



Yukon Legislative Assembly

Number 9

3rd Session

34th Legislature

HANSARD

Monday, October 21, 2019 — 1:00 p.m.

Speaker: The Honourable Nils Clarke

YUKON LEGISLATIVE ASSEMBLY

2019 Fall Sitting

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

CABINET MINISTERS

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

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Yukon Liberal Party

Ted Adel	Copperbelt North
Paolo Gallina	Porter Creek Centre
Don Hutton	Mayo-Tatchun

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Yukon Party

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

THIRD PARTY

New Democratic Party

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

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Yukon Legislative Assembly
Whitehorse, Yukon
Monday, October 21, 2019 — 1:00 p.m.

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

Prayers

DAILY ROUTINE

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

Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Streicker: Can we please welcome to the Legislature today some folks who are here from Love 2 Thrift — the Whitehorse Community Thrift Store — from the board — Collette Acheson, Samantha Hand, Joie Quarton, and — I think she is the store manager — Kathie Murphie — if we can welcome them, please.

Applause

Hon. Mr. Pillai: I would also ask the Assembly today to welcome some individuals who are here for our tribute later today for Small Business Week: Hector Campbell, who is a director with the Yukon Chamber of Commerce — also, very importantly, the chair of the energy committee — as well as Susan Simpson, who is here as the executive director of the Whitehorse Chamber of Commerce. After some debate — Stuart, you are here. So, Stuart Van Bibber — because we weren't sure — in his role as a business leader and, also very importantly, the son of my friend across the way — he could be here cheering on his mom as well. We also wanted to recognize your work and especially all that you have done in Kaska country over the last number of years. I really appreciate the work and leadership.

Applause

Hon. Mr. Mostyn: This afternoon, I would like to welcome some visitors from the Queen's Printer. We have Jean Hogg, Jo Pond, Jennifer Hackwell, Colin Black, and Tracy Timmons. Welcome to the Legislature.

Applause

Ms. Hanson: I would like to ask my colleagues to join me in welcoming a person who represents both the small business sector and the Yukon Employees' Union: Deborah Turner-Davis.

Ms. White: I ask the House to join me in welcoming Julie Terry, also a member of the Queen's Printer.

Speaker: Are there any further introductions of visitors? Tributes.

TRIBUTES

In recognition of Waste Reduction Week

Hon. Mr. Streicker: I rise today to pay tribute to Waste Reduction Week. Today, I am asking all of us as Yukoners to think about how we can reduce our waste this week and every week — less is more.

I know that Yukoners are passionate about doing the right thing. We care about the environment. I also know that we are facing big challenges as a territory when it comes to waste. The amount of waste we produce is rising, and so are costs. Every day we learn more about waste by-products like microplastics permeating our ecosystems and how some recyclables might not be getting recycled. These are real issues affecting our land, our communities, and all of us. Everyone shares some responsibility for our waste problem — individuals, businesses, producers, and governments — and everyone shares some responsibility for making change.

The good news is that we can all make a difference. We can all do a bit of heavy lifting to reduce our waste. I want to thank some community members who are making a difference. Zero Waste Yukon and Raven Recycling are striving for more responsible waste management. Thank you to Joy Snyder and Ira Webb and the rest of their team for making a positive impact.

I encourage everyone to check out Zero Waste's film, *Just Eat It*, tomorrow night and the spooky Halloween kids' costume swap. Thank you also to P&M Recycling, the Klondike Conservation Society, the municipalities, and the community associations that support recycling and re-using. Thank you to all the passionate community members like Mike Bailey, who helped to divert a tonne of waste out of the Mount Lorne transfer station. Thank you to Kathy Murphy and the group of volunteers behind Whitehorse Love 2 Thrift Store, who re-introduced thrift shopping in Whitehorse this past year. Kudos to local businesses like Riverside, Aroma Borealis, Changing Gear, Renueva — and more — who support zero waste options.

A shout-out to Coast Mountain Sports, who have been running their Share the Warmth winter coat re-purposing program as part of Poverty and Homelessness Reduction Week for 25 years now. Many thanks to the Ministerial Committee on Solid Waste, which has been working hard on local solutions to our waste challenges. To Laura Eby from the Association of Yukon Communities, Scott Hamilton from Mayo, Mark Dauphinee from Dawson City, Geoff Quinsey from the City of Whitehorse, Cam Lockwood from Watson Lake, Cole Hunking from Teslin and the great teams from Community Services and Environment — thanks for the heavy lifting. I am excited to announce that this year for Waste Reduction Week, Community Services and the Department of Environment are challenging each other to a friendly competition to see which department can reduce the most office waste. Good luck to both departments. Welcome, Waste Reduction Week. I encourage us all to turn off the tap, pull the plug, bring a bag, carry your own cup to the coffee shop, set up the circular economy, get sporked, and just eat it.

Applause

Ms. Van Bibber: I rise today on behalf of the Yukon Party Official Opposition to pay tribute to Waste Reduction Week. This week covers the period from October 21 to 27, but we should be mindful of waste reduction all year, every year, and be mindful of how we can individually help to reduce and manage what we use.

We are consumers; there is no doubt. With the price of cheaper clothing and cheaper products, we have become a throw-away and giveaway society. Today, not many are taught how to patch or sew clothes, to darn socks, or to take shoes to a cobbler for repair. But most communities do have second-hand stores and shops to recycle or — my favorite — antique stores as places for their usable items someone else might enjoy. We would like to express our appreciation to the local recycling depots and the community volunteers throughout Yukon for all the work they do and for keeping the free stores in such great shape.

We would also like to commend Whitehorse's new non-profit community thrift store, Love 2 Thrift, for the work they have done to divert so much from the landfill and provide low-cost items to others. Also, kudos to them for creating job opportunities for people with barriers to employment. Well done.

We might — and must — start campaigning to get the manufacturers to reduce their packaging. It is a struggle at times to get at the actual item you've purchased due to cardboard, sealed plastic coverings, and plastic ties. It is one thing to say, "Don't buy it if it's over-packaged." But at times, we don't have a choice. More companies should be lobbied and made aware of how the production lines have worsened the global situation. Perhaps this could even help their bottom lines — to eliminate this excessive packaging.

Governments, municipalities, and all of us are faced with managing an incredible amount of waste across the territory. Imagine if we all worked a little harder to recycle, compost, reuse, and rehome items. I hope that we all continue to do our parts in managing our household and business waste. Each action matters.

So, to all Yukoners: Please learn about even one way you can change a behaviour, and you will be part of a solution.

Applause

Ms. White: Waste Reduction Week is a Canada-wide awareness-raising celebration to reduce our waste. It's a week where we can take a look at our actions and relationships around products, waste, and recycling, both personally and — I think more importantly — from a government lens.

I believe that there are two major factors holding back our waste management system: over-emphasis on recycling and putting the onus on the individual. We're often told that recycling is the answer but when you look at the three Rs — reduce, reuse, and recycle — it's important to note that they're listed in order of importance. We largely forget the "reduce" and "reuse", and we focus too much on the "recycle".

In Yukon, we have both exceptional recycling facilities and rates of recycling done by individuals. We have the ability to hire Whitehorse Blue Bin Recycling and the City of

Whitehorse. We can take our recycling to be sorted at P&M Recycling. We can drop off our recycling at Raven Recycling or at the Whitehorse waste management facility. We can also take our recycling to any of our 12 community recycling depots. My point? Yukoners as individuals are pretty great at recycling. Yukoners as individuals also do a pretty good job of reusing items. You only need to look at the buy-and-sell pages of Facebook or visit free stores like the one at the Mount Lorne transfer facility to see the popularity of the reuse-it economy in action.

Mr. Speaker, the glaring gap in Yukon that we can see is a coordinated effort to educate about the importance of reducing our consumption across the board, and this is where we believe that government is well-suited to step in — because the responsibility of education shouldn't solely be the responsibility of NGOs. The reason we can't solely focus on recycling is because Yukon's, Canada's, and the world's recycling system is broken. The number 4, 5, 6 and 7 plastics that are recycled by Yukoners are largely baled up and incinerated. The glass that Yukoners recycle is pulverized and dumped in the landfill. Nationally, Canada's recycling industry has taken a hit since the Chinese government implemented Operation National Sword, which was a national ban on the import of foreign materials for recycling.

For so long, we've been told that it's up to us as citizens to recycle and do our part; but it's interesting to note that we didn't arrive here organically. In the 1950s, United States was considering a ban on non-refillable containers. In response, Coca-Cola and Anheuser-Busch formed an NGO called Keep America Beautiful. The aim of that organization was to discourage legislation that would reduce the use of single-use containers and emphasize the individual responsibility of recycling and not littering. Much of our modern recycling and waste management system has been created with the individual in mind and has given a free pass to corporations that create the millions of single-use items that we as individuals then have the responsibility of dealing with.

Corporations have placed the responsibility of dealing with the mess they make on those who have the least ability to effect the changes necessary to deal with it.

But there is hope for change, Mr. Speaker. Yukon organizations like Zero Waste Yukon and Raven Recycling lead conversations about the creation of systems for effective resource recovery and encourage these systems to be established to reduce the negative effects of waste disposal. But they can't be the only voices. The government, and we as legislators, have the responsibility to shift the focus from recycling to reduction and reuse, and from individual responsibility to corporate accountability. The government has amazing power to take action. The last thing it should be doing is encouraging Yukoners to do more — because, Mr. Speaker, governments need to do more.

In Yukon, we need to expand the designated material registry listings, expand the companies and products listed with the extended producer responsibility, and ban number 4, 5, 6 and 7 plastics. These are all a start, so let's start there.

Applause

In recognition of Small Business Week

Hon. Mr. Pillai: Mr. Speaker, I rise today on behalf of the Liberal government to pay tribute to Small Business Week, which is celebrated from October 20 to 26. This year's Small Business Week theme is, "Canada: A nation of entrepreneurs", and I think we can all agree that Yukon is a territory of entrepreneurs.

The Canadian Federation of Independent Business recently ranked Whitehorse as the top city for entrepreneurship in Canada, but our communities are also seeing a growing number of small businesses popping up. Entrepreneurs are well-represented in our thriving business community, and their businesses are making significant contributions to diversifying our growing economy. In addition to economic growth, they are instrumental in building vibrant communities where fellow Yukoners have access to an increasing variety of innovative products and services.

In a lot of ways, identifying new concepts, products and services is the easiest part of entrepreneurial success. The rest is a matter of determination, unwavering commitment and hard work. It is important that we recognize Yukon entrepreneurs and celebrate their achievements.

Aurum continues to expand from being founded by Elise McCormick and Joanne Sherrard. Their birch-based skin care range has been selected from Emergence — the virtual bioscience business incubator program run by BioAlliance out of Prince Edward Island. Proof Data Technology, another home-grown business, has been selected for two prestigious start-up support programs in the last 12 months. It is inspiring to see Yukon entrepreneurs being given an opportunity to achieve their full potential.

As our tourism industry strengthens, more small businesses are sharing the beauty of our territory with countless visitors, helping them to create lasting memories. Fishwheel Charter Services, Who What Where Tours, The Klondike Experience, and Carson Schiffkorn — owner and chef at Inn on the Lake — all won awards at the Tourism Industry Association's Tourism Awards of Excellence in May of this year.

Make IT Solutions, Proof, Antoinette Greenoliph, Charlie Fidler, and Outpost 31 co-founders Jaden Soroka, Dave Hamelin, and Neil MacDonald were all award recipients at Startup Canada's third annual north region award ceremony in May. It's just wonderful to see these northern entrepreneurs and innovators recognized for demonstrating excellence.

The success of our entrepreneurs is also a result of organizations that work to build local businesses and support our entrepreneurs such as dāna Nāye Ventures, which won an award for entrepreneur support at this year's Startup Canada awards.

NorthLight Innovation — the first innovation hub north of 60 — has been a huge boost as well, supporting innovation, networking, and mentorship by bringing together diverse partners and providing a space for businesses to thrive.

Yukon College is one of those partners, and its Cold Climate Innovation team has recently refocused its efforts and rebranded as "Innovation and Entrepreneurship", with the

expanded services to support Yukon innovators and small businesses.

YuKconstruct is currently hosting its inaugural 12-week start-up boot camp at NorthLight Innovation for a cohort of 10 Yukon businesses. This is a tremendous opportunity for participants to validate their products or ideas before going to market. Our community is coming together to help small businesses thrive.

A successful model that all Yukoners are aware of and most visitors as well are familiar with is the Hougen Group of Companies. The family-owned and operated business is an integral part of our Yukon business community, and I wish to congratulate the group on its 75th anniversary. In particular, I would like to recognize Seasons co-owners Greta Gray and Maureen Nielsen and wish them a very happy retirement. Greta and Maureen owned and operated this iconic Whitehorse store for 34 years. Main Street will not be the same next month when Seasons closes its doors.

I would like to thank the Yukon Chamber of Commerce, the Yukon First Nation Chamber of Commerce, the Whitehorse Chamber of Commerce, YuKconstruct, Yukon College, Tech Yukon, and dāna Nāye Ventures for advocating on behalf of, supporting, and rallying behind Yukon businesses, community, and entrepreneurs.

The Whitehorse Chamber of Commerce is partnering with Business Development Bank of Canada and dāna Nāye Ventures this week to host a series of workshops and events to celebrate small business. I encourage all Yukoners to take part in these and continue to support our very important local small businesses.

Applause

Mr. Istchenko: I rise on behalf of the Yukon Party Official Opposition to recognize October 21 to 25 as Small Business Week in Canada as presented this year in the Yukon by the Whitehorse Chamber of Commerce. Small Business Week is an annual celebration of entrepreneurship across Canada developed and organized by the Business Development Bank of Canada.

This year, celebrations culminate under the theme, "A nation of entrepreneurs. Showcasing the people behind the business". Throughout the week, the chamber will offer a series of workshops and events available to the business community and beyond. These events will provide learning opportunities and celebrate the success in our community. Topics include financial survival for entrepreneurs, the money side of business, growth and expansion, and maximizing your business.

Take a look at what is being offered this week and join in on the action to celebrate small businesses across the Yukon, from Watson Lake to Beaver Creek, all the way to Old Crow and all those businesses in between.

I would like to give our sincere thanks to all the Yukon small businesses and of course their staff. The products and services that they provide are essential to the economic health and diversity of our territory. I encourage Yukoners to step out into their community and visit a small local business or two that you may not have visited before. It's not uncommon to become

a repeat customer of your favorite store or truck stop, but sometimes it's by branching out that you discover the real hidden gems in our communities.

Again, I would like to say thank you to all those entrepreneurs and those who keep small business alive and well throughout the Yukon. Your dedication to our territory and its people remains to be a key to making our economy thrive, and Yukoners are provided with exceptional products and services.

Applause

Ms. Hanson: On behalf of the New Democratic Party caucus, I'm happy to join in recognizing the contributions to Yukon's social and economic fabric made by small businesses in Yukon.

The definition of "small" is not one-size-fits-all, Mr. Speaker. In fact, within that definition, there are the micro-businesses that employ one to four people and then there are the big small businesses that employ up to 99 people. As the MLA for Whitehorse Centre, it is with some pride that I recognize and support the many micro and small businesses that are located between the south access and Marwell light industrial area.

It is difficult to define what a typical small business is because, quite frankly, the definition is limited only by the creativity of those entrepreneurs who strike on an idea and muster the tenacity to embark on what is, as statistics bear out, a risky undertaking. It has to be daunting to know that only 35 percent of businesses started each year will survive for five years.

On a walk or bike ride through my riding, you may go by a bed and breakfast that has been serving visitors for over 10 years or the unlikely — but successful — business pairing of a bicycle shop and coffee roaster, both of which are contributors to our community in ways beyond the goods they sell.

Along Second Avenue, we'll find the NorthLight Innovation centre which has, over the past few years, emerged from the Marwell YuKonstruct and downtown (co)space into a sophisticated innovation centre. At the other end of Second Avenue, you will find the most eclectic corner grocery store in Canada, and all through downtown Whitehorse, there is a diverse array of restaurants and, in the summer, pop-up food trucks.

True to the statistical mix of what makes a small business, you will find daycares, social service agencies, architects, bakeries, and breweries and — more recently — several cannabis shops. There are theatres, art galleries, and specialty retail outlets — and so much more.

One common attribute of Yukon's small businesses is their willingness to contribute to our community. Last week, many in this House attended a Whitehorse Chamber of Commerce event at Coast Mountain Sports where that business unveiled the 2019 edition of their Home clothing line, a unique collaboration between Coast Mountain and the Yukon Anti-Poverty Coalition to mark Poverty and Homelessness Action Week. Last year, sales of Home t-shirts — I'm actually wearing one, Mr. Speaker — raised over \$16,000 for the Yukon Anti-Poverty Coalition. Just down the street, Well-Read Books —

which is celebrating 20 years as a community hub — donates books every month to the food bank. A downtown dental practice opens its doors several times a year to provide free dental care. There are so many examples of the contributions made each day to our communities across Yukon by small businesses.

Mr. Speaker, government can have positive and negative impacts on the likelihood of success for a small business. There is no one-size-fits-all to what is helpful to someone with a new business idea or plan. Some small businesses just want government to get out of the way. Some may want a hand up, not a handout. Expansion of small business investment tax credits along with tax cuts for small businesses are all welcome. The reality is that many small businesses struggle in those first few years. More creative and proactive approaches to assisting start-ups and micro-businesses may be needed to be explored to bridge those first difficult years.

And increasingly, Mr. Speaker, as Yukon's population grows and greater emphasis is placed on densification of housing, especially in the downtown core, it is becoming apparent that isolated actions by a government can and do have unintended negative consequences for local business.

