

2023 SPRING SESSION BRIEFING NOTES TABLE OF CONTENTS

LIQUOR CORPORATION and LOTTERIES YUKON

Last Update: April 4, 2023

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Session Briefing Note**Spring 2023****Cannabis Legislation**Yukon Liquor Corporation

Recommended response:Community-Cannabis licence application

- Following a hearing by the Cannabis Licensing Board on February 14, 2023, the licence application by 'Community Cannabis' for a cannabis retail store at a downtown Whitehorse location, was denied.
- The Board is independent of the Minister in the performance of its duties and functions (s. 24 of the *Cannabis Control and Regulations Act*).

5-year review Cannabis Control and Regulation Act

- The 5-year review of the Yukon's *Cannabis Control and Regulation Act* will start in the fall of this year. More details will be available soon.

3-year review federal Cannabis Act

- The federal government's 3-year review on the Cannabis Act is underway. The Yukon Liquor Corporation participates in a federal/provincial/territorial working group.
- The Yukon Liquor Corporation will be submitting comments requesting improvements to legislation for cannabis packaging, advertising and promotion, and guidance on novel cannabinoids.

Health Canada Updates

- It is Health Canada's responsibility to approve cannabis products from federally-licensed producers.
- The Yukon Liquor Corporation is reaching out to Health Canada to request guidelines regarding novel cannabinoids such as delta-8 THC.
- Health Canada has issued a public advisory to Canadians warning that edibles incorrectly sold as extracts may lead to overconsumption of THC.
- The Corporation is monitoring both situations closely.

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Cannabis Legislation

Yukon Liquor Corporation

Context—this may be an issue because:

- The recent refusal to grant Community Cannabis a licence by the board is anticipated to attract media interest.
 - Licensees are aware of the federal and territorial reviews of cannabis legislation and wish to be kept updated.
 - The discussions around novel and minor cannabinoids may develop into an emerging issue at the national level and has garnered media attention.
 - Licensees or cannabis consumers may have questions around Health Canada's statement regarding edible cannabis marketed as extracts.
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Background:Community Cannabis – Relationship between YLC, the Board and legislation

- YLC reviews cannabis licence applications for accuracy and completeness and provides an application analysis to the Board to assist in their consideration of an application.
- The Board has independent and sole authority to grant, refuse and renew a cannabis licence, with or without conditions, in the Yukon. The Board is made up of Yukoners who have volunteered to make decisions that the Board determines to be in the public interest.
- In deciding whether to grant a cannabis licence, the Board assesses “relevant considerations” defined in the Act, which include the number of licenses and population in the area, public views, proximity to schools, and a number of other factors.
- Under the *Cannabis Control and Regulation General Regulation*, cannabis retail stores must have a setback of at least 150 meters from schools, unless municipal bylaws offer an alternative setback limit.
- Community Cannabis did not pursue a licence application regarding their first proposed location as the City of Whitehorse did not wish to amend the municipal zoning bylaw to allow a cannabis retail store less than 150 meters from a school.

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Cannabis Legislation

Yukon Liquor Corporation

Territorial and federal reviews of the cannabis legislation

- At least once every five years, the Minister must cause a review of the Cannabis Control and Regulation Act and must submit a report to the Legislative Assembly within a year of the start of the review.
- At the federal level, a Cannabis Act review began on September 22, 2022. The final report is expected in March 2024.
- Health Canada is currently conducting a public engagement on potential amendments to the Cannabis Regulations set close on May 24, 2023.

Novel cannabinoids

- Approval of products manufactured by federally Licensed Producers is Health Canada's responsibility.
- Cannabis products are emerging that contain intoxicating cannabinoids other than delta-9-THC, such as delta-8-THC, CBN and THCB.
- Federal legislation and regulations are specific in defining THC as delta-9-THC and do not consider any other intoxicating cannabinoids.
- Labeling/testing requirements, public education campaigns, excise tax calculations and impaired-driving legislation all refer exclusively to delta-9-THC.
- Jurisdictions, including the Yukon, are waiting for guidance from Health Canada. Ontario and BC have taken these products out of their distribution networks.

Cannabis edibles sold as extracts

- Health Canada has advised that there are non-compliant edibles in circulation that contain a quantity of THC that exceeds the allowable limit of 10 mg of THC per package. Consumers may accidentally consume higher than expected levels of THC which may cause side effects.
- These products may look like gummies or hard candy and have been incorrectly marketed and sold as cannabis extracts. Cannabis extracts may contain 1000 mg of THC per package, with up to 10 mg of THC per unit.
- Health Canada has informed Licensed Producers to stop further distribution and sale of these products to distributors and retailers by May 31, 2023.
- YLC carries minimal inventory of the products mentioned in Health Canada's updates.

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Cannabis Legislation

Yukon Liquor Corporation

Approved by:

Dennis Berry

President, Yukon Liquor Corporation

April 25, 2023

Date

Session Briefing Note**Spring 2023****Cannabis Operations**Yukon Liquor Corporation

Recommended response:

- The Corporation meets weekly with licensees to discuss operations and address any questions or concerns they choose to raise.

