



# Budget address 2021–22

presented by

**PREMIER  
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## Introduction

### Thank you, Mr. Speaker.

I am pleased to present our new government's first budget – the Main Estimates for the 2021–22 fiscal year.

It is an honour and a privilege to be here on the traditional territory of the Kwanlin Dün First Nation and the Ta'an Kwächän Council to deliver a budget focused on improving the lives of Yukoners.

I will keep my remarks relatively brief, as the budget I am tabling today is largely consistent with the one I tabled in this Assembly during the previous Session on March 4th.

This year's budget includes estimated spending of \$1.791 billion dollars. Capital spending accounts for \$434 million, a record amount. This is 17 per cent higher than last year. Operations and maintenance spending is expected to be \$1.36 billion. We have included \$15 million as a COVID-19 contingency in recognition of potential for changing circumstances as we navigate the pandemic. The 2021–22 Main Estimates show a deficit of \$6.6 million dollars that is the result of economic and social supports as well as health services for Yukoners in response to the COVID-19 pandemic.

Notable changes from the budget tabled on March 4th include a \$5.8 million increase in operations and maintenance spending; an \$11.9 million increase in Operations and Maintenance recoveries; a \$6.1 million decrease in the annual deficit; and a \$5.8 million decrease in net financial debt.

Along with the budget, I am pleased to present a Five-Year Capital Plan outlining how our government will prioritize the interests and needs of Yukoners through the procurement, management and delivery of capital projects.

I am also pleased to present a revised Fiscal Outlook, in addition to the Economic Outlook that was presented in March. These Outlooks show our economy is poised to experience robust growth in the coming years. Responsible governance combined with swift and comprehensive relief measures allowed our territory to weather the economic impacts of the COVID-19 pandemic better than most other jurisdictions. Despite unprecedented challenges, the Yukon is one of the only jurisdictions in Canada to experience GDP growth in 2020, with growth projected to continue, averaging 4.7 per cent per year out to 2025.

This budget builds on the strong foundation developed during the previous mandate and continues us on the path toward a brighter future for the Yukon. With the territory's finances now on a sustainable path, we are taking significant steps to build a healthier, more vibrant, sustainable and inclusive territory for the benefit of our people. We know that investing in Yukoners brings the greatest return. Their wellbeing is the foundation of Yukon's prosperity.

## Supporting Yukoners through COVID-19

The COVID-19 pandemic has affected Yukon families, businesses, governments and organizations on a scale never before seen. In times of crisis, it is essential that government provide strong leadership to protect the health and safety of citizens and help them maintain their livelihoods. Thanks to strong collaboration with our federal, provincial and territorial partners, our territory is leading the country in vaccine uptake and beginning to lift public health restrictions.

Our government will prioritize economic supports to protect Yukon businesses and mitigate the impacts on local employees, employers and organizations. Yukon's COVID-19 support programs are recognized as the best and most generous in the country. As of March 2021, we have provided more than \$10.4 million dollars to over 655 businesses across the territory through our paid sick leave and business relief programs. We have allocated more than \$11 million this year for these programs and will continue to provide support for as long as it is needed.

Last year, government allocated more than \$107 million to manage the pandemic, support Yukoners and provide relief to protect our economy. Our proactive and comprehensive response helped limit the spread of COVID-19 in our territory while keeping Yukoners healthy, safe and employed. We have allocated nearly \$50 million in this year's budget to continue to support Yukoners.

Mr. Speaker, we would not be on the path to emerging from the pandemic were it not for the people that call our territory home. Yukoners have made immense sacrifices over the past fifteen months to keep our communities safe. Yukoners have shown tremendous strength and resilience in the face of great adversity. Our collective efforts as Yukoners have minimized the spread of COVID-19 in our territory, keeping our case count low, and allowed us to lead the country and much of the world in immunizations. The coronavirus has tested the mettle of all Yukoners. They have responded with the characteristic compassion, resolve, community-minded spirit and sheer determination that sets our territory apart and makes it such a wonderful place to live. This year's budget will help Yukoners by making life more affordable while investing in a healthier, more vibrant, and sustainable future for all Yukon communities.

## Putting People First

With funding in this year's budget, we will continue to implement the *Putting People First* report's recommendations to enhance health and social service delivery throughout the territory. These investments will support Yukon's dedicated team of health and social service providers to deliver enhanced services to Yukoners in a more sustainable way for years to come.

To support Yukon families and make their lives more affordable, we are investing more than \$25 million towards early learning initiatives. This includes \$15 million to support a new universal childcare program for the Yukon that is putting more disposable income into the hands of families, saving them on average \$700 per month per child. This will support Yukon families and, in particular, will help women who have been hit hard by the pandemic. We will also expand to full-time early kindergarten programming in all rural Yukon communities.

We are making significant investments in education facilities to support the growing number of families raising children in our territory. More than \$10.5 million is budgeted this year to begin construction of a new elementary school in Whistle Bend. A total of \$8.7 million is budgeted for new learning spaces and modular classrooms, including \$4 million to add new learning space to the Robert Service School in Dawson City.