As our community grows, so does the complexity of the challenges facing government in terms of ensuring that there is coordination within government departments and with other levels of government so that those unintended consequences do not jeopardize the success of businesses and the vitality of the community that they serve.

Mr. Speaker, we salute the spirit and the tenacity of the people in our communities who choose to put themselves literally out there, to join the over 70 percent of the Canadian labour force who have the courage to create and work in the micro- and small-business sphere.

Applause

Speaker: Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Ms. Frost: I have for tabling a legislative return in response to questions from the Leader of the Third Party.

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

Are there any reports of committees?

Are there any petitions?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

Mr. Hutton: Thank you, Mr. Speaker. I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to invest in infrastructure projects throughout Yukon.

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

THAT this House urges the Government of Yukon to take the following actions:

- (1) go forward with the recently announced \$157-million investment to upgrade the north Klondike Highway;
- (2) invest in improvements to the Alaska Highway and the Whitehorse corridor, such as turning and through lanes at the intersection of the Mayo Road, a turning lane at Porter Creek Super A, and acceleration lanes through Alusru Way;
- (3) seek continued Shakwak funding;
- (4) pave the Robert Campbell Highway between Faro and Ross River;
- (5) improve safety on the Robert Campbell Highway in Watson Lake by adding street lights;
- (6) upgrade Takhini River Road, including building a proper roadbed, resurfacing the road, and improving the ditches;
- (7) seek funding under the national trade corridors fund for the Alaska Highway, the Robert Campbell Highway, and airports;
- (8) increase funding for the rural road upgrades program;
- (9) reverse cuts made to funding for rural road maintenance;
- (10) reverse cuts made to the Dempster Highway capital budget for road maintenance; and
- (11) plan the replacement of the Takhini River bridge on the north Klondike Highway.

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

THAT this House urges the Government of Yukon to ensure that senior public officials are present during the fall legislative Sitting to allow ministers to answer questions relating to departmental programs and services not included in the supplementary appropriations and that the Government of Yukon make available to this House a schedule of when departmental debates will be held so as to facilitate planning by both the public service and opposition members of this Assembly.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to bank the use of category 4, 5, 6, and 7 plastics.

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

THAT this House urges the Minister of Education to ensure that school bus service is provided to families in the Grizzly Valley subdivision.

I also give notice of the following motion:

THAT this House urges the Minister of Energy, Mines and Resources to provide an update on the status of work to develop potential zoning regulations for the Shallow Bay area, including a revised timeline for this project since it is so far behind schedule.

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

THAT this House urges the Liberal government to recognize that non-governmental organizations funded by the Department of Health and Social Services provide important services to Yukoners by entering into agreements that appropriately address their current needs.

Speaker: Are there any further notices of motions?
Is there a statement by a minister?

MINISTERIAL STATEMENT

Queen's Printer and Central Stores services

Hon. Mr. Mostyn: Mr. Speaker, our Liberal government believes in being open, transparent and accountable — especially when it comes to public money. Yukoners deserve no less. That is why we continue to look for ways to try to modernize and improve service, while getting the best value for money. We are also looking at ways to support a strong local economy. Our ongoing efforts to improve procurement is a big part of this, but it is only one part.

Mr. Speaker, the Yukon Financial Advisory Panel's final report emphasized the importance of increasing the efficiency of government services to reduce costs and allow government to focus on providing services to citizens. That is why we are taking a new approach to streamline the delivery of our printing, storage, and distribution services and provide new opportunities for local businesses. As part of this modernization of services, the Queen's Printer Agency will now focus exclusively on sensitive material such as budget documents instead of the wide range of government printing services that it currently offers.

Additionally, Central Stores — which is currently responsible for stocking and distributing government stationery, cleaning supplies, and other things — will close and those services will shift to the private sector. This approach provides opportunities to Yukon companies and entrepreneurs while reducing red tape. It will also save Yukoners an estimated \$1.6 million per year and \$16 million over the next decade.

Mr. Speaker, we appreciate the hard work of our public servants across government who provide Yukoners with the programs and services they need. We also value the employees we have at the Queen's Printer and at Central Stores. Our people are our greatest asset, and we make sure to take care of them. As soon as the decision was made, the Public Service Commission worked with the Yukon Employees' Union to plan the transition of services.

As the Minister responsible for the Public Service Commission, I am proud to say that we have ensured that no employees will lose their jobs as a result of this transition. Our employees were informed of our decision last Thursday. They are being supported through the transition by our dedicated Human Resources staff and are being provided with new opportunities within government.

These changes reflect and formalize the business activities already happening throughout government. Most departments are now looking directly to local entrepreneurs and companies

to deliver supplies and materials for their program areas through our various procurement tools.

Mr. Speaker, by reorganizing these units, we are supporting employees while creating a modern and efficient public service. We are also supporting local business.

Mr. Hassard: I appreciate the opportunity to rise today to respond to this ministerial statement. When we first heard that the government was making cuts to Queen's Printer and Central Stores last week, we heard it from concerned public servants. I think we were a little surprised.

You will remember, Mr. Speaker, that, back in 2018, the CBC revealed that the Liberal Cabinet sent a directive to all deputy ministers telling them to find two-percent cuts within their operation and maintenance budgets. At that time, the Liberals denied that they were looking for cuts, even though the Cabinet memo was crystal clear. Today, when we heard that the minister was going to do a ministerial statement on these cuts, we were hoping that he would be providing us with some new information to explain this decision and the implementation of it. Instead, we have just heard him re-read his press release from last Thursday.

We certainly still have a number of questions for the minister. I know that his colleagues last week struggled to provide answers to any of the questions that we had about ministerial statements, but we do hope that this minister is a little more prepared.

The minister said that this is being done because they are looking to improve service while getting the best value for money. Mr. Speaker, I am curious. If the minister is saying that the current services being offered are lacking, what concerns does he have with the current service? Can the minister tell us when this decision was made? Can the minister tell us who was consulted in arriving at this decision? We have heard that the 17 affected staff were given approximately 10 minutes' notice before a global notice was sent out to all public servants, so can the minister tell us why staff were given so little notice? Can the minister explain to us how this decision saves government money if all of the positions are just being relocated to other positions?

The minister quoted a dollar figure for how much this will save government. Can he please describe the analysis that went into arriving at this figure? How are these positions being relocated internally? Is the minister creating brand new positions in other departments?

We have heard that the Human Resources branch was completely caught off guard by this decision and now are scrambling to figure out what they are supposed to do. We are curious, Mr. Speaker, about when they were notified of this. We would like to know how many staff will remain to print sensitive documents.

The minister also stated that he worked with the union as soon as the decision was made. That's interesting, since we heard the president of the union — quoted on CBC on Friday — disputing this. He says that the Queen's Printer was only discussed in one meeting back in December and nothing since that time.

We are left wondering who we should believe: the union or this minister, who has been caught sending out misinformation to the public in the past regarding whom he consulted with — such as on the airport act? You will remember that, Mr. Speaker. In that instance, the minister misrepresented his consultations with industry and the City of Whitehorse, and it was so bad that he even had to delete his own press release claiming that he had consulted with them.

Can the minister tell us what other branches of government this Liberal government is looking at cutting as part of their search for two-percent cuts across all departments?

The minister also stated that "Our Liberal government believes in being open, transparent, and accountable — especially when it comes to public money. Yukoners deserve no less."

Last week, we sat in this House during Committee of the Whole and general debate while, question after question, the Premier flat out refused to provide answers, so the Liberal definition of "open and transparent" is a little suspect.

Ms. Hanson: The Yukon New Democratic Party caucus is disappointed. When a ministerial statement starts off by stating that it is another example of being open, transparent, and accountable — I have to say that this one is really pretty disingenuous. To start with, if it is so open and transparent, where in fact was the Queen's Printer 2019-20 business plan? How are people supposed to find it?

The last business plan from the Queen's Printer that was tabled in this Legislative Assembly was the one for 2018-19. It was tabled in 2018. In fact, it has been the custom that Queen's Printer annual reports are tabled in the Spring Sitting. We looked on the Legislative Assembly site for tabled documents for this past spring, and nothing was tabled for the Queen's Printer.

We also tried to find the document on the government's new website. Again, it was a further example of how frustrating and inaccessible this website is — but we'll leave that for another day. Suffice it to say it was not until we went to Google that we were able to find this document. We are curious: When was this document publicly released? Again: open and accountable government? Hardly.

We have heard directly from employees shocked by what is happening and not understanding what the future holds. The minister says that staff were told as soon as the decision was made. That was Thursday of last week. Does the minister seriously expect this House or public servants to believe that this decision was made last week? If the plan was already public — albeit perhaps through convoluted placement on some website — should staff not have been informed earlier of this possibility? Mr. Speaker, we suggest that this is hardly a respectful way to treat this public service which this minister goes on about. It is a complete contradiction of espoused values.

We are told that staff heard from their senior department management in December 2018 about the possibility of changes. We have also heard from staff that they were told at that time that it would not impact staffing. Staff were left

hanging for nearly a year with no information. Thankfully, the staff went to the union looking for information and support. Nothing about the way this has been handled has been respectful of public servants.

The minister was telling us at one point that \$1.6 million a year will be saved. In fact, it would appear that the government has simply reduced the amount of personnel and is making unsubstantiated claims for further savings. From looking at the plan, it does not come out and say that staff would be reduced. We see in appendix C that \$458,000 will come from personnel costs under expenses, but with no explanation of how or what this means. Also, there is a loss of \$297,000 from the appropriation of O&M under revenue — unclear as to what this is — no explanation available.

Nobody is clear as to how people are being shifted to other places and how that can be framed as a cost-saving. It will still be paid for and other departments or units will have to pick up the personnel costs. So, Mr. Speaker, we are left asking: Where are the savings? We also hear one line mentioned of Central Stores. This will be closed and those services shifted to the private sector. Are these more jobs that will see staff shifted around?

This government has clearly signalled that it intends to shift more government expenditures to P3s — public/private partnerships — and they have done so without demonstrating objective analyses and the cost benefits of that approach, despite the fact that Auditor General reports from BC to Ontario have showed that, without rigorous analysis, P3s turn out to be more costly.

A final comment: Unless the minister tables the analyses that support this decision, we have to guess that the continued delay of the regulation governing lobbying in Yukon may be a part of this government's approach to saying one thing and doing the opposite.

Hon. Mr. Mostyn: Mr. Speaker, there was a lot to unpack in those responses. I thank the members opposite for their comments and thoughts on this restructuring of these two branches.

I want to talk about our employees, because I think it's really important. We have exceptionally competent and talented staff within the civil service. Our people are our greatest resource. The jobs, especially in this modern world — this Queen's Printer Agency we have been talking about this afternoon has been around for decades, and the world has changed dramatically. I am an old newspaper guy and I have seen the changes in the print industry first-hand. This is not the way it was in 1978 or 1988. This is a brand new world where print services have gone online. The technology that we have now within government and our print services throughout every department has very sophisticated printing materials. Within the community itself, we are seeing a switch away from the printing of annual reports. They are going online. The world has shifted, and we have to shift with it. It is a transition and it is difficult. It is certainly difficult for our staff — and I appreciate that better than most, Mr. Speaker.

The staff who we have are exceedingly talented, and we want to make sure that they continue to serve as civil servants within this government, which is why we have enacted this modernization and change within these two branches without any job losses. That is because we understand how important those people are to us and we want to make sure that they continue to serve our government with the knowledge and experience that they have — sometimes decades of experience — and we don't want to lose that. We were very clear that this changeover would happen without job losses.

What we are doing is moving staff. We are working with the union. As soon as the decision was made in late September, we reached out to the union and started working with them to plan how this will be executed. Labour Relations and Highways and Public Works worked with the union as soon as — we set up meetings within the first week after the decision was taken by Cabinet. Then we started working on a plan with the union on how this will roll out.

We have a plan for every employee who is affected by this issue, and we want to make sure that they find something that's meaningful and will be a worthy career for them going forward. That was essential to this government.

We're working with the union through this transition time. We are respecting the collective agreement through this process and supporting the needs of all impacted employees. As I said, I appreciate that transitions like this are unsettling and I appreciate what it is like for those involved. I personally know what it's like.

So, we will continue to work with the union to ensure that the employees are settled comfortably into new positions.

There were a few other issues. I'm sure we'll be talking over the next couple of — I'm sure we'll talk more about this, Mr. Speaker. The decision — the Leader of the Official Opposition asked when the decision was made. I have answered that. It was in September. The positions that we're filling with these employees are going into existing positions. So —

Speaker: Order. Thank you.

This then brings us to Question Period.

QUESTION PERIOD

Question re: Queen's Printer Agency and Central Stores services

Mr. Hassard: Mr. Speaker, as you know, in 2018, the Liberal Cabinet instructed all government departments to find up to two-percent cuts in their operation and maintenance budget. At the end of last week, we saw a victim of these two-percent cuts. The Liberals announced that they would be making significant cuts to the Queen's Printer Agency and Central Stores from the Supply Services branch.

This decision will impact 17 public servants. We've heard from some staff that they, along with the union, were blindsided; in fact, some were apparently only told their jobs were affected 10 minutes before the global note went out publicly.

Mr. Speaker, in no world is that an appropriate or fair way to manage staff. Can the minister tell us why he didn't meet with staff prior to this announcement to notify them that they

were being affected by the Liberal-mandated search for two-percent cuts?

Hon. Mr. Mostyn: As I just said, Mr. Speaker, the impact on our employees — believe you me, I understand it. But we are working very, very hard to ensure that there are no job losses through this modernization and change in the way the government procures print services and does printing.

There will be a small cadre of people who will continue to do confidential printing for the Department of Highways and Public Works and the government as a whole, but the majority of the employees will be moved to other areas of Highways and Public Works and will have a different reporting structure.

We have worked with the union on this whole restructuring of these two branches. We contacted the union as soon as the decision had been made. We arranged meetings with the union and had meetings with the union leading into the actual informing of the employees. We followed the collective agreement. We respect the collective agreement and our employees' concerns, and we are working very hard to ensure that every employee continues to serve the Yukon public with the professionalism and dedication that they have shown at the Queen's Printer and Supply Services.

Mr. Hassard: Mr. Speaker, 14 days prior to staff being notified that they had been identified as part of the Liberal Cabinet's search for two-percent cuts in all departments, the government delivered a throne speech. In the Premier's press release bragging about his underwhelming throne speech, he stated, "Today's Speech from the Throne sets the course for the second half of our term in government." Mr. Speaker, those are his words: "... sets the course..."

I went back through the throne speech this morning and couldn't find any mention of the fact that the Liberals would be cutting the Queen's Printer and Central Stores, so can the Premier tell us why he didn't think this was important to mention just two weeks ago when setting out the course for the rest of the Liberal government's mandate?

Hon. Mr. Mostyn: Mr. Speaker, we inherited a government that was bleeding money. We inherited a government that was spending \$1.50 for every dollar it collected. So, we struck a Financial Advisory Panel that advised us that we should look for ways to modernize and improve the way we deliver services to the Yukon public and to modernize. So we are doing that; we are moving and downsizing the Queen's Printer. We are moving the employees into positions and making sure that there are no job losses and yet still saving \$1.6 million. That is \$16 million over 10 years.

This year, Highways and Public Works kept its operation and maintenance budget to two percent. We did that by looking very carefully at how we spent money and the way we operate. We are doing this initiative without losing any employees, Mr. Speaker — making sure that we look after the people who are so important to service delivery in this territory. Through this process, we are going to start looking at putting forms online and changing the way we actually deliver services to Yukoners, Mr. Speaker.

Mr. Hassard: I will remind the minister that we are talking about 17 people here who are having their jobs affected.

There are a lot of public servants, I'm sure, listening today hoping to hear answers to these questions — so maybe if he could stop the partisan blame game, that would be nice.

We all know about the letter from Management Board — which is made up entirely of Liberal Cabinet ministers — and it instructed all departments to find up to two-percent cuts to their operation and maintenance budgets. We have asked the government on multiple occasions to tell us where these cuts were being made and if everything is on the table. All the Premier would ever do is deny, deny, deny — even though the letter is crystal clear and it was direction straight from the Liberal Cabinet.

This really leaves us wondering who is next as part of the Liberal cuts, Mr. Speaker. Is it the Fleet Vehicle Agency? Is it the sign shop or the travel desk? Maybe the minister could tell us, Mr. Speaker.

Hon. Mr. Mostyn: I am very glad the member has done this, because again, we are talking about raising the fear within the civil service — hypothetical cuts that they will start to play on. They'll start to do this.

Mr. Speaker, I will talk today about what has happened. We were tasked with looking for efficiencies and modernizing service delivery within the Government of Yukon. We have done that by focusing on two agencies: Central Stores and the Queen's Printer. Those are the things we are talking about. Those are tangibles. Yes, there is a human cost, and yes, it is difficult for our employees to transition to this new business that we're working in. I understand that, Mr. Speaker; I understand that. We are doing it in a compassionate way, in consultation and in tandem with the union. We have been very careful about that. I have expressly stated that we will follow the collective agreement — of course we will, because that is what we have to do, Mr. Speaker. We will do that.

We will work to be compassionate and make sure that our employees have a career going forward so that there are no job losses. We are going to save some money, improve services, and help the public economy as well. I don't know what the members opposite — at this time, we have executed on this and that's great. We are going to save money, and as far as the future goes, Mr. Speaker, there are no future cuts or anything else going on. We have done what we said we would do. We kept Highways and Public Works to two percent.

Question re: Queen's Printer Agency and Central Stores services

Mr. Kent: I have some further questions about these cuts to the Queen's Printer and Central Stores. A big issue with the Liberal approach here has been the complete lack of communication. As we mentioned, this wasn't in the throne speech and the Liberal government only gave staff a heads-up of 10 or so minutes before this went public.