Federal Budget 2023 measures

- I am pleased that the federal budget for 2023 allows cannabis producers to remit excise duty quarterly rather than monthly.
- Eliminating the illicit market is key and this measure alleviates pressure on the legal cannabis industry.

Variety and supply

- Licensees can request new products and suppliers on a weekly basis. In total, our 6 licensees purchased close to 1500 different products from 66 different suppliers during 2022.
- As the cannabis distributor, the Yukon Liquor Corporation leads price negotiations with suppliers signed-on in consultation with licensees.
- The Corporation invests in up to \$1 million dollars of inventory to ensure licensees always have access to up to 8 weeks' worth of products in the territory. This helps to support licensees limited by space and cash flow for purchasing product, and in the event of road closures.

Sales

- The Yukon has strong cannabis sales overall. Every retailer will feel this differently depending on their market share.
- Cannabis retail sales in the Yukon experienced close to 12% year-over-year growth in 2022.

Pricing

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- The Corporation reduced pricing and cost of service in consultation with licensees last year.
 - The Yukon had an average retail price of \$8.00 per gram in December 2022. This is a 13% price decrease from July 2021.
 - The Corporation forecasts sales and expenses every year for this evolving industry. Any surplus is returned to the Government of Yukon to contribute to services and programs for all Yukoners.
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Context—this may be an issue because:

- The Government of Canada is allowing licensed cannabis producers to remit excise duties on a quarterly basis, acknowledging the financial difficulties that they face in building a stable, legal cannabis industry in Canada.
 - Some licensees have complained about a perceived lack of product variety, high prices and slow sales.
 - Some have suggested moving to a privatized model.
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Background:Federal Budget 2023 measures

- The federal government imposes an excise duty on cannabis products, which is generally remittable on a monthly basis. Budget 2022 brought forward a measure that allowed certain smaller licensed cannabis producers to remit excise duties on a quarterly basis. Budget 2023 proposes to allow all licensed cannabis producers to remit excise duties on a quarterly rather than monthly basis, starting from the quarter beginning on April 1, 2023.
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Privatization

- During the public engagement at legalization, 28% of respondents thought government-licensed private distributors should oversee and manage cannabis distribution within the Yukon. 24% thought retail operators should be required to
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Session Briefing Note**Spring 2023****Cannabis Operations**Yukon Liquor Corporation

purchase wholesale from a government supplier. 17% were in favour of government distribution to government-run stores, and 24% thought cannabis producers should be allowed to sell directly to retail stores.

- Of Canada's 13 provinces and territories, only Saskatchewan has a privatized cannabis model. Saskatchewan registers licensed producers and issues permits for wholesalers. Both are required to pay a fee.
- In 2019, smaller, independent retailers in Saskatchewan felt compelled to launch the Weed Pool Cannabis Cooperative to create a shared buying power and secure better pricing and product selection from producers.

Sales

- According to Statistics Canada, sales of recreational cannabis by provincial cannabis authorities and other retail outlets were \$4 billion in 2021/2022, equivalent to \$131 per person of legal age to consume cannabis.
- Yukon had the highest per person cannabis sales (\$291), followed by Alberta (\$210) and Saskatchewan (\$185), while Quebec had the lowest (\$89), followed by Manitoba (\$107) and Nova Scotia (\$125).

Pricing

- The Yukon Liquor Corporation reviewed cannabis pricing, together with licensees and a consulting firm. Cost of service was revised from a per-gram to a per-unit basis.
- The wholesale markup was adjusted from 22% to 20% in December 2021 to further support licensees.

Approved by:Dennis Berry

President, Yukon Liquor Corporation

April 24, 2023

Date

Session Briefing Note**Spring 2023****Liquor Legislation**Yukon Liquor Corp.

Recommended response:Liquor legislation

- As with every review of legislation falling under its responsibility, the Yukon Liquor Corporation considers matters relating to:
 - Social responsibility, (see LQ 05)
 - The needs of licensees including local producers, and
 - The need to return dollars to the Government of Yukon to fund programs and services for all Yukoners.
- We are also taking into account the considerable feedback received during public engagement, as well as changes for business since the pandemic. For example, we heard that liquor server training should be mandatory, and it will be with the new legislation.
- The legislation will be completed as soon as practicable.

Proximity of off-premises to sensitive sites (schools, daycare, etc.)

- The Yukon Liquor Board already considers proximity when granting an off-premises licence, and Yukoners can raise an objection to a licence application through the public notification period. (see LQ 07)
- The Board is independent from the Government of Yukon, including the Yukon Liquor Corporation.

Liquor licensee patios/sidewalks

- Yukon Liquor Corporation supports liquor licensees' endeavours in bringing applications forward for patio or sidewalk extensions in the downtown area.

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- The City of Whitehorse's municipal bylaws impose specific requirements on the design, materials and construction for pop-up patios and sidewalk cafes.
- Since patios increase the overall footprint of the licenced premises, they require a new liquor licence application and public notice period.
- The City of Whitehorse engaged the Yukon Liquor Corporation on the prospect of a town square before moving forward with their public engagement.