Nearly \$7 million is included in this year's budget to improve the way we serve and communicate with the public in French. This is part of a \$28 million agreement with the Government of Canada to support French-language services across government over the next five years. An additional \$1.5 million is included to begin work on a Bilingual Health Centre in Whitehorse that will improve care delivery for Yukon's francophone population and provide another option for those seeking health care.

We are proud to continue our work to advance inclusion in our territory. This year, we are providing \$125,000 to Queer Yukon to continue their important work to ensure the Yukon is a strong, vibrant and inclusive territory. We have also worked with Yukon's LGBTQ2S+ community to develop an Action Plan to improve inclusivity throughout government, both as an employer and as a service provider.

The Yukon is the first jurisdiction in Canada to develop a strategy in response to the final report of the National Inquiry into Missing and Murdered Indigenous Women and Girls. *Changing the Story to Upholding Dignity and Justice: Yukon's MMIWG2S+ Strategy* outlines a territory-wide approach to address violence against Indigenous women, girls and two-spirit+ people. To help build capacity to implement this important strategy, we are providing \$300,000 to Yukon's Indigenous women's organizations that continue to demonstrate leadership and advocacy while providing vital support to survivors and family members. An additional \$600,000 is allocated for the Indigenous Women's Equality Fund. We are also budgeting \$60,000 to continue the Sexualized Assault Support Line, a 24-hour, confidential, toll-free and Yukon-wide support line for victims of sexualized assault.

We are continuing to invest in the wellness of all Yukoners. We have budgeted more than \$70 million for social supports, mental wellness and substance use programs. We have also included \$5.7 million for a new Secure Medical Unit at the Whitehorse General Hospital. A further \$3 million will support the implementation of 1Health, a modern, integrated health information system that will enhance Yukoners' experience in the health care system and improve health outcomes across the territory. We have also budgeted \$1 million to develop a supervised consumption site and secure a safe supply of opioids to help fight the opioid crisis that continues to impact our communities.

More than \$1.4 million will make medical travel easier and more affordable for Yukoners. This year, the medical travel subsidy was doubled to \$150 per day for multi-day travel and the eligible destinations were expanded to allow more flexibility for patients. Nearly \$2 million is in this year's budget to improve front-line health care and health system supports, including three additional community health nurses and two new nurse practitioners in Yukon communities. \$500,000 is included to begin developing a program to provide dental benefits to uninsured Yukoners. This budget also includes nearly \$87 million for continuing care, home care, respite care, palliative care and community day programs for seniors and Elders across the territory.

## Our Clean Future

In 2019, we declared a climate emergency in the Yukon, a clear acknowledgement that climate change is real and that we all – governments, industry, businesses, communities and individuals – need to take action against this crisis. Yukoners want action, and our government is listening. This year's budget includes more than \$50 million for implementation of *Our Clean Future* to address our changing climate in a comprehensive and sustainable way that supports our green economy.

\$16 million will support community-based renewable energy projects across the territory. \$14.4 million will make government buildings more energy efficient and switch to renewable sources of heating like biomass, which will also help grow our local biomass energy industry. \$1.2 million is dedicated to making First Nations housing more energy efficient. \$6.1 million for energy rebates will help Yukon families and businesses adopt renewable sources of heating and make their homes and buildings more energy efficient. These rebates will also support local contractors and tradespeople in Yukon's green economy.

More than \$100,000 will support Yukon's first-ever Youth Panel on Climate Change. This Panel provides space for Yukon youth from across the territory to share their perspectives and give advice on Yukon's climate change actions. Our clean future is truly theirs and it is important they play a role in shaping it.

This year's budget includes substantial investments towards renewable energy projects identified in Yukon Energy's 10-year Renewable Electricity plan. There is more than \$4.5 million for a grid-scale battery that will be the largest battery project in the North and one of the largest in Canada. \$2.3 million is included to complete the Mayo-McQuesten Transmission line upgrade. A further \$10 million is included to advance the Atlin hydro expansion project in partnership with the Taku River Tlingit First Nation.

Mr. Speaker, these are the largest investments in renewable energy in more than a decade. They set the course for a responsible and sustainable future for all Yukoners – and they are just the start. Yukon Energy's 10-Year Renewable Electricity Plan positions the Yukon to be a Canadian leader in sustainable electricity by 2030 in collaboration with First Nations and development corporations.

At the same time as we invest in a clean, renewable future, we continue to strengthen and diversify our economy for the benefit of all Yukoners. This budget includes more than \$835,000 for the Innovation and Entrepreneurship program delivered in partnership with Yukon University. More than \$20 million is budgeted for construction of the Dempster Fibre Line that will connect more than 70 communities across the North and provide more reliable internet access. This project will stimulate further growth of Yukon's knowledge sector and digital economy while contributing to community resiliency.