We're also finding out that the private sector impacted by this decision were not properly informed either. There are a number of local furniture manufacturers who have contracts in place with Central Stores. When I reached out to some of them last week to find out how these cuts would impact them, they hadn't even heard of the decision yet. In the case of at least one

of these companies, they have now been told that they have two to three months to wrap up their contract.

So, Mr. Speaker, why did the contractors have to find out from the Official Opposition about this decision by the Liberal government that will negatively impact their bottom line?

Hon. Mr. Mostyn: Yukoners have asked that services provided to them are provided in a modern, new way and we are going to follow through on that, Mr. Speaker.

We know that paying full retail price for goods and services for this government is not the way to go; it's not cost-effective. We are going to negotiate and put out a tender to get services for the provision of material to government that will hopefully trim some money from the budget — from the way we spend money. Rather than paying full retail price for goods, we are going to do it for less money. It will help the private sector and it will help the efficient running of government.

This is what Yukoners asked us to do. That is what we are doing, Mr. Speaker. This is what we pledged to do and this is what we're going to do. We've met our targets for service delivery as far as the Queen's Printer goes, and we're going to continue along this line.

Mr. Kent: So here's what we know: The Liberal Cabinet instructed all government departments to find up to two-percent cuts to their operation and maintenance budgets. The Liberal government has made cuts to the Queen's Printer and Central Stores. Employees found out minutes before the announcement was made public and contractors had to find out from the opposition.

It really appears as if the minister's approach to this has been fast and loose with what is acceptable and appropriate. There has been a complete breakdown of communication.

Mr. Speaker, who did the government consult with prior to making this decision? Can the minister tell us what other private sector businesses will be affected by this rash decision?

Hon. Mr. Mostyn: Highways and Public Works is looking at goals, programs, and client services to determine the best ways to increase the value of services while reducing costs. We have established an HR strategy to assist staff with these changes. We will continue to meet and discuss with all affected employees and stakeholders, and we will examine whether it's feasible to offer opportunities to complete confidential, time-sensitive printing to the private sector in the future.

Mr. Kent: Hopefully the minister gets an updated briefing note for tomorrow because — as my colleague mentioned — we're talking about 17 people here who have their jobs affected. There are a lot of public servants listening today hoping to hear answers. There are a lot of contractors and private sector businesses listening today hoping to hear answers from this minister.

We know that a lot of goods are procured from local businesses and manufacturers through standing-offer agreements. Some of these agreements are handled through Central Stores; however, with the Liberal Cabinet's search for two-percent cuts now targeting Central Stores, many businesses are wondering what is next.

Can the minister tell us what will happen to all the outstanding standing-offer agreements for supply of goods to Central Stores?

Hon. Mr. Mostyn: Mr. Speaker, we remain steadfast in our commitment to make fiscally responsible decisions on behalf of the Yukon people.

We must be responsible with public money. Under the previous government, the Yukon was spending \$1.50 for every dollar it collected. That was not sustainable, Mr. Speaker, and we had to change that approach.

As I said in my opening statement, the Yukon Financial Advisory Panel's final report stressed the importance of considering how efficiently government services are running, with a focus on reducing costs and allowing government to focus on providing services to its citizens. Modernizing how two specific service areas will operate will increase opportunity in the private sector. It will also save Yukoners an estimated \$1.6 million a year. The private industry that we have spoken to have been very happy with the opportunities that this will provide.

Question re: Hemodialysis

Ms. Hanson: Last month, we received an e-mail from a social worker in British Columbia who works with individuals requiring hemodialysis. She wrote about the ongoing challenge for individuals from Yukon who have to move to a community where they can access hemodialysis, leaving behind their homes, friends, family, and support systems.

She was disappointed to hear that hemodialysis is not available to Yukoners needing this vital health care intervention and that individuals must choose between accessing health care for a life-limiting illness or returning to their community.

We have been raising questions about dialysis for the last eight years with no answers as to why Yukoners needing hemodialysis continue to be abandoned.

Can the minister tell this House how many Yukoners over the last three years have had to leave homes, jobs, family, and friends due to the non-availability of hemodialysis in Yukon?

Hon. Ms. Frost: I would like to thank the member opposite for the question. We have been and continue to take the lives of Yukoners seriously — we always have. We intend to look at efficiencies in programs and services and health care deliverables in the Yukon. The numbers that are being asked for today I don't have at my fingertips, but I will endeavour to get that back to the member opposite.

Ms. Hanson: The minister will be pleased to know that I heard exactly the same answer from a Yukon Party health minister. We aren't tracking a health condition that continues to impact Yukoners and their families. We have said it before: You can't manage what you don't measure.

Mr. Speaker, last week I had a call from a long-time friend and constituent who is in Vancouver. He has been out of the Yukon for months now and is depressed and angry that he is unable to return to his home, where he has lived all of his adult life. Why can't he come home? It's because he requires hemodialysis and will require it for the rest of his life. His options? None, Mr. Speaker. He must uproot his whole life and

move to Vancouver, leaving behind the support of family and friends. I can't begin to imagine.

When will this minister direct the Yukon Hospital Corporation to offer hemodialysis so that Yukoners currently receiving hemodialysis Outside can return home and others will not have to leave?

Hon. Ms. Frost: Absolutely — I am empathetic and understand the results of not having the specialized supports and services in the Yukon. The numbers I indicated earlier — we can get those numbers. I just don't have that specific number at my fingertips. So I will endeavour to get that number back as quickly as I can.

I do know the importance of having the services here in the Yukon — and we have indicated that we will look at specialized supports here, maximizing the opportunities. Of course, we know that we have expanded some services at the hospital to realize some of the cost-savings, but also some of the efficient service delivery here. That means bringing the support and the specialized support here to the Yukon. Perhaps that will be a part of it. We will ensure that we have those discussions with the hospital to look at future opportunities.

Ms. Hanson: This is not a new issue. Yukon and Nunavut are the only jurisdictions in Canada without institutional hemodialysis. Even the Northwest Territories has hemodialysis available, both in Yellowknife and in Hay River. We have three community hospitals and do not provide this service.

We received an e-mail from another constituent who has been recently diagnosed with kidney disease. The specialist's recommendation: Move to Vancouver. At 86 years of age, this individual isn't about to do that. We have heard over the years that the numbers of individuals with kidney disease is not tracked. At the same time, we know that diabetes — one of the major contributors to kidney disease — is on the rise.

Mr. Speaker, it is tiring to ask these questions. I can't begin to imagine how those who have had to move away feel.

Once again, what is this government doing to ensure that individuals with kidney disease requiring hemodialysis can receive it here and now?

Hon. Ms. Frost: I just want to assure those citizens of Yukon who require hemodialysis — who require specialized support — that as a government, we will endeavour to do the best we can to bring the supports here. However, we do have to work with the Hospital Corporation.

I have two sisters-in-law who have had kidney transplants. I just lost my best friend because he didn't get a kidney transplant. I absolutely understand what Yukoners are going through.

I absolutely understand the urgency of having the supports here. These things require some time and we will commit to Yukoners that we will review it and we will ensure that it is part of our long-term strategies, working with the Hospital Corporation. I just want to acknowledge the member opposite for raising that question because it is one that Yukoners see as vitally important to their well-being. We want to commit that it is something that we will endeavour to review with the Hospital Corporation.

Question re: Energy demand-side management

Ms. White: Mr. Speaker, two weeks ago, we raised concerns about the Yukon Utilities Board's ruling that limited Yukon Energy Corporation's ability to carry out demand-side management programs. The minister said that he was waiting for the review process to be completed and then he would make a decision about whether to issue an order-in-council to ensure that Yukon Energy Corporation could proceed.

Last week, at a meeting regarding the Southern Lakes enhancement project, the President of the Yukon Energy Corporation said that the corporation would not be able to pursue demand-side management without intervention from somewhere outside the corporation. Mr. Speaker, that means government.

The Yukon Energy Corporation has placed the ball firmly in the minister's court, and we are all looking toward him for action. When will this government intervene and issue an order-in-council to allow Yukon Energy Corporation to pursue further demand-side management projects?

Hon. Mr. Pillai: I think it is important just to clarify, before we start, that whether we bring costs to rates through the Yukon Utilities Board, that does not inhibit the government or Yukon Energy Corporation to undertake demand-side management activities. In some cases, they have bilateral agreements with other levels of government — primarily the federal government — through which they access money to use for those particular programs.

What I have said in the House and in the Assembly here — and what I still stick to — is that there was another information request that was made to the Yukon Energy Corporation on this last very drawn-out, quite long process as we have gone to rate — and remember, Mr. Speaker, that the tough part was that, for five years, our predecessors did not take anything to rate, so we had to take care of that whole period of time and then the work in our first year.

When that is concluded, we will then make our final decision. I have directed the Yukon Development Corporation to begin the due diligence on the language and have it ready so we can have that option, which we are discussing here today.

Ms. White: On September 20, the Yukon Utilities Board responded to the Yukon Energy Corporation's review application that requested they be allowed to continue to pursue demand-side management programs. The board dismissed the Energy Corporation's request, stating — and I quote: "... YEC has not shown on a prima facie basis that the Board committed an error of law in Decision 2018-10 in denying YEC's DSM programs and associated costs. Therefore, the Board has determined that the Review Application will not advance to the second phase..."

The Yukon Utilities Board has quite clearly locked the Yukon Energy Corporation from pursuing demand-side management, and at this point, only the minister can intervene. So what is the holdup?

Mr. Speaker, in light of the decision from the YUB, when will the minister follow through with the commitment that he made this summer and issue an OIC overriding the board's decision to block demand-side management?

Hon. Mr. Pillai: Once again — as background — the Yukon Development Corporation will lead an analysis of the recent Yukon Utilities Board decision that disallows costs incurred by the Yukon Energy Corporation after 2015 for demand-side management programs to be included in rates.

I have also been working with my colleague, the Minister of Justice. Normally the contractual relationship with the Alberta utilities — and their technical support to us — is a contractual relationship between the Department of Justice and that particular entity. We have a concern. There are some great points being brought up today. We think that demand-side management is a fantastic tool, not just within government, but with the Yukon Energy Corporation. So we want to see that as something that can be a tool used to reduce our energy use.

The Yukon Development Corporation will bring forward options to government on how best to ensure that energy conservation is considered in future decisions, which we are speaking about today, and Yukon Energy Corporation's residential demand response pilot will continue this year and next, as 92 percent of funding for this project has come from the federal and Yukon governments. That is the pilot program that we are looking for Yukoners to sign up to and where we will have that ability to remotely control up to 400 water heaters and be able to manage energy use in a more efficient way.

Ms. White: I thank the minister for those answers. This House recently voted to declare a climate emergency. A climate emergency means that we need to use all of the tools at our disposal and use them now, yet demand-side management — one of the best tools to reduce our reliance on fossil fuels — is being held up by procedural nonsense.

The Yukon Utilities Board's mandate, to which it is bound to adhere, makes no mention of considering the social and environmental impacts of the decisions that it makes. If we are serious about climate change — and I believe that we are — it is high time to update the Yukon Utilities Board's mandate.

Will the government commit to changing the Yukon Utilities Board's mandate to ensure that it considers environmental and social impacts in its decision-making?

Hon. Mr. Pillai: I always appreciate an exchange with the Leader of the Third Party, who does a great job of championing these very appropriate strategies when it comes to energy.

Let's be clear: (1) we are using demand-side management; (2) demand-side management is currently underway and funded; (3) as I said this summer, we are in a position where we have committed to having the tools ready, and we are in a position where I thought we may be having this discussion a little more broadly around some decisions that we could make — I can never pre-determine the decisions of a Cabinet process, but I would say that I was preparing with Yukon Development Corporation some language and options. After this last round of requests for information — once it is concluded — we will then make our decision.

At this particular point, we are putting everything in place to move down that path. I will say that I think demand-side management — whether at the government level or at the Yukon Energy Corporation level — those are a very good

strategies, and that is why we are using them. We believe in them. We think this is a pathway forward and one of the most appropriate tools as we look at the challenges around energy in the Yukon.

Question re: Queen's Printer Agency and Central Stores services

Mr. Cathers: Employees were blindsided last week by the Liberal government's announcement of changes to the Queen's Printer Agency and to the Supply Services branch. The Liberals took a top-down approach and informed staff just minutes before the press release was issued.

In addition to 17 employees who were directly impacted, we have learned that people in other departments who depend on the Queen's Printer Agency and Supply Services are left wondering whom they contact when they need those services. The Liberal plan appears to be rushed and full of holes.

According to the press release and the ministerial statement — and I quote: "... the Queen's Printer Agency will now focus exclusively on sensitive material such as budget documents..." Nowhere is there a mention of legislation and regulations.

Is the Premier aware that the government is legally required to have legislation and regulations printed by the Queen's Printer Agency?

Hon. Mr. Mostyn: I am happy to respond to the question from the Member for Lake Laberge this afternoon. I am not entirely sure where the members of Yukon Party are going. We have a restructuring of government that is going to save an estimated \$1.6 million a year. We're going to increase benefits to public business. We are going to modernize the way services are being delivered within the territory — and there are no job losses, Mr. Speaker. We are looking after our employees. We are following the collective agreement and we are working with our union to make sure that our employees are properly looked after. We are saving money, we are looking after people, we are modernizing government, and we are improving the way and opportunities for the private sector.

What I'm hearing from the benches opposite is that they do not agree with this approach. They do not agree with improving services. They don't agree with looking after our employees, making sure we modernize our government, and creating opportunities for entrepreneurs and the private industry. Am I hearing that correctly, Mr. Speaker?

Mr. Cathers: The 17 employees directly affected are certainly not going to appreciate the minister's response. The government blindsided employees last week with its plan to gut the Queen's Printer Agency and shut down Central Stores. From a Liberal Party that ran on an election platform of "Be Heard", government employees had a right to expect much better than this.

After the surprise announcement, employees across government are wondering who is next. The top-down approach seems to show not only a lack of respect for employees, but a lack of understanding of what the Queen's Printer Agency and Central Stores do and who depends on them. We learned that the Liberals' top-down plan missed

noticing that, by law, legislation and regulations have to be printed by the Queen's Printer Agency.

Here's another simple question the government should be able to answer: Who is going to print Hansard and the Blues? Will it be the Queen's Printer Agency, the private sector, or someone else?

Hon. Mr. Mostyn: Mr. Speaker, I said in my ministerial statement not more than 15 or 20 minutes ago that we are retaining the services of the Queen's Printer to do printing where necessary, adhering to the law. That's what we do.

Mr. Speaker, I am hearing from the members opposite that they do not like opportunities for entrepreneurs. They do not like opportunities for small business. They do not like the fact that we are looking after employees, making sure — who's next? There is nobody next, Mr. Speaker, and there is nobody now.

We have employees who are looked after and who are keeping their jobs. That is what we are talking about this afternoon. We are talking about being compassionate in the way we restructure government so that we can keep our O&M to two percent, unlike the 19 percent and 20 percent we saw under the Yukon Party where they were spending \$1.50 for every dollar they collected. That is not sustainable.

We committed to doing something different, Mr. Speaker, and we are doing that. That's the way we are going to do it. We are actually increasing opportunities for entrepreneurs. We are looking after our employees. We are making sure we respect the collective agreement. We are working with the union and calling them in as soon as the decision was made, making sure they are involved in finding new opportunities for employees. That is what we are doing.

Mr. Cathers: It's pretty rich for the Minister of Highways and Public Works to call this compassionate. Employees were blindsided with the government's plan to shut down Central Stores and gut the Queen's Printer Agency. The Liberals failed to realize that they are required by law to have legislation and regulations printed by the Queen's Printer Agency — just one of the many flaws in their plan that could have been easily avoided if they actually talked to staff instead of imposing a plan from on high.

In addition to wondering who is next, among the many questions staff in other departments are asking include how they get documents printed. When a school in rural Yukon needs supplies or if highway maintenance camps needs shop supplies or coveralls, what are they supposed to do?

Here is another detail the Liberals seem to have forgotten about: the collective bargaining agreement with the Yukon Employees' Union. Does the Premier recognize the fact that his government may have breached the collective bargaining agreement with the Yukon Employees' Union — yes or no?

Hon. Mr. Mostyn: I am actually really glad to be addressing this issue on the floor of the House and bringing some clarity to matters, Mr. Speaker — because, frankly, when the members opposite start to fearmonger and say who is next — guess what, Mr. Speaker. Nobody is next because nobody is losing jobs. We are actually looking after our employees and, no — contrary to the assertions of the Member for Lake

Laberge, we are not breaking the collective agreement. We have been very, very careful to work with our union partners. We actually are working very closely with the union to make sure that we are doing it the way it should be done, Mr. Speaker.

What we are doing is looking after our employees to make sure that they find — we retain the skilled, dedicated, and talented staff we have within the civil service, because that is a precious commodity for the people of the territory. We are making sure that we create opportunity for small business and entrepreneurs so that they can actually grow our economy. We are making sure that we modernize services for government, which is again something that has been waiting for a long time and we are recognizing that the print business is changing. It isn't like it was 40 years and things have to change and, in that transition — which is very difficult for staff — and we of course acknowledge that — we are going to do it compassionately so that we have a modern Yukon government.

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

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 5 — *Liquor Act* — Second Reading

Clerk: Second reading, Bill No. 5, standing in the name of the Hon. Mr. Streicker.

Hon. Mr. Streicker: I move that Bill No. 5, entitled *Liquor Act*, be now read a second time.

Speaker: It has been moved by the Minister responsible for the Yukon Liquor Corporation that Bill No. 5, entitled *Liquor Act*, be now read a second time.

Hon. Mr. Streicker: We are pleased to bring forward the *Liquor Act* for second reading. We are proposing a full rewrite of the *Liquor Act*.

