modernize oil and gas regulations to achieve clarity, certainty and transparency; engage and collaborate with First Nations, other governments, regulators, industry and the public on oil and gas legislation, as well as proposed oil and gas activities within the territory; ensure timely review and completion of decision documents, benefits agreements and licence applications; offer oil and gas rights twice annually and regulate oil and gas activities; conduct a geological assessment of our oil and gas basins to better understand their potential; collaborate with the Department of Environment to establish baseline water conditions to support water management decisions; market our oil and gas resources by advertising, participating in trade shows and events, and hosting events that target industry; and enhance training, employment and business sector opportunities for Yukoners within this important sector.

I did, of course, mention previously in the House — I think perhaps it was during Question Period — that oil and gas has a long history here in the territory. I think the first well was drilled in 1957. We have had about 76 to 78 wells drilled since. The two wells that produced at Kotaneelee at their peak were two of the top 30 producing wells in the country, and also contributed in the neighbourhood of \$45 million in royalties to the Yukon government — \$10.5 million of which was shared with settled First Nations or those having final agreements.

Again, there were opportunities for us to use our share of the royalties, just as previous governments have used those royalties to spend on important priorities for them. The common things that we all spent money on were teachers, doctors and nurses and I think it's important to recognize that that resource has contributed significantly to the territory and we certainly see a long future for conventional gas and oil development.

The Select Committee Regarding the Risks and Benefits of Hydraulic Fracturing is examining those and we expect the report before the rise of this Fall Sitting and we're looking forward to reviewing those recommendations once they are done.

Again, that said, we do have companies still looking for conventional resources. EFLO in the Kotaneelee field — they are the owners of the Kotaneelee field — currently have a submission before YESAB. It was unfortunately mischaracterized by the Leader of the Official Opposition that it was for fracking. It is not. Go on the website, go on the on-line registry and read for yourself. It's not for fracking.

Northern Cross Yukon, which spoke at Opportunities North 2014, is looking for conventional resources in the Eagle Plains basin. I was on the phone talking to them this morning

and they have spent approximately \$120 million over the last three years and plans to spend similar amounts going forward. They are currently before YESAB and are looking to have their proposal come through the Yukon Environmental and Socio-Assessment phase, but again this industry has a long history in the territory.

I know the NDP doesn't support it. That's again another industry that they don't support as far as providing economic benefits to the territory. That said, we on the government side support oil and gas development and recognize its long history, what it contributes today and what the opportunities are for it to contribute, going forward.

Mr. Tredger: I'm glad to hear the minister's interpretation of what the NDP is for and what it isn't. It's obvious that he hasn't been listening all the time and chooses to misinterpret —

Some Hon. Member: (inaudible)

Point of order

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

Hon. Mr. Cathers: It would appear to me that a member accusing another of choosing to misinterpret would be contrary to Standing Order 19(h), and of course, that is just what the Member for Mayo-Tatchun did in reference to the Minister of Energy, Mines and Resources.

Chair: Ms. Stick, on the point of order.

Ms. Stick: I don't believe my colleague — that that would actually come under 19(h) at all, and I would suggest this is just a dispute between members.

Chair's ruling

Chair: There is no point of order.

Mr. Tredger: Thank you, Madam Chair. I think it's important to acknowledge that we as a society do depend on oil and gas. But it's also important to acknowledge that we have to move beyond it and the sooner we do, the better it will be for the earth. We need creativity and foresight. We need leadership to help us as a society move to renewable energy solutions and we need it sooner than later. It's important to listen, work and engage with everyone, because as the Secretary General of the United Nations said, it is not going to be easy but we can do it.

We have to base our decision-making on what we know and we have to hope that there is the political will to do so. I won't go to many of the statements that the minister made and his opinions, because we need to move on.

Oil and gas has potential in the north and it has potential in the Yukon. We as a society need to decide if, when and how to develop that. I apologize if I sometimes politicize that, but this is far too important. There are unique challenges in the Yukon around oil and gas, and they're unique to the north. It seems we are entertaining, right now, a couple of plays on oil and gas in the Yukon — one in southeast Yukon and one in the north, on Eagle Plains.

The Premier has said we are ready. The minister mentioned the regulations that are being put in place. We

know that the technology around resource fossil fuel extraction is changing and it's changing rapidly. My question for the minister is: What training has been provided to client services and inspections? What other jurisdictions have we looked at, so that we can analyze the successes and the failures and the problems encountered? What research has been done to apply that to the unique area that is the Yukon?