Context—this may be an issue because:

- YLC received a media inquiry in 2022 about the status of new liquor legislation, whether it addresses the substance use emergency, the recommendations of the Putting People First report and recommendations provided in a separate report by the previous Chief Medical Officer of Health.
- At a City of Whitehorse public hearing on the zoning of a cannabis store in 2022, the leader of the Third Party mentioned a desire to see minimum distance rules for liquor like those that exist for cannabis retail stores to schools. This request was repeated by the Third Party in an October 2022 following a Ministerial Statement on cannabis.
- The City of Whitehorse advised at least one licensee that YLC imposes construction requirements for temporary patios, including a requirement for patios to be level with the sidewalk. That advice is incorrect; YLC will forward these applications to the Liquor Board if the appropriate permit has been issued by the City.
- The City's website for sidewalk cafes states: "Decks are not permitted, except to level a significant grade difference or to harmonize indoor/outdoor seating levels."

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- The City of Whitehorse engaged the public (March 22 to April 5, 2023) on a possible summer pilot project that would close Main Street between Second Avenue and Front Street for pedestrian-only access for people to gather, eat and shop in a temporary town square. Media coverage of this public engagement may raise questions about the potential for liquor licensees to expand operations onto the sidewalks and street square.

Background:Liquor legislation

- Given the *Liquor Act* is over 40 years old, the Yukon Liquor Corporation undertook a *Liquor Act* review, which started in 2017.
- Public engagement began in November 2017 and continued into 2019.
- The project received input from First Nations and municipal governments, industry, stakeholders, and the public.
- The analysis was also based on reviewing the National Alcohol Strategy as well as the last major *Liquor Act* review in 2001.
- The new *Liquor Act* received assent in 2019, prior to the pandemic. The socioeconomic context has since changed significantly.

Liquor licence proximity to sensitive sites

- Section 37 of the current *Liquor Act* mandates the board to consider a number of factors when considering whether or not to grant a new licence of any type.
- When considering an off-premises licence application, the Board will consider density and proximity targets for an area:
 - Density target: a maximum of 1 off premises licence approved for every 1,000 persons within the defined area.
 - Proximity target: minimum of 150 meters away from a public park, school, daycare, youth center, alcohol/treatment facility, existing offsales licensee,

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YLC Store, or other areas considered by the Board to pose a potential conflict, including those frequented by children, youth or other vulnerable persons.

- Sometimes, sensitive sites choose to use a building near an off premises after the potential licensee has received an approval in principle or a licence.

Liquor licensee patios/sidewalks

- The City of Whitehorse's patio extensions/sidewalk cafes initiative for the downtown area was intended to support businesses during the COVID-19 pandemic when public health measures reduced their operating capacity. Those bylaw changes are now permanent.
- The Corporation reviews applications and, subject to the approval of the City of Whitehorse, the Fire Department and Environmental Health, presents them to the Yukon Liquor Board for review and approval.

Approved by:Dennis Berry

President, Yukon Liquor Corporation

April 24, 2023

Date

Session Briefing Note**Spring 2023****Liquor Operations**Yukon Liquor Corporation

Recommended response:

- As Minister responsible for the Yukon Liquor Corporation, my goal is to find an appropriate balance between:
 - the needs of licensees.
 - the need to return dollars to government to fund crucial services for all Yukoners; and
 - social responsibility.

Shipping / Tenders: First Nation Procurement Policy

- The Corporation works with the Government of Yukon Procurement Support Centre to follow appropriate procurement procedures, including the First Nation Procurement Policy.
- The Corporation is always working to improve its approach to tenders within the parameters of those policies and procedures.

Shipping/Tenders: Skagway Barge

- The Corporation's shipping decisions reflect changes in demand and modernized operations.
- YLC used to contract a barge through Skagway because at the time most products were sourced from British Columbia.
- Now, the Corporation sources approximately 30% of its liquor products from British Columbia and 70% from Alberta. Receiving products by road makes delivery a week faster.

Pricing

- Acknowledging the external pressures faced by the local business community, the Corporation recently reduced wholesale pricing to support licensees.

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- A new pricing structure was implemented in October 2021. This adjustment to our wholesale price represents approximately \$1.1 million more revenue per year in licensee pockets.
- The Corporation keeps costs reasonable for licensees by ensuring that the cost of distribution and shipping is the same for all licensees, whether in Eagle Plains or Whitehorse.

Inflation

- The Corporation assumes the risk of inflation over the short-term, by updating prices only twice a year in spring and fall.
- These price fluctuations are like other retail products that consumers purchase.
- The price updates are limited to actual cost changes including changes in vendor prices, shipping costs and warehousing costs.
- The Corporation's markups are not indexed against the Consumer Price Index.

"Escalator tax"

- The excise duty paid on alcoholic beverages is a federal matter.
- The Government of Canada announced in Budget 2023 that it will cap the inflation adjustment for excise duty on beer, spirits and wine at two per cent for a year. The decision represents savings for producers of up to 56 cents for spirits, \$1.50 for beer, and 3 cents for wine.