The new bill is an opportunity to bring forward changes that embed and reinforce social responsibility as a key element throughout the liquor regime in recognition that all of us have a responsibility to help reduce alcohol-related harms. The social responsibility elements in the bill reflect what we heard from Yukoners, moving to prohibitive consumption and incorporating best practices such as requiring mandatory training for anyone who sells or serves liquor.

For consistency and clarity, the bill echoes the structure of the recently developed *Cannabis Control and Regulation Act* while also recognizing the well-established liquor market in the Yukon. This bill clarifies roles and responsibilities for the board, corporation, and enforcement bodies. The system for the legal importation, distribution, manufacturing, possession, consumption, and sale of liquor in the Yukon is detailed clearly for the benefit of the liquor industry and clients alike. Developing this new bill was also an opportunity to provide clarity and improve transparency.

The statute now incorporates most board policies and regulations to detail advertising expectations, relevant considerations for licence applicants, and conditions applicable

to each type of licence. By the way, we have reduced the number of licences from 13 types down to five. A comprehensive list of relevant considerations is clearly noted, which includes the character and fit of not only the licence applicant but also the proposed management of the licensed premises.

As well, many provisions relating to licensing and permitting are incorporated into the new bill, including the permit application process and permit conditions. To balance social responsibility with supporting local industry and clients, the new bill establishes additional enforcement controls, refines the definitions of “peace officer” and “inspector”, and clarifies related roles and responsibilities.

Over the past couple of years, the Liquor Corporation undertook three distinct rounds of engagement for the development of a new *Liquor Act*. Early on during the engagement process, Yukon citizens were quick to voice their concerns about liquor consumption and its social impacts on our communities throughout the Yukon. As a result, the *Liquor Act* review team soon included a Mental Wellness and Substance Use Services representative whenever possible at each of the meetings throughout the territory.

The first round of engagement started in November 2017, which launched with a survey and included initial scoping meetings with a cross-section of representatives from various organizations and governments in four communities to determine what issues are important to Yukoners.

Phase 2 of the engagement process was carried out from January to March 2018, when the *Liquor Act* review team visited 14 communities. Over the course of three months, the review team hosted a total of 44 meetings that included one-on-one meetings with First Nations, municipalities, local advisory councils, liquor industry representatives, health care professionals, the RCMP, and the public. Information gathered from Yukoners during this phase was summarized in the *What we heard — Yukon Liquor Act review progress report*, which was released in August 2018. Again, one of the key points that we heard from Yukoners was the interest in balancing social responsibility with economic opportunities and helping to create healthier social norms and healthier ways to consume liquor.

Phase 3 of the engagement process began last fall with the establishment of the liquor advisory group. This advisory team had a strong cross-section of external stakeholders from communities, groups in the liquor industry, municipal and First Nation governments, law enforcement, and health and wellness service providers.

This advisory group was extremely helpful. The impression they gave me was of respect and focus, bringing together a range of perspectives while working to improve the *Liquor Act* for all Yukoners.

The liquor advisory group met several times between November 2018 and March 2019 to further explore how to improve the proposed liquor legislation.

Key considerations discussed by the liquor advisory group included: social responsibility; licences and permits; buying,

selling, serving, and consumption; and finally, bootlegging and enforcement.

The advisory group’s work was invaluable in the development of the new legislation, echoing what we heard from Yukoners regarding their priorities, needs, and hopes. The work done by the advisory group was summarized in a “what we learned” report which was published this past August and captures the essence of what was discussed and recommended by the group. Information gathered from all phases of the engagement process informed the proposed approach document which was released in July 2019 and which outlines the proposed way forward for this bill.

I would like to take a moment and thank each person and group who participated in any and all phases of the engagement.

I would now like to provide you with an overview of the key provisions of the bill. The *Liquor Act* has been developed to achieve two key principles: (1) to provide economic opportunities through the lawful sale of liquor and (2) to promote social responsibility in the interest of the public.

While the Yukon government recognizes liquor as a social norm in a well-established market, the bill now ingrains social responsibility throughout the legislation. All of us can help to reduce alcohol-related harms. In support of social responsibility, the bill requires the Yukon Liquor Corporation to actively lead public awareness initiatives pertaining to responsible consumption and legal distribution and sale of liquor.

The bill also establishes an independent liquor-licensing board which is responsible only for licensing and hearing appeals and clearly identifies and separates the roles of the president and the board. The bill now outlines a clear transparent licensing process for the sale, service, and manufacture of liquor in the territory by including many provisions related to licensing, many of which were previously in regulations.

The bill reflects national trends through the reversal of the consumption approach from a permissive model to a prohibitive model, meaning that public drinking of liquor will be prohibited unless otherwise permitted. This change is about getting the act right, aligning with the *Cannabis Control and Regulation Act*, and creating clarity for enforcement officers.

To recognize and balance Yukon’s unique northern, rural, and urban needs, the bill is developed in a manner that acknowledges that communities know their citizens best and any changes to the way liquor is handled in their community can be made through a request to the minister for a ministerial order. We understand and respect the importance of government-to-government relationships, and we want to improve the balance of the Yukon’s unique perspective.

The bill is developed in a manner that acknowledges that communities know their citizens best so any changes to the way that liquor is managed or consumed in a community can be made — pardon me, Mr. Speaker — I am just repeating myself; I apologize.

Similarly, if a First Nation government should choose to further restrict, create prohibitions, or make alcohol

consumption more available on their lands, then they must receive public input first through a general assembly and then make a request to the minister for a ministerial order. In support of public health and safety and in recognition of national best practices, the new bill now requires all individuals who sell or serve liquor to take mandatory responsible server training, provides the authority to introduce minimum pricing structures through regulations, and requires both new licence applicants and licensees applying for renewals to post public notices regarding their application or renewal at the premise's location.

The bill also incorporates previous board policies and has clarified specifics regarding advertising and marketing methods where methods must now comply with national industry advertising standards such as those outlined by the Canadian Radio-television and Telecommunications Commission.

The bill moves much of what is in regulations under the previous act into the new legislation, resulting in a more robust permitting and licensing regime. The bill provides clear enforcement guidelines and realigns the legislation to meet the needs of enforcement bodies and current practices. These changes also incorporate various methods of enforcement and compliance such as the ability to create escalating penalties for offences and to issue telewarrants and tickets with a clear appeal process for licensees.

New enforcement processes within the bill will also benefit both the public and licensees. Licensees will be able to allow an individual who is intoxicated but not engaging in disorderly or violent conduct to remain in a licensed premise if it mitigates risk to the individual's health or safety. In simpler terms, this means letting a customer sober up with a cup of coffee if, for example, it's cold outside.

Serious offences — such as the sale of liquor to a minor — will continue to be subject to significant penalties, and minor offences such as public consumption will continue to be an offence under the *Summary Convictions Act*, where fine and ticket amounts remain unchanged.

While the Yukon government is responsible for the lawful sale of liquor, as mentioned earlier, the bill supports businesses and licensees by streamlining similar business models and reducing the number of licence types from 13 classes to five classes. The five licence types include: liquor primary, food primary, off-premise, other use primary, and manufacturing. Licensees who currently hold liquor manufacturing and liquor manufacturing retail licences will only need to apply for and hold one manufacturing licence under the new bill.

Licence periods for all licence types have also been extended from two years to up to three years to ease the application overhead for the private sector. The bill provides for an increase in the number of sell-and-serve event permits from two to five. This is in order to both support community events as well as fundraising for not-for-profits and reflects what we heard during the engagement process.

The new bill also formalizes one permit type for industrial and scientific purposes. This permit existed before in regulations and is now recognized in the bill. The new bill also formally recognizes that individuals can produce home-made

beer, wine, and cider for personal consumption without the need for a permit.

We recognize that non-profit organizations help our communities grow socially and economically. The new permit classes allow non-profit organizations to decide when to host their own event or when to collaborate with or benefit from another event planner. Two new event permits allow for fundraising to occur on behalf of a non-profit. Class A permits allow for a non-profit organization to hold a fundraiser on their own behalf, and class B permits allow for an individual or group to hold a fundraiser on behalf of a non-profit.

Private-event permits allow the holder to either serve liquor at an event — for example, dinner wine at a wedding — or selling and serving liquor during the event. In this manner, private-event planners can directly cost-recover for the hosting of the event.

The legislation allows for accompanying regulations where many details will be specified, including transitional regulations that will detail how we shift from the current legislation to the new legislation while leaving businesses to continue without interruption.

The transition to the new legislation will occur in a three-phased approach. The first transition phase will begin in February 2020; the second phase in October 2020, when we work on licence renewals; and the third phase when the act and essential regulations come into force as of April 1, 2021.

The first transition phase, beginning in February, will establish transitional regulations, the Liquor Corporation as the corporation with its powers to continue conducting business as usual, and the new liquor licensing board by reforming their licensing powers and removing their board of director responsibilities.

The second transition phase, beginning in October 2020, will formulate a renewal period for current licence holders where clients will receive their equivalent licence conditions and understand the new expectations that will begin under the new legislation on April 1, 2021.

Later, in the second transition phase, the corporation will also introduce the new permit types for events happening from April 20, 2021 onward. New licence applicants, during the second transition phase, will receive a licence under the current act that will expire March 31, 2021, and will also receive an application to renew, under the bill.

The third transition phase will occur on April 1, 2021, when the new act and essential regulations will be in full force. Throughout 2020 and commencing with the first transition phase, the Yukon Liquor Corporation will inform the new board, Yukon Liquor Corporation staff, licensees, permit holders, and any interested parties about the upcoming laws that will take effect April 1, 2021.

This summary represents the highlights of the bill that we have tabled.

In conclusion, the government is pleased to bring forward the proposed *Liquor Act*. We believe that the new act reflects what Yukoners told us during the robust public and stakeholder engagement process. We also believe that the legislation responds to Yukoners' requests for establishing a strong social

responsibility mandate to help reduce alcohol-related harms, while providing economic opportunities for local businesses. I look forward to discussing the bill with all members of this House.

Mr. Istchenko: I am pleased to rise today at second reading on Bill No. 5, the *Liquor Act*. I do want to thank the officials who were there last week for their briefing on this proposed legislation. We did have quite a few questions.

I would like to first start by mentioning that the proposed new *Liquor Act*, in comparison with the current act, is significantly more complex. With an additional 80 pages of legislation, it is important to note that these changes appear to make things definitely more complicated for business, and it's not easy to digest. This leads to a number of questions that of course I will be raising in Committee, but I will highlight a few things here.

While there is an increased level of detail, the legislation also kind of appears to be more open to interpretation by licensees, business owners, permit holders, servers, managers, staff, and even employees of the Yukon Liquor Corporation. There are a number of areas in the new proposed legislation that appear to offer contradictory statements, appearing to muddy the waters in terms of where certain powers rest. For instance — I will touch on this further in Committee, like I said earlier — there is confusion around the roles of the board and the president. It appears that the powers of each are contradicted from section to section of this bill. In section 20(2), it is stated that the board has sole power to grant, to refuse to grant, and to renew licences, with or without conditions. Other areas — namely section 45 — permit the president to renew licences. I will bring this up in Committee in a little bit more detail and hopefully gain further clarity around the contradictory language put forward in this bill.

There were changes made to the conflict-of-interest section of the act. It also appears that there has been an omission made to the proposed conflict-of-interest section, which was section 19, to exclude the appointed deputy head and employees from the current conflict-of-interest section — which I believe is in section 6. I am curious as to why these changes were made.

This bill is missing some relevant and important information, whereas, in the current act, a section entitled “Conduct on licensed premises” — section 70 — covered potential societal issues, such as addictions, health, and wellness. In the proposed bill, licensees are now able to permit gambling and gaming, slot machines, or VLTs. I am curious about how this section will change the landscape of licensed premises.

I will have questions around the changes made to the structure of the licences and permits. The minister alluded a little bit to it, but it appears that the licence structure has been streamlined, with the current nine liquor licence classes down to a more manageable five classes. However, it appears that the opposite has been done with respect to the permit classes. While we currently have two permit classes — the special occasions permit and the reception permit — it is now proposed that there will be five permit classes, labelled classes A through

E. I am kind of curious as to the reasoning behind this. Are there currently issues experienced under the two permit classes? What is hoped to be achieved here by increasing the number of classes for permits? I know it is something that I haven't really heard much about.

Mr. Speaker, for a 149-page bill, there are a large number of questions that remain unanswered. There is little clarity provided around the number of the changes, and I look forward to Committee to kind of touch on these questions. There are a number of aspects of the bill for which I would like to voice our support of course — but I would also like to thank the officials again. Like I said, I look forward to them coming in to aid the minister when we have more questions in Committee.

For now, those are my comments.

Ms. Hanson: I thank my colleague from Kluane for outlining some of the issues that he has identified in a review of the new *Liquor Act*. I also want to echo the thanks to the officials. It is a daunting task to try to explain a whole new legislation that covers over 141 pages with many sections.

I acknowledge the work of the advisory group. When I read through the “what we heard” document and the synthesis that is provided there, it is noted that the advisory group's discussions covered a wide range of topics and subjects. What was interesting to me, Mr. Speaker, was that they identified seven principles that form the key points that arose from their discussions for decision-makers — that is, Cabinet — and members of this Legislative Assembly ultimately, as we review and consider the new act — they asked us to consider when the act and regulations are developed. Of those seven, five reflect some aspect of social responsibility. It was interesting to me that the minister's weighting of it was the opposite — in terms of describing the two key provisions with respect to the *Liquor Act* in the Yukon. The first that he outlined was economic opportunities, and the second was the issue of social responsibility. I would suggest that this act does not change much in terms of the way we are going to approach things from the old act. We will be pushing and really asking a lot of questions with respect to — other than words — how this concretely is going to translate into any changed approach with respect to social responsibility and how those principles are tracked into the new legislation.

We asked questions — and we will be asking the minister again — from the discussion that arose from the “what we heard” — the statement in the discussion document that there should be a section in the new *Liquor Act* that clarifies what social responsibility means in practice. Mr. Speaker, we are really quick to use those two words — “social responsibility” — and over the course of my nine years in this Legislative Assembly, I have seen “social responsibility” be explained to me as the Yukon Liquor Corporation selling teddy bears in the liquor store at Christmas time. I would suggest that this is actually the opposite of what social responsibility is. We will be asking questions in terms of how this act reflects that.

We agree and we will be looking at how it's set out in the legislation about the suggestion that there be a requirement for the Yukon Liquor Corporation to report on social responsibility

in the annual report. Again, the social responsibility provisions in previous — up until now — annual reports from the Yukon Liquor Corporation have been kind of fluffy.

They also identified in that section of the discussion of social responsibility that there should be a recognition of the evidence that indicates increased access to alcohol results in greater harms to communities and its members. So we will be looking to how the act actually reflects that. How is that going to be reflected in the legislation that we see before us?

On the issue of licences and permits that the minister outlined — as he said, the act — they recommended that the act should have fewer licence types. But the key in that discussion was that, in communities, licences should bring some kind of benefit to the community outside of more liquor. Mr. Speaker, “more liquor” was in quotations — because that’s the concern that was being expressed there.

One of the ones that I will be looking for, based on my experience as the Member of the Legislative Assembly for Whitehorse Centre, is the discussion where the advisory group noted — in the “what we heard” document, it said that “Overall, current licence and permit processes under the *Liquor Act* are fine...” — well, I would like to have a discussion with the minister about how it was assessed that they are fine — or how it was assessed — “... but can be clarified and streamlined.” So I will be looking to see how the legislation does clarify and how it does streamline the licensing and permitting processes.

The key in my mind was the note that “Public notices need to be more noticeable and there should be coordination between all types of governments.” I heard reference — and I will be looking to the minister and we will have a certainly interesting conversation about this — with the experience of Whitehorse Centre, clearly I will be focusing primarily on municipal governments. I will be looking for the minister to clarify his comments with respect to — I’m presuming it’s the compatible use provision and the requirement for First Nations and the Yukon government to give notice to each other if they are changing legislation or provisions of the act that might apply to First Nation lands and governments.

I will also — again, given my experience, Mr. Deputy Speaker — looking to the minister for a discussion on the discussion point that is outlined in the “what we learned” document from the advisory group that, “The *Liquor Act* should be clear on what the licensing board must consider when making licensing decisions.” That has been really difficult to ascertain up until now. For new licence applications, it says that “... the licensing board should consider...” — I am reading this “should” — and I will be looking to the minister as to whether it is a “should”, “might”, or “must” — “... proximity or density of other liquor businesses already in the area. Density...” — they say — “... is complex...” because the discussion paper suggests that “... higher licensee density may be acceptable in some areas...” — for example, downtown. What are the social implications of that, Mr. Deputy Speaker? It may be more acceptable in downtown Whitehorse than in some rural communities. What it doesn’t address here is proximity to other government services such as schools, emergency shelters, or social housing and how that contributes to the vibrant

downtown core that we’re trying to develop in Whitehorse — and, I would suggest, in other communities.

On the aspect of buying and consuming alcohol, the discussion paper talks about — and this is mostly reflecting the aspect of economic opportunity. I respect that, because you don’t want entrepreneurs investing in something or developing a business plan and finding out that no, you can’t do that. So they do suggest that it “... should be clear on any limits for new liquor licence applicants...” — and the example, though, is the proximity to existing liquor businesses so that entrepreneurs can avoid investing in a location that is not viable.

My question, Mr. Deputy Speaker: Is that the only thing — the proximity to other outlets — that affects the viability? Or are we talking about viability in terms of social responsibility, which has a broader definition? Because I am talking about viable communities.