Hon. Mr. Kent: I'll have to get back to the member opposite. I don't have a note on the type of training that Compliance Monitoring & Inspections has been given with respect to oil and gas activities, but I will commit to get back to him, either later this session or, if we don't get another opportunity to have Energy, Mines and Resources come up, I can certainly provide that in a letter to him, just so he has a detailed answer, and I'll provide the same letter to the Leader of the Third Party. I can certainly provide that in a letter to him, just so that he has a detailed answer, and I will provide the same letter to the Leader of the Third Party.

The other jurisdictions that we have looked at with respect to assisting us in developing regulations — the one aspect I would reference is the MOU that we signed with the BC Oil and Gas Commission, a very well-respected regulator. They have an awful lot of oil and gas activity in northeastern British Columbia that they regulate very closely in very similar geological formations to what we have in one of the plays that the member opposite talked about — the Liard Basin. Obviously they're doing a lot of work down there with shale gas. We're still waiting for the report from the select committee of government and opposition members, when it comes to shale gas, and look forward to receiving that during this sitting.

When it comes to the current activities that the member opposite referenced — just to be clear, obviously the Eagle Plains oil and gas basin activities — Northern Cross Yukon recently completed a 325-square kilometre 3D seismic program and is currently evaluating the results of that program and are planning to continue with the exploration program by drilling up to 20 exploratory wells with extended flow tests over the next — the note that I have says eight years. I would have to check that against the proposal that's in the YESA process. As I mentioned, that proposal is currently in the "seeking views and information" stage of YESAA. In July, it was submitted by Northern Cross Yukon to YESAB. The Oil and Gas Resources branch expects to receive a licence application, once the decision document is issued, and that could be as early as sometime in December.

A benefits agreement for oil and gas activities, in accordance with section 68 of the *Oil and Gas Act* between Northern Cross, Yukon government, Vuntut Gwitchin First Nation and the First Nation of Na Cho Nyäk Dun, expired on August 31, 2014, and talks are currently underway to renew that agreement. Again, when it comes to the Liard Plateau oil and gas basin in the southeast Yukon, the two wells at the Kotaneelee gas field have been shut in since late 2012. EFLO Energy is proceeding slowly while conducting repair and maintenance activities to existing infrastructure. They are, of course, before the YESA board right now with an application

to look at repurposing a couple of those wells and doing other associated work on that property. Again, it is not an application to conduct hydraulic fracturing.

The final one is the LNG project that Yukon Energy Corporation is doing. I have spoken at length about that. I guess the only thing to add is that the Yukon asset construction agreement, or YACA, which is pursuant to chapter 22, is in place with Kwanlin Dun First Nation. There isn't a requirement for one to be in place with the Ta'an Kwäch'än Council, and both First Nations waived the requirements for a section 68 benefit agreement under the *Yukon Oil and Gas Act*. Obviously construction is currently underway at that facility. I think the gen-sets are now in place and the storage tanks are in place as well, so any Yukoners driving on Robert Service Way or any residents of Whitehorse will notice the activity on that site.

Again, the member opposite is correct in that the Yukon is quite unique when it comes to oil and gas activities. There are a number of basins — two that are seeing activity right now — Eagle Plains and the Liard Plateau. The only one that is on delivery infrastructure for natural gas is Liard. It has the existing pipeline that feeds, I believe, into the Spectra Energy pipe system of northeastern British Columbia. The Northern Cross Yukon site resources are somewhat locked in — and the Minister of Economic Development perhaps would be able to speak a little bit more to this — but they are looking at some opportunities for the feasibility of a refinery on-site to use some of their conventional resources to produce, I believe, diesel or some sort of fuel for domestic use here in the territory, with the possibility, I would assume, of some potential exports of that resource as well.

That is the type of activity that is underway. We have an opportunity here in the Yukon where we are with our oil and gas industry, and there isn't a lot of historical or long-term development, so that we can build the industry properly and we can manage it safely and properly and use best practices from not only British Columbia, but other jurisdictions and borrow from the best and brightest regulators and regulations that exist, not only in Canada, but throughout the world.