Context—this may be an issue because:

- A local transportation company asked about the impact of First Nation Labour Hours in contract decision-making.
- Questions on the First Nations Procurement Policy have been raised recently during Question Period.

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- Liquor store customers and licensees are sensitive to liquor price increases.
 - Licensees worked with the Yukon Liquor Corporation on the pricing structure in 2021. Product pricing is complex, and no single solution can work well for all licensees, who each have different business models and practices.
 - Media recently covered the “escalator tax” on alcoholic beverages. Industry, Opposition, and licensees have brought up the annual excise duty as a concern on multiple occasions, while health advocates have raised concerns with reducing it. The Government of Canada is setting the excise duty at 2% for 2023-24 rather than continuing with the planned increase of 6.3%.
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Background:Shipping/tenders

- A Canadian Lynden Transport barge used to ship liquor products from British Columbia through the Skagway port in gradually decreasing amounts until 2021.
- The Corporation maintains approximately 8 weeks of liquor inventory on hand.
- Inbound freight from BC and Alberta must go out for public tender because of the contract value. The Alberta contract was recently renewed for another one-year term expiring September 30, 2023. The BC contract expired January 31, 2023 and was awarded to MyCan Ventures Ltd.
- Mayo and Dawson shipping contracts were awarded to Pacific Northwest.

Pricing/inflation

- Licensees can decide how much markup to charge for liquor products, up to 30% higher than YLC’s final retail price at the YLC liquor stores. Therefore, cost savings provided by the Corporation may not be uniformly reflected in a licensee’s final retail price.
- In 2015, YLC implemented a wholesale discount of 10% from YLC retail prices for licensees. The discount was increased to 12% in 2019 and 17% October 1, 2021.
- Wholesale and retail prices are updated bi-annually in fall and spring, allowing licensees to have consistent pricing during busy summer and winter seasons. For example, restaurants can select their wines and print menus during the spring knowing that their wholesale prices will not fluctuate throughout summer.

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Liquor Operations

Yukon Liquor Corporation

- Freight rates are updated bi-annually to account for new shipping contracts and a fluctuation to fuel surcharge.

“Escalator tax”

- The federal government collects tax under the Excise Act for alcoholic beverages. The rates are adjusted each spring and were indexed to the Consumer Price Index until recently.
- Adjustments for April 1, 2023 – [Tax Measures](#)

Proposed Alcohol Excise Duty Rates as of April 1, 2023¹

	Rate for 2022-2023	Rate for 2023-2024 (had no cap been applied)	Rate for 2023-2024 (proposed 2% adjustment)
Spirits²	\$13.042	\$13.864	\$13.303
Wine³	\$0.688	\$0.731	\$0.702
Beer⁴	\$34.820	\$37.014	\$35.516

¹ No excise duty is imposed on alcoholic products containing not more than 0.5 per cent alcohol by volume.

² Rates per litre of absolute ethyl alcohol. Reduced rates apply to spirits containing not more than 7 per cent alcohol by volume.

³ Rates per litre of wine. Reduced rates apply to wine containing not more than 7 per cent alcohol by volume.

⁴ Rates per hectolitre of beer. Reduced rates apply for domestic brewers to the first 75,000 hectolitres of beer brewed in Canada each calendar year.

Approved by:Dennis Berry

President, Yukon Liquor Corporation

April 24, 2023

Date

Session Briefing Note**Spring 2023****Social Responsibility**Yukon Liquor Corp.

Recommended response:

- The Yukon Liquor Corporation controls alcohol and cannabis as mandated by law and supports initiatives that promote social responsibility and moderate consumption.
- Alcohol and cannabis are two distinct substances with different histories, so the regulatory approaches vary. Prior to 2018, there was no legal, regulated safe supply of cannabis in the Yukon.
- The Corporation is mindful to balance the health and wellbeing of Yukoners while supporting local licensees who contribute to a strong economy. Corporation profits are reinvested into a wide range of government programs and services that support Yukoners.
- The Corporation works through strategic partnerships with departments, other governments, licensees and other stakeholders to encourage only responsible consumption and to help reduce alcohol and cannabis related harms.

Liquor licences (See LQ-07; Liquor Licences.)

- When reviewing applications, the Yukon Liquor Board takes a wide range of issues into consideration, including population, economic activity, hours of service, schools and daycares, alcohol treatment facilities, public parks, existing off sales licensees or other issues considered by the board to pose a potential conflict.
- There is also a public notice period for objections to be raised.

Substance use health emergency

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- In July 2022, the Corporation, including Health and Social Services, provided \$46,000 to the Fetal Alcohol Syndrome Society Yukon for a healing camp at Jackson Lake.
- The Corporation continues to raise awareness of responsible consumption, lower risk drinking behaviours, and supports programs that focus on reducing alcohol-related harms.
- The Corporation sources and stocks low-alcohol and zero-alcohol beverage options in response to consumer demand as part of its social responsibility commitment.