Another thing is that the “Allowed hours of operation should be consistent for all liquor licences of the same type. Coordination on the process between the territorial and local government is key...” — and it’s used here — “... to cutting red tape.” What I would like to see — and to have the minister talk about — is not just red tape. Coordination on the process between the territorial and local governments is also about viability. It is not just about being open from 9:00 a.m. until 2:00 a.m. — because that is consistent across the board for off-sales. What are the impacts in the community? Let’s have that conversation, Mr. Deputy Speaker.

The minister also spoke about — he mentioned the significant amount that was previously in regulations which is now moved into legislation. But as I go through this, there are still these significant issues to be dealt with by regulation in the future. We will be focusing on these matters. For example, the discussion paper says, “Do not allow liquor to be sold in grocery stores for now.” It says, “More research and work is needed to understand the impacts of this retail option to smaller businesses and communities as a whole.” We will want to discuss that. What triggers this? “If allowed, it has to be done carefully...” — we would agree — “... with stringent conditions to mitigate harms on consumers and local businesses.” But again, we will be looking to have an explanation and a discussion about what those triggers are and what role the public may have in being part of that conversation.

We’re not quite a *dépanneur* society in the Yukon — we already have as many outlets as you could possibly have and not be saturated up here.

Selling and donation — again, in this section here, we just note that we think that — the committee again made a comment that “The *Liquor Act* should not allow for new retail options (e.g. liquor delivery, liquor sold in grocery stores) without more research and consultation.” Again, we think that is an important point. But it also goes on to say, “The *Liquor Act* should be written in a way that these options could be enabled through regulation in the future, but not now.” In the future, but not now — but when and how?

So again, I will be asking the minister to elaborate. What process would be followed?

One that we have seen — and we had the experience just a few years ago — I will use the example of Teslin — where the comment is made by the advisory group that “It is important to be very careful about the impact of stand-alone retail options in communities and how many retail options are made available in any one area.” I hope that the minister has some comments and some thoughts about how that will be monitored and where the act will reflect those kinds of controls.

We noted that there are some interesting comments in the discussion document on bootlegging in general. They raised it as a question — I am looking to the minister for the answers — because they basically say, “It is important to have a clear picture of the problem being addressed...” — in terms of — “... what does bootlegging in the territory look like?” We have all seen it. I am interested in knowing what the government and the Yukon Liquor Corporation mean by that statement. What does the advisory committee mean? How is this reflected in the legislation when they say that “Any limit on personal freedoms has to be done carefully.” Well, I am interested in how — what trumps this in terms of social responsibilities. My right to bootleg? That is my personal freedom. So, how is this act going to infringe on that? I mean, I am just asking that as a rhetorical question, but it seems like a strange kind of comment — and if that is being tracked into the legislation, I would be very interested to see how that actually works.

We were interested, Mr. Deputy Speaker, about the advisory committee’s comment about “what we learned”. I am curious as to the minister’s comments about this, because the statement was made that the purchase limits — that’s the amount of liquor a person can purchase at any one time — if those limits are introduced, it should only be for Yukon Liquor Corporation stores.

Again, I’m curious as to what the minister’s understanding of that is and whether or not — because I haven’t gone through 141 pages of legislation. I’m hoping we’re going to have a real learning session here because, quite frankly, I haven’t had the time to do that. So I’ll be looking to see whether or not that kind of recommendation tracked into the new act. If so, why? Why should there be a different set of guidelines in terms of purchasing massive amounts of liquor at a Liquor Corporation store from at an off-sales? Other than it costs you a heck of a lot more at the off-sales, no doubt.

Then we had a number of concerns or questions about the statements made throughout the “what we heard” document — about how the powers of the Liquor Corporation inspectors and RCMP are adequate — but then it also talks about how you should be clear on what those enforcement tools are. So we’re looking to see — I’m interested in knowing whether the minister believes that the existing powers are adequate or if in fact what is intended is that there should be additional powers for enforcement and how the act does or does not reflect that.

Also, the document talks about considering “... what powers may be needed to enforce the Act and regulations in Whitehorse versus in the communities...” So, I’m interested in seeing why would there be a difference in terms of how you enforce legislation with respect to alcohol in Whitehorse and in a community. I’m not quite sure what is intended by that, other

than if it’s the provisions that the minister mentioned with respect to particular prohibitive aspects that a local government may decide to put in place — but I think that would be worth the conversation.

We’ll be looking for a better definition — or seeing a definition and how it’s put into effect in terms of the recommendation that “The *Liquor Act* should have a clear process by which local authorities can request further restrictions...” That’s why I was saying — when I thought there might be a difference between Whitehorse and a community — but I’m curious as to why there’s a distinction made in this — this is supposedly a summary or high-level summary of the key points. So the choice of having two different sections of this small section on bootlegging — but this actually speaks to which restrictions — hours, proximity — if that is what’s best for their citizens. Well, it raises a lot more questions than it answers.

Again, in the section on bootlegging, the committee noted — and the “what we learned” document goes back to what was said at the outset of this document — both documents that are publicly available with respect to the public consultation — is that a lot of things that are raised with respect to social responsibility and are suggested are larger than the *Liquor Act* — but in fact we’re curious as to — what aspects of the social responsibility of the Liquor Corporation are going to be looking at how they actively support and how the act actually addresses some of the impacts of the negative consequences of the consumption of alcohol?

There are a number of other ones in terms of enforcement tools, but one of the ones that struck me — and I have a number highlighted, but I’m setting out tons of things right now that we’ll want to come back to as we go through the legislation — but one that struck me last week when I was reviewing this legislation was the notion of considering “... allowing licensees a choice between a fine or a suspension to ensure consistency in ‘the punishment fitting the contravention.’” Basically, the initial reaction to that is — so you’re a big business; you can afford any fine. Small business — maybe not. So, what’s the thinking behind this? If this is tracked into the legislation, how is that equitably applied? Why would you allow — just because you have money — I mean, we have seen in this town, in the past, operators who did lots of stuff because they had lots of money. That’s not what we want to be encouraging, I would hope, if social responsibility is one of the two — I would say it should be one of the first, not the second — objectives and changes to this legislation.

So, we look forward to getting down to reviewing this legislation in detail and seeing how it fits together as a package in how it delivers on those overarching themes that the minister outlined. I would hope by the end of the conversation we can say —

Speaker: Order, please. Order.

Hon. Ms. Frost: I’m pleased to rise as the Minister of Health and Social Services to speak to Bill No. 5. The intent of this bill is to bring forward changes that ensure that social responsibility is a key element in how we regulate liquor here

in the territory. It recognizes that we all have a responsibility to help reduce alcohol-related harms and ensure that we all make healthy, responsible decisions when it comes to alcohol consumption.

From a public health perspective, it is important to bring the *Liquor Act* up to speed for the needs of Yukoners. Alcohol is the second leading risk factor for death, disease, and disability behind tobacco. Alcohol-related harm caused Canada nearly \$15 billion in direct health care and law enforcement costs, combined with lost productivity due to illness, premature health issues, and death.

Within Canada, we know that Yukon has the second highest rate of heavy drinking, at nearly 28 percent of the population above the age of 12. The average Canadian rate for heavy drinking is about 18 percent. Yukon also has the highest consumption of alcohol per capita — 12 litres — significantly higher than the national average of eight litres.

In 2014, the costs of substance use including health care, criminal justice, and other direct costs in Yukon was over \$70 million, with \$41 million attributed to alcohol alone. That translates to Yukon having the highest alcoholic liver disease mortality rate in Canada — twice higher than the national average. It means the death of 30 individuals between 2001 and 2010 in alcohol-related motor vehicle collisions and over 1,600 visits to Whitehorse General Hospital for alcohol-related reasons in 2017 alone. Since 2006, alcohol has been responsible for over 20,000 emergency room visits in Yukon. Of all the EMS calls, one third are alcohol-related.

National public health efforts to promote healthy choices around alcohol consumption are beginning a cultural shift toward low-risk drinking choices — a trend toward a healthier population we want to see here in the Yukon as well. We are pleased to note that the Yukon Liquor Corporation is taking the matter of social, moral, and ethical responsibility seriously. The Department of Health and Social Services promotes social responsibility to reduce harm, whether it's by funding several NGOs who provide harm-reduction services or investing in our Mental Wellness and Substance Use Services and community mental wellness hubs so that Yukoners can have access to supports for treatment, regardless of which community they reside in.

Our health promotion unit, community nursing programs, and public health initiatives keep us on track toward a proactive, educational approach to reducing the harm that alcohol can inflict on our communities. We are proud that this bill is a product of a high degree of government openness and transparency. The government reached out to Yukoners in three distinct rounds of engagement for the development of this new bill. In this process undertaken by the Yukon Liquor Corporation, Yukon citizens were quick to voice their concerns about alcohol consumption and its social impact on our communities throughout the Yukon.

The *Liquor Act* review team included a Mental Wellness and Substance Use Services representative whenever possible at each of the meetings throughout the Yukon. Engagement was extensive, with a total of 44 meetings that included one-on-one meetings with First Nations, municipalities, liquor industry

representatives, health care professionals, the RCMP, and the public.

One of the key points we heard from Yukoners was the interest in balancing social responsibilities with economic opportunities and helping to create healthier social norms as well as healthier ways to consume liquor. To increase social responsibilities, this bill requires that the Yukon Liquor Corporation actively lead public awareness initiatives that make a persuasive case for responsible consumption and legal distribution and sale of liquor.

The bill also reverses the approach to consumption from a permissive model to a prohibitive model, meaning that public drinking of liquor is not allowed unless otherwise permitted. Clear, consistent health indicators will now be included in the Yukon Liquor Corporation's annual report, which we will use to make better policy decisions.

We are looking forward to our continued work with Yukon Liquor Corporation and appreciate their efforts in making public health such an important priority to the legislation and regulations. Together, we will find the best ways to promote health and prevent harm in the Yukon.

I look forward to discussing the bill further with members of this House.

Mr. Hutton: I am pleased to rise today to speak to second reading of the *Liquor Act*. I have spent a lot of time speaking with my colleague, the Minister responsible for the Yukon Liquor Corporation, about this act. I am very happy to have the opportunity to discuss it today. As my colleagues and most members of this House will know, I am very passionate when it comes to conversations around intoxicants and the relationship that we have with them as a society.

In Canada, alcohol is the most widely consumed psychoactive drug, except for caffeine — 22 million Canadians over the age of 15 used alcohol in 2013; 3 million drank enough to be at risk for immediate injury; and at least 4,400,000 were at risk for chronic health effects, such as cirrhosis of the liver and various forms of cancer.

In 2015, there were 5,082 alcohol-attributable deaths in Canada. That number hasn't changed a lot over the last two decades, Mr. Speaker. It goes up and down a bit but doesn't change a lot. In fact, it has been slightly increasing over the years.

My number one priority when it comes to any intoxicants is social responsibility. Alcohol is treated as a food in Canada, even though it is a mind-altering drug and there are many health risks associated with drinking.

In 2002, there were 4,258 deaths directly related to alcohol abuse. In the past 13 years, you see somewhere between 4,000 and 5,000 deaths every year for the last 15 years. Somewhere between half a million and 600,000 Canadians lost their lives directly because of alcohol.

In this year's Yukon Liquor Corporation annual report, I was very pleased to see that, on page 13 — entitled "Strategic goals" — the number one goal is to be a leader in social responsibility. Social responsibility is pretty important when it comes to alcohol in this country. Our health care costs were

\$15 billion in 2002. I haven't been able to find the most recent ones, but I suspect that they are probably up to over \$20 billion in today's dollars, for sure.

In 2008, alcohol-impaired driving was the leading cause of criminal death in Canada, and most people who died were between the ages of 15 and 24 years old — what a waste of our young people, Mr. Speaker.

We need to get over the idea that alcohol is like pop and that it has no consequences for people who drink it. Alcohol and tobacco have finally been recognized as the gateway drugs — the ones that lead our children into every other drug that is out there. So there is a huge responsibility associated with alcohol and tobacco. We need to make young people aware in this country that, if you start with alcohol, you are going down a path that can lead you to every other drug that is out there — and a lot of them, unfortunately, are wreaking havoc on our children across this country right now — but none more than alcohol. Alcohol is the king when it comes to killing people in this country, in North America, and in the world. Globally, three million people lost their lives directly to alcohol last year. That's just too big a price to pay for something that people are having fun with.

The *World Cancer Report 2014* and the Canadian Cancer Society state that there is no safe limit of alcohol consumption when it comes to cancer prevention. Any amount of alcohol that anybody drinks increases their risk of getting various types of cancer.

The International Agency for Research on Cancer of the World Health Organization has classified alcoholic beverages — the ethanol in alcoholic beverages — as carcinogenic to humans. That's pretty clear. It's no different from tobacco. Alcohol causes cancer.

Now, I'm probably going to get a few e-mails over the next few days from places like Seagram's that have been making this argument to the Canadian public for years — that alcohol is nothing more than pop, that it is a food. It's not even a drug; it's just a food.

Among psychoactive drugs, alcohol-related disorders were the top cause of hospitalization in Canada in 2011. More people — 77,000 Canadians were admitted to hospital in 2011 for alcohol-related disorders. That is more people than were admitted Canada-wide for heart attacks, and we all know that heart disease is a major cause of death among Canadians.

When a drug is socially acceptable, people are more likely to use it and pressure others to use it. There is actually a stigma out there right now associated with abstinence. There is peer pressure. If you are a young person who doesn't drink, believe me, you are going to feel peer pressure from everyone else in your group. That is unfortunate. We need to do a better job of educating young people. We shouldn't have our young people putting pressure on other people to use the most dangerous drug that's out there. The fact that the government sells it doesn't make it any less harmful.

I am glad to see that the Government of Yukon has a people-centred approach to wellness and to the promotion of the safe, legal, responsible sale, and consumption of alcohol. I was also very happy to read about some of the initiatives that

the Yukon Liquor Corporation supported over the past year. This includes the Rethink that Drink initiative. This was developed in 2018-19 and was launched this past spring. The campaign was developed in conjunction with the FASD Interagency Advisory Committee. Rethink that Drink promotes knowledge of standard drink sizes, Canada's low-risk drinking guidelines, and offers customers and corporation liquor stores to sample non-alcoholic products.

Fetal Alcohol Syndrome Society Yukon also receives support for a wide range of initiatives, including participating in the FASD Interagency Advisory Committee and helping to create marketing materials to encourage a safe pregnancy without alcohol. Three-thousand Canadians every year, Mr. Speaker, sadly are born with fetal alcohol spectrum disorder — 330,000 Canadians are living with FASD right now — all preventable. Education could have prevented all of this.

We also saw support for the northern territories label study to continue. This study is intended to help public health officials understand that labelling is an effective tool to shift consumption behaviours. Several other initiatives received support, including Mothers Against Drunk Driving, the Project Red Ribbon campaign, substance-free and safe grad events, and the new Check 30 program. What all these initiatives have in common — and why I chose to mention them — is that they are all focused on education. Education around responsible consumption — whether it's about liquor or other drugs — is absolutely critical, especially when it relates to the gateway drugs, alcohol and tobacco. We need to start early, as our children are exposed to these things early in their lives.

I am very happy to see that this new act will provide a clear social responsibility mandate. As many folks here will be aware, beginning in 2017, a review was undertaken by the Yukon Liquor Corporation. The review included a significant public engagement aspect that saw the Yukon Liquor Corporation hosting 44 meetings in 14 of our Yukon communities. Feedback was received from First Nation governments, municipal governments, local advisory councils, licensees, health professionals, NGOs, and members of the public. I believe that there are about 450 Yukoners who participated in an online survey on this topic. I understand that social responsibility was a topic that received overwhelming support and feedback.

The "what we heard" document states that there was a strong interest in focusing Yukon Liquor Corporation's social responsibility mandate on education and prevention related to the harms of drinking during pregnancy and promoting alcohol-free events, spaces, and initiatives to support a culture of moderation. I am very proud to see that social responsibility was top of mind for Yukoners.

Canada-wide, there were 77,000 hospitalizations in 2015 as a direct result of alcohol. These hospitalizations cost, on average, \$8,100, compared to an average stay for any other reason, which averages out to about \$5,800. When you take 77,000 and multiply that by \$8,100, you start to get a sense of what the costs of alcohol were to our health care system in 2015. In the Yukon, hospitalizations entirely caused by alcohol:

676 per 100,000 — almost three times the national average of 236.

I think that many people recognize that as a society, we have a fairly unhealthy relationship with alcohol. We saw 460 incidents of alcohol-impaired driving in 2017 and that went up to 510 alcohol-impaired driving incidents in 2018. We don't seem to be making a lot of headway to making our Yukon roads safer. I think there's a little more work to be done there.

There was an advisory group put together that convened in the fall of 2018 that comprised of participants from the Association of Yukon Communities, Kwanlin Dün First Nation, Ta'an Kwäch'än Council, City of Whitehorse, two licensees, two local producers, FASSY, the RCMP, the office of the Yukon Chief Medical Officer of Health, Yukon Liquor Board, Yukon Liquor Corporation, and a third-party facilitator. The advisory group was responsible for providing insights and recommendations to help make the *Liquor Act* work for Yukoners.

Again, it's great to see that the first thing listed under "Key Principles" that this group worked on was social responsibility and that everyone has a role to play in this. That's a very important point. Everyone does have a role to play in social responsibility — producers and distributors especially, but all of us, Mr. Speaker. Social responsibility is not only up to the Yukon Liquor Corporation. Parents, teachers — all of us — have a responsibility.

I feel strongly that this is a team effort. We need to work together to ensure that we are doing everything that we can to educate people on the risks associated with alcohol consumption. This education should start from a very young age. As I said earlier, our children are exposed to it at a very young age, so they need to know what they're being exposed to.