Mr. Tredger: Thank you for that answer. The Kotaneelee field is connected by pipeline. I believe it is the Pointed Mountain Pipeline and it goes into Spectra. It was built in 1971-72 during the winter. That is over 40 years ago.

At the time and while it was in operation, it was reputed to have many leaks and spills. Much of this was never made public. Last year we heard reports of hundreds of leaks in the pipeline system around Norman Wells and the distribution system. According to Yukon Environment, our greenhouse gas emissions as reported dropped when the Kotaneelee production slowed down.

Can the minister tell me what testing has been done to assure the Yukon public that the pipeline remains viable? What percentage of fugitive emissions was escaping from the pipeline during its operation? Reports of previous leaks and spills — are they available to the public or are they in the public domain? Given our ongoing knowledge about the effects of methane, what device or what instruments do we

have to detect fugitive emissions and potential leaks from the connections to ensure that our greenhouse gas emissions don't go up when the Kotaneelee field comes into play?

Hon. Mr. Kent: As I mentioned previously, those two wells at Kotaneelee have been shut-in since late 2012. I'm not aware and we'll have to look into the assertions that the member opposite makes about the decrease in greenhouse gas emissions and whether or not they were related to that or whether or not they were related to perhaps us meeting some of our renewable energy targets or other aspects of success that we've seen with respect to the Yukon. Again, I'll endeavour to talk to the Minister of Environment and see if what the member opposite asserts is exactly the case.

EFLO Energy Yukon is proceeding slowly while conducting repair and maintenance activities and has been directed to provide more detailed plans for the maintenance and compliance work on-site. When it comes to the pipeline itself and the emissions and data the member opposite seeks, I will consult with my colleague, the Minister of Environment, and perhaps get a better understanding of what type of monitoring there is. I don't have any information in front of me with respect to the questions asked by the member opposite, but I'll either get a response from the Minister of Environment or see if there's some additional information from the Oil and Gas Resources branch in EMR.

Mr. Tredger: With the oil and gas industry and the new advances in the size and chemicals that are being used, has the minister developed a new emergency response to potential spills or to the dangerous transportation of it? Who would head the cleanup? What training have they received? What would happen in the case of an unforeseen blowout or a human-caused error that would cause a major spill into what is basically a very isolated area?

Hon. Mr. Kent: When it comes to the safe transportation — whether it's by pipeline, ship or truck — of natural gas, I think there are a number of different regulators that play a part when responding to potential spills. There could be spills on-site that would be responded to by one agency. In the case of the recent incident that we saw in Dawson City, where a natural gas tanker that was taking liquefied natural gas to Inuvik — that incident and the response by those first responders should provide some comfort to Yukoners who are concerned about the safe transportation of that gas. LNG has been safely transported around the world by ship and truck for more than 50 years. My understanding is that they have an outstanding safety record. With respect to the Dawson incident, there was no fire, no venting of gas was necessary and there were no environmental issues.

Had that been an accident with diesel, the story perhaps would have been a lot different. I know there was something that happened in Dawson City by the airport, I believe, a number of years ago that led to a significant cost for cleanup when diesel was accidentally spilled into the ditch. Congratulations to the first responders who were on-site in Dawson City, showing Yukoners that when an accident does occur, we do have the capacity to deal with that accident when

it's being transported like that. There are several agencies and departments — Highways and Public Works is one — that will respond and there are also federal regulators that have a role in responding to these types of incidents as well.

Mr. Tredger: I was more concerned about environmental spills than environmental hazards. I just remember reading about a project in the Beaufort Sea in northern Canada that insisted that a spill response plan be in place. I was looking for regulations that we had that would ensure that any company that was working with oil and gas and working in the Yukon would have adequate means to be able to clean it up and ensure that our environment is safe. It's not just the transportation — there are often blowouts; there are sometimes spills on-site.

I would like to just put forth a couple more questions. One of the other concerns I've heard is that in the Yukon, the permafrost is somewhere between zero and minus one degree. In the Northwest Territories, it is usually around minus 20 degrees. This means that our ground is much more susceptible to disturbances and changes. Seismic lines, roads and well pads that might work in other jurisdictions, or even in the Northwest Territories, don't necessarily work here.

Can the minister tell me what research is being done, how that is being evaluated and over what period of time? Often the changes to the permafrost, as we've seen in schools and roads, don't occur for one or two years, but when they do happen, it's very dramatic. I know the Member for Vuntut Gwitchin has talked about lakes disappearing; I have heard stories about roads turning into bogs, and things like that, after they have been used for several years.