Putting People First Statistics

- The hospitalization data related to alcohol in the *Putting People First* are based on cases per 100,000 people so we can compare data with other jurisdictions.
- Since the *Putting People First* Report was written, new data was released demonstrating the hospitalization rate for Yukon decreased by 7% in 2018-19, the second largest decrease across jurisdictions.
- *Putting People First* is focused on recommendations to government, but is not a specific study on the link between hospitalization and off sales hours in the Yukon.

Ways we support Yukoners (health and safety)

- The Corporation works across government on health promotion campaigns to promote low-risk drinking, including cannabis use guidelines, as well as responsible server training. It also works with

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Spring 2023

Social Responsibility

Yukon Liquor Corp.

other organizations, such as FASSY, on campaigns to raise awareness about the harms of substance use.

- Information is available on Yukon.ca around safety while drinking and the Corporation is working on amplifying its messaging to the public.
- The Corporation is working on making “Be A Responsible Server – Liquor” training mandatory. More than 100 training certificates were issued in last year and the course was launched online, making it more accessible.
- The Corporation partners with MADD Whitehorse and the RCMP to support Project Red Ribbon promoting sober driving.
- The Corporation incentivizes substance-free events by supporting Safe Grad hosted by Yukon schools.

Context—this may be an issue because:

- The Third Party raised questions in the House related to *Putting People First* and the regulations for liquor and cannabis, off-sales hours and liquor licence fees.
- The Canadian Centre on Substance Use and Addiction released the revised low-risk drinking guidelines earlier this year. Guidelines recommend reducing consumption to 0 drinks per week to reduce health risks. They also made a recommendation to Health Canada to implement alcohol labelling (see LQ-06; Alcohol labelling).
- The Canadian Centre on Substance Use and Addiction released the latest Canadian Substance Use Costs and Harms data as of 2020. These costs (which can largely be categorized as health costs, lost productivity costs and criminal

Session Briefing Note**Spring 2023****Social Responsibility**Yukon Liquor Corp.

justice costs) continue to increase. Of all the substances being monitored, alcohol was identified as the leading contributor to harms experienced.

- The Northwest Territories released *An Alcohol Strategy for the Northwest Territories* on March 29, 2023, which details 15 recommendations for action by March 2028.

Background:Substance use health emergency

- In 2021-22, the Corporation provided approximately \$25,000 to the Prevent Alcohol and Risk Related Trauma in Youth program. The program helps Yukon youth recognize and minimize the risk of alcohol and make informed choices about risky activities.
- Every year, the Corporation funds Safe Grad, to support a substance-free graduation for students.
- Information regarding the health risks associated with alcohol consumption is available on Yukon.ca and in Corporation Liquor Stores.
- The Corporation continues to apply orange pregnancy warning labels to bottles in YLC Liquor Stores.

Putting People First: Statistics for alcohol-related hospitalization rates

- Alcohol-related hospitalization rates represent the percent change (per 100,000 population) in the number of hospitalizations entirely caused by alcohol by comparing each year to the preceding one.
- This information does not represent the number of patients being treated in hospital; only the percentage change in total visits to hospital year to year. One additional, or one fewer, person in the data set can skew the results positively or negatively. This is especially true for populations under 100,000.

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Ways we support Yukoners get home safely

The Corporation works with liquor licensees and Yukoners to promote safe liquor consumption. Existing public campaigns and messaging include:

- Information on Yukon.ca and social media around safety while drinking, including getting home safely;
- Rethink that drink, to raise awareness of standard drink sizes; and
- Check 30 identification campaign.

Approved by:Dennis Berry

President, Yukon Liquor Corporation

April 25, 2023

Date Approved

Session Briefing Note**Spring 2023****Alcohol Warning Labels**Yukon Liquor Corp.

Recommended response:

- I am pleased to see alcohol labelling discussed in the Parliament of Canada.
- The Government of Yukon supports a federal approach to alcohol labelling and has communicated this to Health Canada.
- The Yukon Liquor Corporation will continue working on ways to ensure Yukoners understand the health risks associated with alcohol and to promote healthier consumption choices, such as raising awareness about standard drink information and Canada's low-risk drinking guidelines.

Additional response:

- For more than 30 years, the Yukon Liquor Corporation has applied warning labels on the alcohol sold in its stores throughout the Yukon. The labels warn the public about the risk of drinking alcohol during pregnancy.

Context—this may be an issue because:

- The Yukon Liquor Corporation participated in the Northern Territories Alcohol Study in 2017-18.
- Journal of Studies on Alcohol and Drugs (JSAD) research published in May 2020 indicated that labels reduced alcohol sales and people who bought alcohol with the labels better remembered national drinking guidelines and warning risks about cancer.
- Bill S-254, an Act to amend the Food and Drugs Act (warning label on alcoholic beverages), was introduced in the Senate and second reading is in progress.

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Yukon Liquor Corp.