The other piece is support. I don't think there's enough education and counselling out there right now. I think we can do more — more support like our mental wellness hubs and mental health services — but more than that, we need to get conversations started in our schools about mental health and about alcohol use because the two go hand in hand in a lot of our communities.

I really think that for a lot of us, we've come so far down this path since alcohol was legalized that our society condones, supports, and in some cases, promotes drinking such as through drink-of-the-day specials, sale prices on certain brands, and associating alcohol with fun and sophistication. Ask any emergency responder who has responded to an impaired-driving accident whether there is any fun or sophistication involved in what he sees at that scene.

Although handled more like a food in Canada, alcohol is a mind-altering drug, and there are health risks associated with drinking. Our low-risk drinking guidelines do not mean that alcohol is harmless. Our children grow up seeing alcohol in many aspects of their environment, and like I said, around 3,000 of them are born with fetal alcohol spectrum disorder every year. That's 3,000 children who are going to be forced to lead varying degrees of challenging lives, not through any decision that they made, but because there was a lack of

education out there and a lack of support for the parents. We need to fix that, Mr. Speaker.

I look forward to hearing from others in this House today. I'm going to use an anonymous quote here, Mr. Speaker, because it seems so appropriate: "The way we're dealing with alcohol in this territory is we're pulling people out of the river when we need to find out why they are falling in."

Mr. Adel: I'm pleased to rise today to speak to the second reading of the *Liquor Act*. I will start by saying that I agree with my colleague, the MLA for Mayo-Tatchun, that social responsibility is a key factor in all of this. I appreciate the emphasis and consideration that has been placed on it.

I tend to look at this factor primarily from the perspective of a parent. My colleague is correct in that education is a major piece of social responsibility around the use of intoxicants. As a father, this is certainly something that I have dealt with over the years and done my best to educate my children on. It isn't just about promoting responsible use of alcohol. It's about promoting responsible behaviours. So far, I have managed to guide and help five children through the teenage years and into the post-secondary years — and working with responsible drinking behaviours. Nobody is perfect, but it certainly is something that, with support from home, we can make a big difference with.

It's also great to see public documents like the Yukon Liquor Corporation annual report highlight being a leader in social responsibility. As a government, we have the ability to set the tone. I think it has such a significant emphasis on social responsibility, and how it falls to each and every one of us is a very important message. I encourage everyone to consider how each of us can work together to accomplish this.

There are many ways that we can contribute to education on the safe consumption of alcohol. We all have a role to play in that.

As some of you know, I used to work for the Yukon Liquor Corporation. At that time, it was evident that our *Liquor Act* and our regulations were outdated on a number of matters. Something that I certainly heard during my time at the Yukon Liquor Corporation was concern with the current liquor laws and desired operational improvements. When the *Liquor Act* review process started and went out to public consultation, I used that opportunity to meet with the Minister responsible for the Yukon Liquor Corporation to share feedback that I had heard over the years. Much of what I brought forward in these conversations was a desire to simplify the process, regulate it under the act, and look at what improvements could be made to provide clarity to both consumers and distributors. I'm really happy to see that the new act addresses some of these concerns, among many other key issues.

The act clarifies governance roles of the corporation and the Yukon Licensing Board. The language is updated and clarifies defined terms. It also recognizes First Nation and self-government agreements. It improves the licensing, permitting and inspection regime, along with associated roles and responsibilities. It also provides the hospitality and liquor industry a modern and robust regime, including regulations to

be developed later once proclaimed and approved respectively. It further aligns its structure with the *Cannabis Control and Regulation Act* while recognizing the well-established liquor market and permit regime for events. I would like to emphasize that I do think it's important to have the structure of alcohol and cannabis similarly regulated. Clarity and consistency across the board with all intoxicants is important.

I think the Yukon Liquor Corporation has done an admirable job of reaching out and engaging with Yukoners on this topic to ensure that a wide range of views were incorporated. Engagement on this level also provides a valuable opportunity to better understand liquor-regulated concerns, red tape for business, and how we can work together to ensure responsible consumption and harm reduction for our young people — and all of our society, for that matter.

I am happy to see the many changes under the act work together to enable greater flexibility in the streamlining of licensing, permitting, registration, and inspection processes. Responsible liquor retail is part of our territorial economy. As a government, I think it is important to ensure that we are setting our local vendors up for success. As I have mentioned, a huge component of that is reducing the amount of red tape that they have to deal with. The act achieves that by significantly clarifying definitions, roles, responsibilities, and processes concerning the Yukon Licensing Board, the corporation, inspectors, and peace officers.

We could also see a significant reduction in our red tape by decreasing the number of licensing classes from 13 to five. In an effort to streamline similarly natured business models with a licence type and by extending the maximum licence period from two years to three, this greatly simplifies things for folks looking to apply for a licence, especially when it comes to temporary permits for events.

Mr. Speaker, I am very happy with what we are seeing proposed with this act. Yukoners need to be able to understand the act in simple terms. The way that the act has been streamlined and the clarity that has been brought to several of the roles and definitions help to achieve this. I am pleased with the level of engagement that has been done — not only with members of the public, but with the relevant professionals and local organizations — as was achieved through the creation of the advisory group.

I am happy that we are taking an evidence-based approach and learning from best practices across the country.

I will conclude my remarks and would like to highlight that it is great to finally see a modernization of this act. I am confident that, if passed, it will have a positive impact on the lives of Yukoners. I would also like to thank my colleague, the Minister of Community Services, and all of his staff and people for bringing this forward. There was a lot of hard — a lot of input — and they have put together something, I think, that will work for all of us.

Speaker: Is there any further debate on second reading of Bill No. 5?

If the member now speaks, he will close debate.

Does any other member wish to be heard?

Hon. Mr. Streicker: I will be brief here. First of all, I would like to thank all the members who spoke today on second reading of this act. I appreciate the acknowledgements that the Member for Kluane and the Member for Whitehorse Centre gave to the public servants during their briefing. I thank them for acknowledging that work and also, in particular, the Member for Whitehorse Centre's comments about the liquor advisory group. I will pass those across to that group. I agree that they did tremendous work for us, and I said that in my opening remarks.

I do acknowledge that all legislation — especially long pieces of legislation — looks complex to me. I think that is true, and I always work to try to provide tools for those who are working with that legislation to be able to navigate them. I know that we have discussed how to help with licensees, to provide them information about application processes so that it will be in plain language and high level. I also know that we have talked about how to assist our permit applicants — about how to navigate as well. Even though there are five classes, what we have been discussing is, for example, that they simply fill out one form, and the basis of that form allows us to determine for them which permit they are applying for.

I look forward to all of the questions that the Member for Kluane highlighted, and I hope to provide those answers through Committee of the Whole to provide that clarification.

For the Member for Whitehorse Centre — and specifically her comments around the “what we heard” document from the liquor advisory group — I will just say a couple of words about social responsibility. First of all, we moved it into the purpose of the act. In other words, it is meant to permeate throughout the act.

If you are the board or the corporation or if you're reporting or you're dealing with enforcement at all times, this is now a theme that is part of it. There are many ways in which we built social responsibility into the act. There is more that will be coming through regulation and we can discuss that, but we worked with the RCMP, for example, about how best to support them in the enforcement of bootlegging. I think that is an aspect of social responsibility. We altered the fundamental nature of the act to move it from a permissive act to a prohibitive act. We have indicated that there will be a need for all people who serve alcohol to have some level of training.

Of course, if you are at a wedding, it's not going to be the same as if you are hired to be a server in a licensed establishment, but there's going to be some level of training. We put in protection for minors. I have a list. I'm happy to get into that as we move through Committee of the Whole.

The other themes that I think run throughout the act are how we're working to support licensees and not to increase complexity but to help them now and into the future and also how we are supporting our not-for-profits in fundraising and — one major theme — how we are cleaning up governance to make that simpler across the board.

Again, I thank all the members for their comments. I'm looking forward to working with officials to answer questions in Committee of the Whole.

Speaker: Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Silver: Agree.

Hon. Ms. McPhee: Agree.

Hon. Mr. Pillai: Agree.

Hon. Ms. Dendys: Agree.

Hon. Ms. Frost: Agree.

Mr. Gallina: Agree.

Mr. Adel: Agree.

Hon. Mr. Mostyn: Agree.

Hon. Mr. Streicker: Agree.

Mr. Hutton: Agree.

Mr. Hassard: Agree.

Ms. Van Bibber: Agree.

Mr. Cathers: Agree.

Ms. McLeod: Agree.

Mr. Istchenko: Agree.

Ms. Hanson: Agree.

Clerk: Mr. Speaker, the results are 16 yea, nil nay.

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

Motion for second reading of Bill No. 5 agreed to

Hon. Ms. McPhee: 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 (Mr. Hutton): I will now call Committee of the Whole to order.

The matter now before the Committee is general debate on Bill No. 5, entitled *Liquor Act*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: I will now call Committee of the Whole to order.

Bill No. 5: *Liquor Act*

Chair: The matter before Committee is general debate on Bill No. 5, entitled *Liquor Act*.

Is there any general debate?

Hon. Mr. Streicker: I would like to welcome the officials to the Assembly this afternoon for Committee of the Whole. With me is the director of *Liquor Act* implementation with the Yukon Liquor Corporation, Patch Groenewegen, and Sandra Markman, who is the chief legislative counsel with the Department of Justice.

I know that we just finished second reading, Mr. Chair, but the department has prepared some remarks for me, and because some of them describe some content of the act, I'm going to go through these. I will do my best to try to filter out those parts that we have just had in conversation. I am looking forward to answering questions from members opposite and from all fellow MLAs here in Committee of the Whole.

As discussed at second reading, the bill was designed to promote social responsibility and support the health and safety of Yukoners while also providing economic opportunities through the lawful sale of liquor. The bill entrenches social responsibility throughout the legislation, which recognizes that reducing alcohol-related harm is a responsibility shared by all who manufacture, sell, serve, consider applications, enforce the rules, reduce the harms, and promote responsible drinking, as well as all of us who consume alcohol. Social responsibility elements are meant to benefit Yukon citizens as well as licensees, their staff, permit holders, and the industry as a whole — in short, all of us.

To ensure consistency and clarity for all of our clients, the bill provides transparency and echoes the structure of the new *Cannabis Control and Regulation Act* while also recognizing the well-established liquor market here in the Yukon. During our public engagement on the review of the *Liquor Act*, Yukoners told us that they wanted us to review the Yukon Liquor Corporation's role in light of our remote northern communities and the various effects to our social fabric throughout our territory. In turn, this included refining our social responsibility mandate and further determining where liquor could be sold, served, and consumed.

In rising at second reading, I explained that the *Liquor Act* engagement process included striking a liquor advisory group to further work on specific topics, and the Member for Whitehorse Centre made several comments about the liquor advisory group. Let me add to that conversation.

At their first meeting, the advisory group members outlined their north star — or their purpose of work — and I quote now, Mr. Chair: "... to explore and recommend how to modernize the *Liquor Act* for the health and safety of Yukoners, responsible local economic development, and (where appropriate) national best practices."

During our work with the local advisory group, it became apparent that the element of social responsibility is an important part of our line of business and that everyone has a role to play.

Again, the Member for Whitehorse Centre spoke about the — sorry, pardon me — the advisory group members also stated that the new bill should clarify and define social responsibility while reflecting national best practices, such as: encouraging the corporation to help inform citizens of responsible consumption and related health impacts; ensuring that anyone

who sells or serves liquor must take server training; keeping maximum pricing and having the ability to set minimum pricing; allowing for the bill to provide for future licence types, yet recognizing principal class types for now; reversing the consumption model — that makes sense from the perspective of creating a level field for enforcement matters; and to reflect national standards of prohibiting public drinking.

In fact, the liquor advisory group discussion covered a wide range of topics and subjects, and the following are the principles — again, the Member for Whitehorse Centre talks about those principles. Let me list them off here for everyone today: “Social responsibility is key and everyone has a role. Rules and roles should be clear, consistent and reasonable. Liquor consumption has health and social costs. Responsible liquor retail is part of our territorial economy. Communities have unique needs and goals. Effective enforcement protects youth and...” — persons at risk — “The Act should consider both present and future.”

Mr. Chair, we believe that the proposed bill reflects these points and further sets the stage to provide economic opportunities through the lawful sale of liquor and promote social responsibility in the public interest. To further support the aspect of social responsibility, the bill requires the Yukon Liquor Corporation to support initiatives that inform citizens about responsible liquor consumption, helps citizens know about associated health effects, and provides for the legal distribution and sale of liquor.

Additionally, the bill also has regulation-making authority to work with the industry to assist with social responsibility initiatives and support any concerted efforts that will help to reduce alcohol-related harms throughout the Yukon.

Turning now to licensing, permitting processes, and enforcement — during the engagement process, we heard that Yukon citizens are interested in greater flexibility to reduce red tape concerning licensing, permitting, and the application process. This feedback also included clarifying inspection processes and improving enforcement and compliance tools. To start, the new bill clearly splits out permit holders from licensees and outlines respective conditions and processes for each group. In order to provide an updated permitting and licensing regime, the new bill also incorporates much of what was previously in regulations or outlined in board policies — for example: solidifying and clarifying the relevant considerations for new licence applicants; incorporating licence types and all related conditions for different classes; outlining an event permit structure with comprehensive conditions; entrenching advertising guidelines and expectations for both licensee and permit holders; and providing clearer processes by which the Yukon Liquor Corporation now has a formal role to manage applications and renewals with set public notification periods.

As well, when reviewing new licence applications, the Liquor Licensing Board may now consider the character and fit of both the licence applicant and each manager or directing mind who is lined up to help operate the premises. In this manner, the Liquor Licensing Board can ensure that they have the full scope of character and fit of the business. To ensure that

local needs and concerns are heard during the licensing process, the bill also requires the Liquor Licensing Board to undertake a public notification period for each new licence application, which includes ensuring that the notice is posted on the board’s website and that it is posted in the newspaper circulating in the affected area. A regulatory enforcement condition is also included for the public notification period whereby applicants and licensees renewing their licence must display a poster on their premises advising neighbours of the application or renewal. This public notification period for both new licence applications and licence renewals enhances transparency in the process and facilitates hearing the public’s views about the proposed application.

A stronger licensing and permitting system will provide economic opportunities to support local businesses, licensees, and organizations. The new bill includes: streamlining the number of licensees — which we already said — from 13 classes to five; increasing the licence period to up to three years; having clearly outlined conditions; and facilitating liquor donations for charitable events.

The permit structure has also changed in recognition of what we heard from Yukon citizens. Now there are five event permits to suit various event types and needs. The permitting process has also changed to: allow permit applicants to list more than one permit holder to help with all or part of the managing of an event; confirm that records are kept of any liquor donated to or liquor auctioned off at events; and ensure that all individuals who sell or serve liquor under the permit — including the permit holder — have completed the required service training as prescribed by the president. As I spoke about earlier, Mr. Chair, that would be commensurate with a permit different from someone serving in a licensed facility.

In fact, the bill now requires that anyone who sells or serves liquor, whether under a permit or licence, must take responsible liquor service training. Public survey results from our 2017 survey showed that 78 percent of respondents were in favour of requiring anyone who sells or serves liquor to have responsible liquor service training.

Furthermore, licensees and permit holders must take adequate measures to reduce the risk of diversion to an illicit market of liquor.

Engagement feedback also included clarifying inspection processes and improving enforcement and compliance tools. To respond both to the public and to the liquor advisory group interest of improving enforcement and compliance, the new bill: refines the definition of “peace officer” and “inspector”; clarifies related roles and responsibilities; establishes tiered enforcement and compliance controls such as the ability to create escalating penalties for offences and to issue telewarrants and tickets; and finally, simplifies the appeal process.

We also heard that Yukon citizens would like to see more effective processes and protection for youth, persons at risk, and intoxicated individuals. Specifically, Yukoners want licensees to have the ability and more flexibility to allow intoxicated persons to remain in a licensed premise when they are concerned for the individual’s safety. The bill reflects this by allowing licensees to permit an intoxicated individual who

is not engaging in disorderly or violent conduct to remain in a licensed premise if it mitigates the risk to their health and safety.

To help reduce the illicit market, the new bill has enhanced search and seizure provisions in specific circumstances. Generally, telewarrants or warrants are required to search. In the spirit of minimizing the illicit sale of liquor, the new bill allows peace officers to search the following without a warrant under these specific circumstances — and this goes to one of the questions that the Member for Whitehorse Centre posed — which are: to search a vehicle without a warrant, peace officers must have reasonable grounds to believe the liquor is in the vehicle illegally or there is possession with the intent to sell illegally; to search a public or commercial space without a warrant, a peace officer must have reasonable grounds that an offence has been committed and there is evidence present in that place, and the circumstances must be such that it would be impractical for the officers to get a warrant; to search an individual or anything in their possession without a warrant, a peace officer must have reasonable grounds to search that person if the individual is already in a place being searched — for example, a vehicle or public place — and there is evidence of an offence and that either waiting for the warrant would result in the destruction of evidence or it is impractical for the officer to get a warrant.

When developing the bill, the corporation tried to keep in front of mind the differences between Whitehorse and the communities and recognize that rural communities face unique challenges in many aspects, including employment. In response to these rural community needs, the new bill allows for minors — with the appropriate permissions — ages 16 years and up — to work in a licensed premise. This ability for minors to work in licensed premises does not undermine our value of protecting minors from the negative effects of liquor, yet provides individuals with an option to make ends meet.

Yukon citizens also acknowledge that liquor consumption has health and social costs. The health community voiced similar concerns and voiced the need to keep control on access to liquor and to be able to incorporate various tools to help mitigate alcohol-related harms, such as pricing models prohibiting the co-location of liquor and other substances.