What research is being done into the permafrost to ensure that, one and two and three years after a development starts and finishes, we don't end up with a quagmire?

I guess the other question I have for the minister is: What type of security has been obtained for well sites? I know that in Alberta, they have a common pool that all the oil and gas companies pay into for if a company is unable to keep a well site environmentally sound, or if they have to abandon the wells.

One of the concerns with the oil and gas industry — and as the minister himself talked about — in Eagle Plains there was an abandoned well that we had to come back and clean up later. The more wells, the more likelihood that would happen. We know, even though wells are cased and plugged, that isn't 100-percent effective and there are incidents where previously cased and plugged wells do, in fact, begin to leak.

I am wondering what kind of security there is and how the minister intends to ensure that, in five, 10, 15 or 50 years from now, the company responsible for these wells is able to ensure that any spills and any discrepancies will be covered by the company and not be a burden for the Yukon people.

Hon. Mr. Kent: When it comes to the permafrost information, the Department of Energy, Mines and Resources does have some responsibility under the *Climate Change Action Plan*. The first one is to develop a decision-useful permafrost information inventory, and that work is in progress. The Yukon Geological Survey maintains the Yukon

permafrost network. It's available on a website, <http://permafrost.gov.yk.ca>, and is working with the Northern Climate Exchange to map areas in and around communities that are susceptible to permafrost degradation.

The Geological Survey is also collaborating with Yukon Energy Corporation, Northern Climate Exchange and several universities on a study of the Llewellyn glacier above Atlin Lake. The objective of the study is to assess the potential impact of different climate change scenarios on the Whitehorse hydro dam. I think I just included that for information purposes. It wasn't really specific to permafrost.

That said, I think one of the projects that has gone ahead — I haven't been fortunate enough to visit the Northern Cross Yukon site in the Eagle Plains, but I know colleagues, including the Premier, the previous Minister of Energy, Mines and Resources and, of course, the MLA for Vuntut Gwitchin have visited that site. As well, the Minister of Environment had the opportunity to go up and witness some of the work that was being done.

When it comes to where the drill pads are, I know the company took extra care. I understand they put down sawdust and matting to set their drills on. They used existing seismic lines for transportation corridors — obviously complying with the YESAB recommendations to ensure that there was adequate snow cover in the area when they were conducting their seismic work and other things.

It is certainly something that we, as Yukoners, should be proud of when it comes to these companies conducting work in the north. They readily admit that the cost of doing business in northern Yukon is a little bit more expensive than it is in the south — not just because of permafrost activities, but also because of transportation lines and the distance between the traditional service sectors of northeastern British Columbia and Alberta, and where the Eagle Plains Basin is. They readily accept that additional cost of doing business and work hard to ensure that they are leaving the least environmental impact that they can when they are conducting explorations. The same can be said, of course, for those that are involved in the mineral exploration industries — some of these small drills that companies are slinging into projects.

One only has to look at the work of Kluane Drilling, which is a local company, working all over the world in mountainous regions, in sub-Saharan and tropical regions. Their drills and drill sites are everywhere, from Africa to South America to Asia and, of course, North America. We should be proud of the innovation that companies such as Kluane Drilling and Northern Cross (Yukon) are showing, so that we can minimize the impact that exploration has on the environment.

Of course, millions of dollars and hundreds of projects are actively explored but do not lead to any production, whether you are talking about oil and gas and/or mining. Narrowing that number down to actual producers is something that these companies work hard at, and they invest a lot of risk capital and they would certainly want to make sure that they leave the environment in as good, or better, shape than when they started to work there.

We have the Leckie Award coming up on Monday evening for the Geoscience Forum, where we'll honour those involved in quartz and placer mining activities for environmental responsibility and remediation and reclamation. It's certainly something that I'm looking forward to. I was able to hand out those awards last year, and I look forward to doing that again this year, to some exciting Yukon individuals, and I look forward to paying tribute to them here in the Legislature on Tuesday.

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

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

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Ms. McLeod: Mr. Speaker, Committee of the Whole has considered Bill No. 15, entitled *Second Appropriation Act, 2014-15*, and directed me to report progress.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

Hon. Mr. Cathers: 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. Monday.

The House adjourned at 5:26 p.m.