Background:

- Since 1991, the Yukon Liquor Corporation has applied warning labels on the alcohol sold in its stores throughout the Yukon. These labels warn the public about the risk of drinking alcohol during pregnancy due to overall elevated alcohol consumption rates and the incidence of Fetal Alcohol Spectrum Disorder.
- The proposed amendment to *The Food and Drugs Act* introduced in the Senate requires a label on alcoholic beverages warning consumers against the health risks of alcohol consumption, including:
 - the volume of beverage that, in the opinion of the Department (Government of Canada's Department of Health), constitutes a standard drink;
 - the number of standard drinks in the package;
 - the number of standard drinks that, in the opinion of the Department, should not be exceeded in order to avoid significant health risks; and
 - a message from the Department that sets out the direct causal link between alcohol consumption and the development of fatal cancers.

Approved by:Dennis Berry

President, Yukon Liquor Corporation

April 3, 2023

Date

Session Briefing Note**Spring 2023****Liquor licences**Yukon Liquor Corp.

Recommended response:

- The Yukon Liquor Board is independent from the Government of Yukon and the Yukon Liquor Corporation.
- The independent Yukon Liquor Board reviews liquor licence applications and considers a range of factors before making a considered decision.

Assessment of liquor licence applications

- The Liquor Board follows its own policies, which are available on Yukon.ca.
- When reviewing applications, the Yukon Liquor Board takes a wide range of issues into consideration, including population, economic activity, hours of service, schools and daycares, alcohol treatment facilities, public parks, existing off sales licensees or other issues considered by the board to pose a potential conflict.
- All Yukoners have the opportunity to raise an objection to a liquor licence application through the public notification period.
- Advertisements are placed in newspapers and information is placed on Yukon.ca about a potential new licence for three weeks prior to the board's review.

Licence fees

- All applicants must pay the \$150 application fee. There is also an advertising fee for the public notice period, as well as additional fees depending on the class of licence.

Context—this may be an issue because:

- During spring 2023 session, questions were raised on the cost and assessment of liquor licences relative to cannabis licences.

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- A question was raised about how the Liquor Board assesses licences during Opposition budget briefing.
 - In spring 2021 session, the Third Party put forward a motion to require the Yukon Liquor Corporation, when approving off sale licences, to collaborate with the Department of Health and Social Services by assessing locations and hours from a public health perspective.
-

Background:Assessment of liquor licence applications

- Section 37 of the *Liquor Act* mandates the board to consider a number of factors when considering whether or not to grant a new licence of any type. These considerations include:
 - the number of licences in the area;
 - the number of different types of licences in the area;
 - the population of the area including seasonal variations and also including variations in the immediate area to be served by the licence and more distant areas capable of being served by the licence;
 - the economic activity carried on in the area or projected to be carried on, including seasonal variances;
 - in the case of an application under section 34 (premises under construction), the projected capital expenditure;
 - in the case of an application under section 25 (applications for new licence), the amount of capital expenditure already made;
 - the need for a new licence in the area;
 - how the applicant or their associates have operated any previous licence held by either of them;
 - the arrangements to be made by the applicant for operating and controlling the premises; and
 - the type of structure to be built, or added to.
- When considering an off-premises licence application, the board will consider density and proximity targets for an area:

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- Density target: a maximum of 1 Off-Premises Licence approved for every 1,000 persons within the defined area.
- Proximity target: minimum of 150 meters away from a public park, school, daycare, youth center, alcohol/treatment facility, existing offsales licensee, YLC Store, or other areas considered by the board to pose a potential conflict, including those frequented by children, youth or other vulnerable persons.
- When considering these factors, the board strives to ensure an appropriate balance between liquor retail opportunities and social responsibility.

Approved by:Dennis BerryApril 20, 2023

President, Yukon Liquor Corporation

[Date approved]

Session Briefing Note

Spring 2023

Housing Issues

Yukon Housing Corporation

Recommended response:

- As we are aware, homelessness has far-reaching consequences that impact Yukoners. The substance use health emergency and the COVID-19 pandemic have only intensified these issues.
- Meanwhile, rental options are too few and often too expensive. Vacancy rates in the rental market have dropped to 0.8% - the lowest in years –a reality that influences the Yukon Housing waitlist.
- Down payment costs remain out of reach for many Yukoners, and homeownership may be less affordable as interest rates rise.
- Across government, we are working with stakeholders to develop new land parcels, increase housing stock, and rapidly increase housing supply while also responding to the findings of the 2022 Office of the Auditor General Report on Housing.

Additional response:

- We continue to enhance our Community Housing stock to support a full housing continuum - 47 new affordable units at 401 Jeckell, 10 units of affordable and supportive housing for seniors through Normandy Living and three new triplexes in Watson Lake, Mayo and Whitehorse demonstrate how we are responding to the 2022 Office of the Auditor General of Canada recommendations on housing.
- Partnership with Da Daghay Development Corporation for the construction of 98 new units is one of numerous housing examples that further support vulnerable Yukoners.
- Through our new approach to housing YG employees in communities, we aim to decrease the housing cost disparities in communities, further incentivize private sector investment in housing, and prioritize

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Yukon Housing Corporation

allocations of the government's existing staff housing units to meet critical needs for community well-being.