Furthermore, citizens voiced that hours of operation should be consistent for all liquor licences of the same type. As such, the corporation surveyed licensees who confirmed that changing hours of operation would work for some licence types. Through regulation, we will be defining hours of operation while remaining mindful of the different ways that citizens can purchase and consume liquor in a safe and responsible way.

I hope this outline has provided additional detail about the new bill to assist Committee of the Whole, and I look forward to discussing the bill further with Committee members.

Mr. Istchenko: I do want to welcome the staff here this afternoon. Also, in my opening remarks in second reading, I didn't thank the advisory group, but I do want to acknowledge them too and thank them for their work. Now that officials are here, I have a few questions.

Let's get down to it here. Section 20(2) currently states: "Subject to this Act and the regulations, the board has the sole power, in accordance with this Act (a) to grant, refuse to grant, and renew licences, with or without conditions; (b) to approve and refuse to approve the transfer of licences, with or without conditions; and (c) to review decisions of the president to impose sanctions on licensees."

My question is: If the sole power appears to rest with the board, can the president renew licences or modify conditions?

Hon. Mr. Streicker: The way that the act is written — and we can get into specific details, but how I understand it is that, if the renewal process is straightforward, then there is the ability for the president to do the renewal. So what would be required — that the renewal is straightforward — is no objections from members of the public, the same conditions that were there previously are there now, that the licensee is not requesting to apply for new conditions and that if the president had some other concerns, he could also flag it up. It would require — in order for the president to be able to handle the renewal, it would have to be just a straightforward renewal — no changes, no concerns. That's the basic premise around the difference. I'm happy to clarify further should the member opposite request it.

Mr. Istchenko: I asked if the sole power appears to rest with the board or can the president renew licences or modify conditions. The minister just sort of said, "Sometimes; maybe; I'm not sure." But in section 45, application for renewal permits the president to renew licences, but in subsection 46(1)(a), it states that "... the decision to renew the licence has been made by the board..." The board must make a decision to renew every licence subject or up for renewal. I really am looking for clarification over who or which entity — the board or the president — renews the licences.

Hon. Mr. Streicker: I believe it's under 46(2) — where it's just a test of whether the application for renewal has been referred to the board. The conditions which would require that it be referred to the board are if there are any objections, any changes in conditions — or if the president had any other concerns, he or she could then refer it to the board.

The board will take anything other than the straightforward renewal. It was the licence — it's the same licence, nothing has changed, and there are no concerns. As soon as any of those other conditions exist, under section 46(2), it is referred to the board.

Mr. Istchenko: Mr. Chair, you can see how this isn't very clearly set out in this, and I alluded to that in my opening remarks when I spoke earlier today. It is confusing.

Which body can impose conditions, then? Section 20 says that the board has the sole power — I mentioned that earlier. "Sole" would mean that only the board can impose conditions. That's what that would mean to me. If you have the sole power, that means you are the only one who can impose these conditions. Then, however, when you go to section 49, it allows the president to vary conditions without the board's knowledge when it's the board that originally placed said conditions on the potentially new licensee. Further, in section 25(2), it states: "The Commissioner in Executive Council may, on the

recommendation of the Minister, by regulation... (b) provide for conditions that apply to any or all of the licences in the classes that are created under paragraph (a).”

Again, I’m just looking for some clarification on the differing authorities here.

Hon. Mr. Streicker: I’ll do my best, because the member opposite was quoting a lot of places, so I want to try to make sure that I understand what he’s getting at. Let me just state right up front — let’s work together to try to navigate through it.

I’ll start off. The way I understand it is that there are statutory conditions — those that are here in the legislation — and there are non-statutory conditions, meaning conditions that could be introduced through regulation through an order-in-council at some later date. The section under section 20 is discussing the statutory conditions. Section 49 is discussing that, if there is an applicant who comes forward and wants some change to the conditions that are there already in the statute — for example, maybe they believe that they could have a few more seats in their premises, but the conditions say that, no, it has to be this — and they want to get some change to those conditions, they can apply for those changes, and then that can be considered by the board.

That would be a change in conditions, and that is what the board would be doing. The president — he or she — would have to refer to the board if there was a request for a change in conditions.

Now, let me just sit back down, Mr. Chair, and let me check for the member opposite, because I just want to make sure we get it straight, and then I’ll just keep trying to clarify.

Mr. Istchenko: The minister just spoke of the conditions, and the act notes that there are three variations of the word “conditions” — and these are: “statutory conditions”, “conditions”, and “prescribed conditions”. Can the minister explain what the differences are?

Some Hon. Member: (Inaudible)

Mr. Istchenko: The act notes that there are three variations of the word “conditions”. There are: “statutory conditions”, regular conditions — or it doesn’t say “regular”, it just calls it “conditions”, so that’s different from statutory, I would think — and then it says “prescribed conditions”. What are the differences?

Hon. Mr. Streicker: The word “conditions” means all of them. The words “statutory conditions” means those that are there in the statute or which have been created through regulation later on. The words “prescribed conditions” indicate that, according to the *Interpretation Act*, anything that is developed through an order-in-council. It is a condition that is added through a regulation after the fact.

The prescribed conditions are made through regulation. The statutory conditions include those in the act, as outlined in the act, and any future prescribed conditions, and “conditions” just refers to the general term of all conditions.

Mr. Istchenko: I just want to get into the prescribed conditions and the difference between a prescribed condition and a statutory condition. Where would I find the prescribed conditions and/or the statutory conditions? Are they both in the

act and in the regulations, or are some in the act and some not in the regulations? Can the minister break that down a little bit?

Hon. Mr. Streicker: I will do my best.

First of all, I want to say that this is exactly how we set it out in the cannabis one as well. I would just make that point. I also want to make the point that, when we work with our licensees and permit applicants, we are going to provide plain-language material to help them navigate. Just to answer the question very specifically, right now the conditions that are listed — for example, under sections 30, et cetera, are statutory conditions. Hopefully, once the bill passes this House and becomes an act, we will then be working on those regulations. Some of those regulations could have conditions in them that then become prescribed. They then are part of the statutory conditions as well. So think of statutory conditions as the ones that are listed here in the act that we can read today and those that get written in the future through regulation — that is the sum of statutory conditions. Prescribed conditions are those ones that are going to come but are not yet there through regulation.

Mr. Istchenko: Does the minister — and I know the regulations aren’t here yet and they haven’t been started — but the prescribed conditions — will they be laid out? Does he see them being laid out in the regulations? So a licensee or someone who is applying for a licence — before they apply, can they look at — if it sounds like that’s the way it’s going to be, and if it’s going to be hopefully in plain language for those licensees, that’s good. The other thing that I have then is: What can the board approve — condition-wise?

Hon. Mr. Streicker: First of all — just to reinforce — so I’ll say it very explicitly here: Yes, we do want to provide some navigation tools for licensees so that they can see: here are the conditions. We have conditions that are set out in the act and they’re there.

So the board has the ability to apply additional conditions. It is their prerogative under — maybe there’s an applicant and they think, “Yeah. Okay, but you know what? We need to shore something up here.” That’s when the board has the ability to add conditions in order to try — for example — to come back to some of the earlier discussion we had — to ensure safety, to ensure social responsibility, et cetera. I’m not trying to prejudge what those might be, but I have seen times when the board says, “Okay. Yes. But we need you to do this as well.”

I’ll get the clause and help reference it for you.

Some Hon. Member: (Inaudible)

Hon. Mr. Streicker: Under clause 39(1)(b), it says that the board can “... grant the licence, for the licence period that it determines, on the conditions additional to the statutory conditions...” In other words, the board can add something.

We can’t lay that out ahead of time in plain language. What we lay out in plain language will be what is there under the statutory conditions, including what’s in the act and whatever is laid out by regulation. That, we can lay out in plain language. The part that might alter in the future — and I’m trying to be as crystal clear as I can — is if the board considers an applicant and feels something more is needed.

Mr. Istchenko: I thank the minister for that. Then under section 2, subsection 1, that would be relevant considerations then. Is that what the minister is talking about?

Hon. Mr. Streicker: So they first go through and decide what is relevant to granting that licence or not and they'll take a decision at that point, but then they can also decide, if you're having to consider all those relevant factors, whether there is a requirement for additional considerations.

If I read here, Mr. Chair — under 39(1)(b)(iii), it says that: "(iii) it would be beneficial for the licence to contain those additional conditions..." — so the board is making this judgment call about whether adding some conditions would be for the benefit — and again, now we go back to the purpose of the act and they consider those things to decide around social responsibility or around the balancing the economic activity, et cetera. That's where that all starts to come in.

Mr. Istchenko: I thank the minister for that. So adding conditions — now, one thing that's not — or other relevant considerations — one thing that's not stated is who makes these considerations. I think the minister said a little earlier that the board can make these, but I'm wondering who can make these decisions. Is it the president? Is it the Liquor Corporation? Is it the board? Is it the minister, the Commissioner in Executive Council, or is it just one person? Can all of them add conditions and make these considerations?

Hon. Mr. Streicker: At the front end of section 39, I draw all our attention to the very front part of that where it says: "After the hearing, the board must make one of the following..." — sorry. I'm good. Thank you. "After the hearing, the board must make one of the following decisions, taking into account the documents received under section 36, the relevant considerations..." — that is as defined under the definitions sections and it's listed out there — so we can turn to that and we can see — it's very specific — and the purpose of this act — and then it goes on to say: "... any representations of the persons who were served with notice of the hearing." So it's going to be anyone who has come to speak to the hearing. It's going to be what the applicant provided, what they received from the applicant — and then it's the relevant considerations, as under the definition section, and finally the purposes of the act, which is section 1. We can look back maybe at the definitions and try to check and see whether there are questions there as well.

Mr. Istchenko: That's exactly what I'm looking for. I want to find out who can make these considerations. Is it just the board? Can it be imposed after by the president or the minister or the Commissioner in Executive Council — if I can get that. I'll move on here, though.

So kind of a little bit sticking with this here — for section 2(1), the bill should note which exact entity or authority considers relevancy. This is not clear within the proposed legislation. Further, (e) — under "relevant considerations", it states — and this is where we have an issue on this side here — "(e) the amount of the actual or projected capital expenditure made or to be made by the applicant in relation to the premises..." I'll read it again. It says: "(e) the amount of the actual or projected capital expenditure made or to be made by

the applicant in relation to the premises..." So my question is: How is this any business of the board, the corporation staff, the president, or the government at all? Why is this their business?

Hon. Mr. Streicker: So first of all, I will just re-emphasize that the government is not involved at this stage here, under "relevant considerations". Where the government comes into play is if there is a regulation which is set through an order-in-council and that becomes part of the statutory conditions, as a prescribed regulation — certainly not the minister. That is the whole point of having a board which is arm's length from the government, that is there to do this work. The only time that the president is involved is when it is a straightforward renewal, so I think that we should just focus on the board.

The member opposite asked about — what business is it of the board — let's say the board — to look at the amount of projected actual capital expenditure to be made by the application. It is a fine question, so let me take you back to the purposes of the act, which are to provide economic opportunities through the lawful sale of liquor and to promote social responsibility in the public interest. This is what we did under the *Cannabis Control and Regulation Act*. We said, "No, let's have the applicant submit their business model." We did that — there are a couple of ways to think about it. I don't think that it is about trying to interfere with the applicant's choices in the private sector. That is not what it is about. But there are a lot of requirements that we put in this act to make sure that this premise is going to be trustworthy and that it is going to do a decent job and just live up to the rules that we have created here. That is part of the test of the board — to just look at that — and this is just one of those ways.

I hear the member opposite expressing some concern. I think that the way it is framed is to ensure that we have a reputable business and this is one of the ways — or a reputable proposal for a business — this is one of the ways in which to test that.

Mr. Istchenko: The reason that I brought that up — you know, how is this any business of the board or the staff or the president or even the government at all — I have been in business myself and a lot of people don't divulge their business plans — how they are going to go about doing business, what sort of monies they are going to spend — they don't like to give it to a government entity at any time. So you can see where there would be issues with businesses not wanting to provide that, but if it states it in there — I just kind of fundamentally don't think that it should have stayed in there.

The minister alluded in his response — and I'll go back to relevant considerations under section 2 — it states that the applicant must be "... otherwise of good character and fit to keep and operate the premises and to be a licensee or a directing mind of a licensee..." So I guess I'm sort of wondering — because you can't find a definition in there — but what is the definition and can the minister please define "good character" and "fit", please? Who defines what "good character" and "fit" mean?

Hon. Mr. Streicker: I am going to try to abstract it a little bit back to cannabis just because it is going to help us

understand what we're talking about here. I want to also clarify that — I don't want to mistake the word "considerations" for "conditions". Just to be clear, the conditions define the particular type of licence class. The considerations are — when someone is applying, what do we look at?

Under cannabis, what we said to ourselves was: "You know what? We want someone who is reputable; someone who is fit." We don't have a clear, specific definition of it, but we ask our Cannabis Licensing Board to take a look at people and make a judgment call and decide whether we think that they are — I will use the term "trustworthy". I don't want — it's not about trying to see inside to understand what the business plan is — that is not it. It is to try to make sure that this is a legitimate business — that's all — and reputable. It's tough — it's not something that is easily defined in here.

What happens is that, if the board takes a look at an application and says, "You know what? We don't think that this person is fit for this or this application is fit," and they decline that application, then the recourse for that applicant is just to take it to the court — and it can go there.

There is a way that they would then be able to test it. But it is to say that, when we start talking about things like — and again I refer to the purpose of the act, which is to provide economic opportunities through the lawful sale of liquor and promote social responsibility in the public interest. The word in there is "lawful". It is that they are abiding by the rules. If the board believes that the applicant is not going to live up to those purposes, they can decide, in their review, not to grant that application, and then, if someone wishes to test whether or not that is a fair assessment or not, there is a recourse.

Mr. Istchenko: The applicant — and the definition of "fit" and "good character" and the meaning of it — I didn't really get anything there. What I am getting at is that, if the applicant isn't satisfied, he can take it to the courts.

What I wonder about with "good character" and "fit" — how far will the board go back? Are they going to analyze this applicant from the time he was 16 years old? It doesn't state in here anything, basically, on how far back they would go. "Good character" means five years of good community service, and "fit" means that he can run the mile under seven minutes — I don't know. It doesn't say, so it's a little tough in here for someone who is applying to know if he meets that criteria when there are no criteria for being of good character and fit.

Hon. Mr. Streicker: I just want to reference the existing *Liquor Act* — and I am looking under section 37. Section 37 talks about considerations in granting a new licence. What this states is — in the case of application, the projected capital expenditure to be made in respect of the application. It's already there right now. We look at the capital expenditure.

The member opposite asked how far back — I guess I don't know that I have an exact number, and I'm not sure if I am able to give it, but one of the ways that I think I would characterize this is: Let's imagine that the person who is applying, somewhere in the past, had a liquor licence or maybe a cannabis licence, and maybe it was in another jurisdiction. I would actually want to know whether or not they had some problems. Maybe it was five years ago, or maybe it was 10. I'm not really

worried whether or not they were jaywalking, but now we are talking about the board, and the board members are who have to make that judgment call. It is not me as a minister. So I am trying to give a sense of what I think is likely to come up as a way of example in this conversation. The type of thing in conversation that we were discussing as we developed the act was to talk about past business practices and whether or not they had run into difficulties with the enforcement. The one that we were thinking of was past liquor licences and whether or not there were problems and that this could be a consideration.

It isn't specified in here, and we had a little go-around — I recall — in this — you know, do you start putting boxes around it? As soon as you do, it's very difficult and gets cumbersome — and not living up to the intent of what we were trying to capture, which is just to say that we want reputable, sincere businesses that are going to live up to the intent of the act.

I will just check and we will go back and forth more, Mr. Chair.

Mr. Istchenko: I'm going to go on, but just for clarity — if there is an applicant and he gets denied because they are not happy with the information that he has provided, or maybe with past history with the liquor corporation in another jurisdiction, his only avenue is to challenge it in court. Is that my understanding?

Hon. Mr. Streicker: This is one of those things where we're not talking about a corner store, right? We're not talking about chips or pop. We're talking about alcohol, and we're recognizing that alcohol has harms when not sold and consumed in a socially responsible way, so we need to have some guidelines around this.

The sorts of things I think are relevant here — for example, if there has been fraud in the past or bankruptcy, those might be important issues. I don't think they mean no; I think they mean, hey, let's ask some questions — and I think that's what the board would be doing.

Let's say that the board, in all good faith, took a decision and decided to deny an application. Does the applicant have the ability to go and seek a judicial review? Yes, they do, and that is the recourse that would be open to them. I think that's a recourse that's open to them now as well. It is not to ask the board to overextend — it's to make sure that the board has enough information so as to make a reasonable decision.

Mr. Istchenko: I thank the minister for that. Moving on, within section 19, the conflict of interest only applies to the board and to board members. So why are the president, deputy head, minister, RCMP, inspectors, and employees of the Liquor Corporation not included under the conflict of interest?

Hon. Mr. Streicker: I thank the member opposite for the question — it's a good question. They have all been good questions, by the way. That was not meant to slight other questions.

This is falling under part 3, which is all about the board, right? So, that's why it's referencing the board. When we talk about the president — the president is a public servant. They are covered — they have a conflict-of-interest code that's part of the public service, so that's how they're captured under this.

That's the reason — that's where that's dealt with. I appreciate the point made by the member opposite, but it's not meant to be exclusionary. It just means this section is talking about the board. Because the board has no other relation to us — they are members who are appointed to that board. I appreciate what they do and that they come forward, but this is where we need to make sure there is no conflict. We have it covered off in other areas for our president and other folk.

Mr. Istchenko: Under the current legislation, section 6 refers to an appointed deputy head and also employees to be subject to conflict-of-interest legislation. This not only, of course, protects all parties, but it provides clarity to all parties.