The newly formed Economic Development Fund will provide nearly \$2 million to advance strategic industries and support regional economic development. There is \$3 million for community development projects that provide economic benefits and opportunities in Yukon communities. Guided by the *Cultivating our Future* agriculture policy, we will also increase Yukon's local food security and support a thriving and prosperous agricultural sector.

## Moving Forward Together

As part of our enduring commitment to reconciliation, we are pleased to be working in partnership with Kluane First Nation to build a new Kluane Lake School in Burwash Landing. \$500,000 is included in this year's budget to support planning and design for a new school. The Kluane First Nation asked for this school to be built in Burwash Landing more than 100 years ago and we are very proud to be working in partnership to support Kluane First Nation citizens to learn and thrive in their community. We are also working closely with the Yukon First Nation Chiefs Committee on Education to establish a Yukon First Nation School Board, which will ensure Yukon First Nations can meaningfully shape their children's education.

Mr. Speaker, our government recognizes that stable, affordable housing is foundational to the health and wellbeing of all Yukoners. This year's budget once again includes significant investments to make housing available for all Yukoners.

\$8.5 million is budgeted for the completion of a new 47-unit community housing project in Whitehorse that will provide safe and affordable housing that meets the needs of families and individuals, including vulnerable populations. An additional \$2 million will help the Challenge Disability Resource Group complete their 53-unit Cornerstone project in Whitehorse. This project will provide additional supported and affordable housing for those most in need in Whitehorse. We recognize that vulnerable populations need increased access to housing in our rural communities too. Building on the success of Yukon's first ever Housing First residence in Whitehorse, we are including \$1.5 million towards a new Housing First project in Watson Lake. We have also budgeted more than \$6.1 million for a 10-unit mixed use housing project in Old Crow, a first for the community.

More than \$1.4 million is allocated for rent supplements. This includes the new Canada-Yukon Housing Benefit, which provides Yukon households with up to \$800 per month to help them afford to rent a home that meets their needs. We recently secured an additional \$40 million as the Northern Carve Out under the National Housing Co-Investment Fund. This will support community housing projects across the territory to meet the needs of Yukoners. We have also budgeted another \$3.6 million for the Housing Initiatives Fund. We introduced this program in 2018 to increase the availability of affordable housing in our territory and it has supported over 350 new homes across the housing continuum. Another \$2 million for the Municipal Matching Rental Construction Grant will further support the development of rental housing.

Making land available for development is another important way to meet the growing need for housing throughout the Yukon. We have included more than \$30 million in this year's budget for land development projects across the Yukon, from Watson Lake to Dawson City. In addition to more than 150 residential lots, we look forward to releasing more than 25 commercial lots in Whistle Bend this year. Work on Champagne and Aishihik First Nations' Marshall Creek expansion project is underway and will provide for more than 30 new lots for CAFN citizens. Lots will be made available in Mayo later this spring and planning is underway on residential projects in Teslin, Dawson City, Carmacks and Watson Lake. Working with our partners across the Yukon to develop lots will increase housing options while providing additional economic and employment opportunities in our rural communities.

## Conclusion

The 2021–22 budget builds on the strong foundation of our previous mandate and continues us on the path toward a brighter future for the Yukon.

We continue to move the Yukon toward a more people-centred approach to wellness. Improving access to mental health supports throughout the territory and implementing the recommendations from the *Putting People First* report will help Yukoners thrive. These bold changes will move Yukon toward a more holistic and person-centred system and position Yukon as a national leader in the delivery of health and social care.

We continue to make investments to build healthier, more vibrant and sustainable communities for Yukon families to live in. Expanding home care and implementing the Aging in Place strategy will help seniors and Elders live safe, independent, and comfortable lives surrounded by strong and supportive communities. The new universal affordable childcare program will support Yukon families while putting more money in their pockets. Increased investments in land development and housing projects will expand housing options across the territory. Continuing to invest in community and recreational infrastructure in all communities will support healthy, active living.

Under our leadership, the Yukon has earned a reputation across the country as a leader in reconciliation, and this has benefitted all Yukoners. Our government will continue to foster strong government-to-government relationships with Yukon First Nations on the basis of respect, cooperation and partnership.

We will continue to create good jobs in a diverse, growing and sustainable economy. Our territory has had the lowest unemployment rate in the country in addition to continuous GDP growth for the past five years. We have developed an ambitious 10-year strategy in partnership with municipal and First Nations governments to tackle climate change while building a resilient economy powered by renewable energy. We have made historic investments to modernize infrastructure and transportation networks to stimulate economic growth throughout the territory, while reducing the tax burden on businesses to help Yukon companies and entrepreneurs thrive as our economy continues to grow.

The impacts of the COVID-19 pandemic have brought into clear focus what is important and what is at stake as we look to the future. By listening to Yukoners and delivering on the commitments we made to them, our government will continue on the path toward a stronger future for all Yukoners. This budget and its investments position the territory to move confidently and steadily towards an even brighter future together.

**Thank you, Mr. Speaker.**

**Merci.**

**Mahsi' cho.**

**Gunatchish.**