- Finally, as part of the response to the 2022 Office of the Auditor General of Canada recommendations on housing, we have expanded capital incentive programs to include land development for residential housing, while also enhancing our Community Housing stock.

Context—this may be an issue because:

- Since COVID-19, Yukoners have faced additional housing challenges including increased housing prices and low vacancy rates.
- The recently declared substance use health emergency in the Yukon and closure of Chilkoot Trail Inn have added strain on the housing crisis.

Background:

Recent interest rate hikes

- The Bank of Canada raised interest rates for an eighth time in January, bringing the Bank rate to 4.50%. At the start of 2022, that rate was 0.25 %. Rising debt costs will make it more challenging for homeowners to qualify for a mortgage and will increase monthly debt costs for existing homeowners and developers.

Housing Action Plan and Safe at Home Plan

- The 10-year Housing Action Plan (HAP) for Yukon was launched in 2015 and provides guidance on housing priorities for the territory.
 - A Housing Action Plan Implementation Committee (HAP – IC) made up of key housing stakeholders and partners from across the territory oversees its implementation.
- The Safe at Home community-based Action Plan to End and Prevent Homelessness (Safe at Home) was launched in November 2017.
- The Safe at Home plan was developed by the Government of Yukon, the City of Whitehorse, Kwanlin Dün First Nation, the Ta'an Kwäch'än Council, and a number of local NGOs.

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- The Safe at Home Society was awarded \$10 million under the Northern Carve-Out of the National Housing Co-Investment Fund, \$5 million in funding under the federal Rapid Housing Initiative 2.0, and \$1.02 million in funding from YHC's Housing Initiatives Fund - for a supportive housing project.

Land Development

- The Government of Yukon continues to support new land development to increase the supply of land available for housing development. This includes:
 - Government-led land initiatives in Whistle bend, as well initiatives to sell the 5th and Rogers site (See TAB #34) and old Macaulay Lodge site (See TAB #37);
 - First Nations land development projects – KDFN's Copper Ridge West (See TAB #35) and Range Point projects;
 - Private Sector land development project initiatives – the Tank Farm (See TAB #40).
- Community Services estimates an additional 1,476 new housing lots will come online by 2026, enough to accommodate 2,713 additional housing units.

New Housing Construction and partnerships with the Private Sector

- Yukon Housing Corporation offers several loans and grants programs (See TAB #4) to incentivize new housing construction – namely, the *Housing Initiative Fund* (See TAB #63), the *Developer Build Loan* (See TAB #59), and the *Municipal Matching Rental Construction Program* (MMRCP).
- These territorial-based programs complement new housing construction incentive programs under the National Housing Strategy, including the *National Housing Co-investment Fund* and the *Rapid Housing Initiative*.
- Finally, we provide subsidies to households living in private market housing through the *Canada Yukon Housing Benefit* (See TAB #57) and the *Rent Supplement* program.

Community Housing and the Most Vulnerable

- Yukon Housing Corporation and its partners continue to implement the new Community Housing Program, which aims to improve better client outcomes and fiscal resiliency (See TAB #58)
- Currently, YHC offers over 700 units through the Community Housing program in which eligible Yukoners pay 25% of their income for rent (rent-geared-to-income), we provide

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support to more than 80 households through our rent supplement program and more than 130 Yukoners through the Canada Yukon Housing Benefit.

- Starting in early 2023, YHC is introducing a mixed-income and mixed-use tenant's allocation policy to its Whitehorse buildings while providing tenants with appropriate partner supports to help them maintain housing.
- Work continues with the Safe at Home Society with the intent of allocating a percentage of units to individuals on the By-Name List.
- YHC is working to implement the Aging in Place Action Plan, which includes broadening programming to include Senior Supportive Housing Program as an option for seniors who require additional supports.
- YHC will be operating and maintaining a new 10-plex in Old Crow (See TAB #23);
- Finally, YHC and housing providers have recently completed or are currently making significant capital investments to expand the community housing stock, including:
 - The 401 Jeckell – 47-unit building (See TAB #19);
 - Three new triplexes in Mayo, Watson and Whitehorse (See TAB #21);
 - A new Housing First building in Watson Lake (See TAB #25); and
 - Duplexes in Carmacks, Dawson, Mayo, and Faro (See TAB #20).

Major investments in housing include:

- The Canada Yukon Housing Benefit, an eight-year rent subsidy program to support low to moderate income Yukoners renting private market rental housing (See TAB #57).
- Normandy Living was supported with approximately \$34.5 million from the Government of Canada through the Canada Mortgage and Housing Corporation, \$4.5 million from the Government of Yukon through the Yukon Housing Corporation, private investments of more than \$1.8 million, and \$500,000 in development incentives from the City of Whitehorse. (See TAB #38)
- \$21M for the design and construction of the 4th and Jeckell, a 47-unit mixed-income housing development in Whitehorse (See TAB #19).
- \$5.4M for the construction of three triplexes in Mayo, Watson Lake, and Whitehorse including \$3M of federal funding under the Rapid Housing Initiative - contributing nine units of housing options. (See TAB #21)
- \$400K in 2021-2022 for the design of the Watson Lake Housing First project which will be tendered in February 2023 (See TAB #25).