The minister just said they're covered somewhere else or covered under something else. Can the minister explain how they're covered — with the previous mention I brought — those who are now not included in section 19 of the *Liquor Act*?

Hon. Mr. Streicker: Can I just ask for clarification? I recall him asking about the president, but he also named someone else. If I could just ask the member opposite to repeat that for me.

Mr. Istchenko: I was wondering — my first question was why the president or deputy head, the minister, the RCMP, inspectors, and employees of the Liquor Corporation weren't included in there, and then the minister said they're included somewhere else. So can he just clarify where they're included? Please and thank you.

Hon. Mr. Streicker: Again, the existing *Liquor Act* is quite old, right? Many things have superseded it since. For example, we have the *Corporate Governance Act*, which would talk about any corporation of the government. Under there is where conflict of interest is partially held. We also have the *Public Service Act*. That's where we deal with conflicts of employees and their relationship to this industry.

Mr. Istchenko: Thank you for the clarification. Under the new bill, it looks as though gambling and gaming, slot machines, and VLTs are now permitted in licensed premises, as there is no longer a section entitled "Conduct on licensed premises". These were specifically noted in the current *Liquor Act* under section 70. Can the minister explain why these activities were omitted from proposed legislation, and is there a plan to allow them?

Hon. Mr. Streicker: Mr. Chair, the actual situation is that we are not trying to open up gaming in drinking establishments. That is not what this is about. It's just that we have other acts that also talk about gambling — for example, the *Public Lotteries Act* and the *Lottery Licensing Act*. The challenge is — say you want to do something different about gambling — what you then have to do is amend three acts, because it's sitting in the *Liquor Act* as well. This was one of the "cutting the red tape" pieces. It's not trying to set any new policy at all. It's just trying to say, "Let's leave gambling to be dealt with under those acts, and let's refer our act to those and then bring in regulations so that we are not tying it all up in knots." We just think it is cleaner to keep the gambling piece to be dealt with in those other acts.

There is no intention to change any policy or direction here with our licensed establishments.

Mr. Istchenko: Under the current act, there were nine liquor licence classes. There are five under the proposed act, which are food primary, liquor primary, manufacturers licence, off-premises licence, and other use primary. This would essentially capture the other four additional previous classes. Of course, this is good, as it does make it more manageable and less confusing to all parties. However, there are currently two permit classes: a special occasion permit and a reception permit. The special occasion permit would allow liquor for resale — for example, a cash bar — and a reception permit would cover an event in which liquor is being provided free of charge. This seems to be pretty simple to understand and apply. In my life, I quite often work with non-profit organizations, and that was really easy to do.

Under the proposed legislation, there are now five permit classes to be applied to one-time events taking place at non-licensed premises. I would like to know why you would streamline liquor licence classes, but appear to do the opposite with the liquor permit. So your classes are streamlining, but the permits look like you are doing the opposite there.

Hon. Mr. Streicker: My numbers are slightly different. It is not about that — but I am counting 13 licences that we had and now it's down to five. They are both good — if it were nine down to five, or 13. I have a list of them in front of me, but I don't want to belabour it here.

The thing is that there were not two permit types; there were a lot of permits out there. One of the challenges that we faced was not just that — we do want to keep that side of it simpler too, but we could tell that there were a lot of differences. For example, if you are a not-for-profit that is out there trying to run a cash bar at some event and make a few bucks, that is one thing, but there were groups that wanted to help fundraise for not-for-profits. It wasn't that the not-for-profit was going to hold the licence, it was this group that was trying to fundraise. So now we have a new sort of thing there. We definitely are going to have weddings. That is another group, but it's not really a not-for-profit. It is just really a private event. There is a real difference between if you're running a cash bar or if you're just providing some alcohol at those events.

These groups of folks did a lot to try to distill it down. Still, it's quite complicated. I don't deny that. I heard the concerns about the complexity. I tried to work through the bill as well and had a lot of these very same conversations. The solution that I see for it is not that we can distill it down to the number 2. What I have asked the corporation to do, again, is to work with whoever is coming in to apply for a permit — to give them almost a — here is one form. It's not five forms. You need to figure out which one to do. No, no, no — it's a form — and you just start ticking off boxes. We will help you figure out which permit you will end up with.

We'll tell you what those conditions are as a result of that permit. We can talk them through about whether — if you go this route, you get these types of conditions on these routes. Some of them are very much the same. There are a lot of conditions that are very much the same — that you need to make sure that the alcohol is kept safe and that you're going to

take the training. All of that's the same. But there are some which are slightly different depending on if you're going to sell it or you're not, depending if the money is ending up in your pockets or it's going to someone else's. Those are why there are those differences there. I appreciate the concerns from across the way and I'm just trying to give this story about how we landed with this number. It's not a bigger number than it was. The drafting team is telling me that actually there were a lot of permit types previously.

Mr. Istchenko: I thank the minister for that. In my opening remarks, I did state that — and the minister just said it — it is significantly more complex. There are 80 extra pages, so you can understand why — as legislators and as the opposition — we have to challenge the minister and ask questions about some of this stuff that we don't understand, especially when it gets a little bit complicated. I thank the minister for the answers.

If a licensee who has an off-premise licence runs out of a certain product outside of liquor store hours, what are the rules around purchasing liquor from another off-premise licensee, considering that all the liquor was lawfully purchased from the Liquor Corporation?

Hon. Mr. Streicker: The basic answer here is that this is one of those areas where we've chosen to go through regulations to get at it, so we're not quite there. On the surface, it looks pretty easy.

I don't want to put anyone in trouble, but you know, let's say that you had a permit and you were serving at an event like a Canada Day event, and let's say that you were actually a group that has a clubroom licence or something and you have other alcohol there, but you're at the Canada Day event and you run out of alcohol. What can you do? That sounds pretty easy. We want to try to support where it is straightforward, but it gets a little complex a little quickly. We have had a few conversations around this challenge, and I think we're going to need to sit down with our licensees and, for example, the chamber food and beverage group to talk it through and work through what we think are reasonable scenarios and where we think there are risks to them. The challenge is, when you're trying to make sure that you're not allowing someone to introduce bootlegging in or out, that's where you need to have some careful thinking so that we don't open up that door.

But the basic answer is that this is a real question and I think it's under 107(1)(p) where the regulatory-making authority is listed to say: Here is where we're going to work on it.

Mr. Istchenko: Let's hope that we have a wholesome conversation and engagement with the licensees and the non-profit societies that try to raise money — whether you're raising money — like I do quite a bit for the youth — but that's an opportunity to raise money, so I look forward to that.

Section 57 is about inspectors. I was reading through this, and it says here in subsection (4)(b): “believes on reasonable grounds that obtaining a warrant would cause a delay that is likely to result in the loss or destruction of evidence of an offence under this Act.

“(5) The inspector carrying out an inspection may do one or both of the following:

“(a) take reasonable samples of liquor for testing and analysis;

“(b) inspect, examine, and make copies of, or temporarily remove for copying, a document relating to liquor, the premises or the licence.”

The question is: Without a warrant then — to take a document — what kind of document would this be?

Hon. Mr. Streicker: The type of document that we're talking about is a receipt or something like that which shows — maybe it's a permit or something. It's just something that says, “Yeah, this is what I bought.” If you look under 57(6), there are rules about providing — for example, (6)(b) says: “... give a receipt to a person from whom a document is removed under paragraph (5)(b), and return the document to that person not later than five days after the removal.” I'm not sure what the member opposite was thinking about, but from our perspective, it's like a receipt or some sort of invoice or something which indicates where the alcohol has come from or where it's heading to.

Mr. Istchenko: I thank the minister for that answer.

My next question is — the RCMP were part of the advisory group to the “what we heard” document. As they were named in the *Liquor Act*, I'm just kind of curious about what concerns, if any, they had when they went, because they were part of the advisory group. I'm just wondering if they had any concerns or anything major that they had brought to leave with you.

Hon. Mr. Streicker: First of all, just to go back to a moment ago when we were talking about if we are doing those regulations that deal with the licensees and the permits — I completely agree. I just want to reinforce that. That liquor advisory group was a great group, and I thank the member for his compliment to them. When I think about the regulations — as we start to work, we're going to need to work with a group like that, that connects again. I completely support that.

The RCMP — I will just remind members that they are effectively wearing two hats under this act. Number one, they are inspectors, so all the inspection stuff that's done normally by the liquor inspectors could also be done by the RCMP. We talked to them about that too, but maybe the more critical piece is around issues like enforcement and charges. Let's face it — maybe in the second reading speeches, I heard some references to it, but I know from being in the communities and talking at some of these engagement meetings that there are times when the RCMP really track how much alcohol is coming in and out of a community, because it makes a huge difference to some of the illegal activity and other activity that's going on in a community. They care about this stuff.

I think we're really lucky right now. We have a president of the corporation who has a history with the RCMP, so it's a great tool. If you're asking what types of conversations we had with them, they were really about balancing. Here's one of the things they explained to me. I don't know if this is going too far, but they said that, when someone has a bunch of alcohol, if it's large quantities — bottles with a lot of alcohol in them — I don't even know what they are now in millilitres, but we used

to call them “66” or something — no, it’s mickeys — that if they see a bunch of mickeys, they recognize that’s probably for bootlegging. That’s one of the ways that they identify it.

What we worked with them on is how to give them enough authority to be able to inspect while also balancing the rights of individuals — and whether they’re in a vehicle or whether it’s just in person, getting off a plane, or whatever it is — so how to balance that. That was where that conversation hovered. We spent a lot of time working back and forth with them on that.

We just generally — if you want to sort of focus in on one issue, it’s bootlegging. That was where the conversation was going. We had lots of other conversations with them around how to deal with licensed establishments when someone is intoxicated and stuff like that, but I think that was part of the conversation they have always had. It was really around the bootlegging and how to make sure that piece of enforcement was working well. We have tried to strike that balance.

Mr. Istchenko: I imagine this might have been one of the conversations, but currently, liquor seized by a peace officer is rarely reported to the president, if at all. For example, a minor is not lawfully entitled to possess liquor, a peace officer seizes the liquor from the minor, and the peace officer must give a report of the seizure to the president. This is simply not operational, practical, and normal. Peace officers dump the liquor out of the containers in front of the individual most of the time. With respect to section 101 — Report of seizure: “Without delay after liquor is seized by a peace officer, the peace officer must give a report in writing of the seizure to the president to the extent that the regulations so provide.” What is the intent within this regulation?

Hon. Mr. Streicker: This is a way in which to acknowledge that sometimes the amounts of alcohol that are seized — it’s not really that big of a deal; it’s a small amount and it is not really critical — and sometimes it is not practical for the RCMP to — we don’t want to burden the RCMP as well, right? We want to get reports. What we did here was we said that they have to report to the president to the extent that the regulations so provide, and we’ll work with the RCMP, again, to set regulations that maybe set thresholds that say, okay, look — because we do need to try to understand — first of all, we want the information — as a government, as a corporation — to understand where alcohol is going and what the problems are. At the same time, we also want to understand how it is being dealt with. But we’re not really — no one is going to care if someone was caught walking with a beer down a street and the RCMP seized it because they weren’t supposed to be drinking in public and they dispatched that beer — they got rid of that beer. Do we need a report? Well, I’ll leave that to the regulation period, but that is the idea — to set a reasonable threshold to allow that we capture the important information without overly burdening the RCMP.

Mr. Istchenko: I thank the minister for that answer. Again, when I spoke about the regulations — that is where it is key to re-engage with the RCMP to make sure that it works for them, because the amount of paperwork that you have to do in this day and age — we love our RCMP and we sure respect

them in our communities, so if we can make it easier for them, that would be 100 percent.

That concludes the questions that I have today. I do want to thank the staff who are here today and the minister and his fellow colleague for helping on some of them. I will turn it over to the Third Party.

Ms. Hanson: I was not expecting to have it turned over to me for the last few minutes. But just before we start, I thought I would just reflect upon a notice that was in the paper last year. It was from the *Whitehorse Star* — May 16, 1952 — and I will quote from it: “An Ordinance to provide for Government control and sale of alcoholic liquors replaces the old Liquor Ordinance and beer ordinance.

“Changes made are that all licenced premises, beer taverns and cocktail lounges must close between the hours of 6 p.m. and 7 p.m. daily. Provisions is also made to allow establishments operating a beer parlour or tavern and also serving meals, provided the establishment is 25 miles from the limits of a municipality, to serve beer with meals up to two bottles per person.

“A tax of 10¢ per dozen bottles of beer, 10¢ per bottle of wine, 10¢ per flask of liquor and 25¢ per bottle of liquor will be imposed to provide funds for education and recreational projects.

It is expected that \$10,000 annually will be derived in this manner for the use of recreational or other desirable projects, such as civic centres, etc.”

Some days you wonder whether or not we have come very far in the last 67 years. Actually, if we were to take the value of those and carry them forward into 2019 dollars, I think that we would find that we actually haven’t kept up with that standard.

Mr. Chair, having said that, I do have a number of questions which I probably won’t be able to get into. I wanted to go back to the minister’s comments with respect to the advertising and the provisions — I am looking at page 93. I am going to be going back and forth because I have sort of been — a combination of going through the act and also picking up on some of the minister’s comments.

The advertising talks about — and this is repeated in several sections on conditions around various permits — that it must not be directed at minors — shouldn’t be done in a way that appeals to minors — and then the next section goes on to basically replicate, as far as I can tell, the kinds of conditions that are set out in the CRTC. So, I looked at that code — and I’m referring specifically to the CRTC code, which seems to be really dated — it goes back to the 1990s — 1996 or something. But the B part was really directed at not having advertising as such that is attractive to children — so it uses Santa Claus or things and other toys. My question — the minister can anticipate what my question is. Does this mean — in terms of interpretation — that the Yukon Liquor Corporation will no longer carry the teddy-bear type of promotions that they have done in the past with respect to guilt-tripping — or whatever — parents who are buying booze as opposed to buying Christmas gifts? So you can buy a teddy bear and feel good, but it’s also linking the teddy bear to the Yukon Liquor Corporation.

So the CRTC — as I read that code — the B section of that code would not allow that. I am just wondering if that is how the minister interprets that.

Hon. Mr. Streicker: First of all, I want to say that the function of that bear — in terms of where the dollars have gone — has been about trying to fundraise for a group. I will check to make sure, but all I want to say right now is that I thank the member for her observation. I haven't had this conversation with the department and the president is not here today. My perspective is that we should live up to at least that — even though section 66 may be about permit holders or licensees; it's not about us — but my feeling is that we should live up to that standard or higher. I thank her for her concern. What I want to do is go off and have that conversation. I really just haven't given it a lot of thought before now.

The purpose may have been well-intentioned, but I see that there is something worth looking at, and I want to just make the offer to look at it and have the conversation with the department.

I will say as well that I have questioned the purpose of this initiative over time, and I think we should bring it into today's context.

Ms. Hanson: I appreciate the minister's openness about this and his willingness to have the conversation. I will say that a former colleague of mine, Kevin Barr — who probably celebrated his 35th anniversary of sobriety this year — saw this as deeply conflicting and raised it in this Legislative Assembly many times — the sort of juxtaposition — and talked to me about the dangers of that, because you have people who are basically vulnerable coming and using the regulated services, and then this is how you can make a correlation that's not necessarily a positive socially responsible correlation.

With respect to the comments the minister made regarding some of the comments exchanged with the Member for Kluane on how the act deals with issues related to bootlegging — I just have a question. That was largely speaking to sort of bootlegging in an unlicensed or in an unregulated context. What controls are in place currently — and where would I see it in this act — that govern the Liquor Corporation itself from not partaking in activities that could be condoning or seen to be supporting a bootlegging activity?

For example, somebody comes into a Liquor Corporation outlet — a licensed outlet — and says, "I'd like to get 15 mickeys of vodka" at the front desk — using the minister's own example. That says to me, "I don't know that many people who would need to buy 15 mickeys of vodka." So usually, in my view — and maybe I'm misreading it — misinterpreting the intentions of the individual — but it would sound to me that's very easy to be used as a bootlegging enterprise. So what provisions — or how is that controlled? I just raise it because I've seen it, so I'm just asking.

Hon. Mr. Streicker: I will try to be brief. I am looking forward to more conversation with the member opposite. One thing I will say about the bear stuff is that the twin bear part of it is that the other bear was going to ambulances, emergency shelters, foster care, and even elders. I know that this is not a program unique to the Yukon. I completely agree — let's have

a look at it and just see. In the context of what we're trying to achieve here, I think it's important that we do that with all of our programs.

What I know about the YLC store staff is that they do keep an eye on the frequency of who is purchasing things and even what is being stolen — shoplifted — for that matter. But they understand what is going on. Again, they work closely with the RCMP to let them know and have conversations. There are ways we could put regulations in around this too, should we wish.

I will say as well that it's not as simple and straightforward as we describe it here. I think it's complicated. In my conversations with the staff and even with private retail staff, they talk about some of the challenges about how to make that judgment and where to do it. We look for tools that we might be able to supply them with that allow them to make those judgment calls based on the reality that they are facing.

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

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

Motion agreed to

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Mr. Hutton: Mr. Speaker, Committee of the Whole has considered Bill No. 5, entitled *Liquor Act*, and directed me to report progress.

Speaker: You have heard the report from the Chair of Committee of the Whole.

Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

Hon. Ms. McPhee: I move that the House do now adjourn.

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

Motion agreed to

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

The House adjourned at 5:28 p.m.

The following legislative return was filed October 21, 2019:

34-3-1

Response to oral question from Ms. White re: seniors home care (Frost)

Written notice was given of the following motion for the production of papers October 21, 2019:

Motion for the production of papers No. 3

Re: Central Stores and Queen's Printer Agency restructuring cost savings (Hassard)