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Yukon Housing Corporation

- Design work to support the housing needs in the communities of Teslin, Carcross and Dawson in 2022-2023.
- \$5.7M annually under the Housing Initiatives Fund (See TAB #63).
- \$6.9M for First Nation Energy Efficiency Program and \$8.4M for Community Housing retrofits under the Low Carbon Economy Fund (LCEF) provided on a 75% (Canada) - 25% (First Nations) cost-matching ratio between 2019 and 2024. (See TAB #60 & #61)
- \$4.1M for the construction of a Housing First residence for vulnerable individuals (5th and Wood St.) in Whitehorse.
- Continued commitment by Government of Yukon toward the Municipal Matching Rental Construction program for new rental units.

Affordable rental housing incentives (in partnership with the private market):

- Since its inception in 2019, the Housing Initiatives Fund (HIF) intakes have brought on line 361 units and 159 are under construction. (See Tab #63).
 - The sixth intake of the Housing Initiative Fund was launched in November 2022. The deadline to submit the application was February 3, 2023.
- The Municipal Matching Rental Construction Grant has supported the construction of over 126 new rental homes throughout the Yukon, ten of which are in progress.
- Since 2020, our homeownership loan program that focuses on providing financial support for the purchase and construction of building projects in rural Yukon, has helped 21 Yukoners to buy or build their first homes. 14 of these projects are completed.

Approved by:



Justin Ferbey
President, Yukon Housing Corporation

January 31, 2023

Date approved

Session Briefing Note**Our Clean Future Annual Report**Environment
Energy, Mines and Resources

Recommended response:

- We continue to make significant progress in the implementation of *Our Clean Future*.
- In September 2022, we released our second annual report. It outlines the progress we made in taking action on climate change in 2021.
 - Notably, in 2021, the Yukon Climate Risk Assessment was released and we saw a 12% decrease in our emissions when compared to 2020.
- Through this report we introduced five new actions and revised 13 existing actions to better meet our goals.
- *Our Clean Future* is an adaptive strategy, which means that we assess and adjust the actions we are taking year-over-year to stay on track to meet our long-term goals.
- We will continue to track and report our progress annually.

Additional response:

- Over the past year, we have advanced several key actions, such as:
 - Legislated greenhouse gas emissions reduction targets and associated reporting through the *Clean Energy Act*;
 - Received and analyzed the recommendations from the Yukon Climate Leadership Council ([Ref ENV #24 / EMR #34](#));
 - Established a standard method for determining the health of wetland ecosystems, and tracking baseline conditions to understand future changes;
 - Established a geohazard mapping program to understand risks to the Yukon's transportation corridors; and,
 - Enacted the single-use paper bag ban on January 1, 2023.

Session Briefing Note

Our Clean Future Annual Report

Environment
Energy, Mines and Resources

Third response:

- Although we have made progress on many of our commitments, there is still significant work required to meet our 45 per cent greenhouse gas emissions target reduction by 2030.
- We will continue to build on *Our Clean Future* as we learn more about climate change and introduce more actions. This will be reflected in future annual reports.
- We will also continue to work with experts, stakeholders and partner governments across the territory and beyond, to identify opportunities for new actions and to accelerate and intensify existing actions to reach our ambitious target.

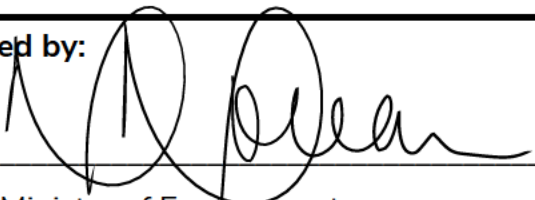
Context — this may be an issue because:

- Climate change is of high interest to Yukoners; they will want to know the government's progress in delivering on *Our Clean Future* commitments.

Background:

- *Our Clean Future* was released in September 2020 and is a 10-year strategy.
- *Our Clean Future* contains 136 actions to reduce greenhouse gas emissions by 2030 and supports the Yukon to be highly resilient to the impacts of climate change.

Approved by:



Deputy Minister of Environment

2023-02-01

Date approved



Deputy Minister of Energy, Mines and Resources

Feb. 1, 2023

Date approved

Joint Corporate Note Inflation and affordability

Finance
Executive Council Office

Recommended:

- All Yukon households are seeing their budgets stretched by elevated levels of inflation, with lower-income households often feeling the effects more than others.
- The government continues to assess how inflation is impacting Yukoners and several measures included in the 2023-24 Budget will help make life more affordable for Yukoners.
- In 2023–24, the government is extending the Inflation Relief Rebate Program, which provides a \$50 per month rebate on ATCO Electric and Yukon Energy utility bills for the April and May billing periods, along with an additional three months later in the year.
- Other measures in the 2023-24 Budget to help make life more affordable to Yukoners include funding for food in Yukon schools, the timber harvesting incentive to boost fuelwood supply, a quarterly top-up of \$150 to eligible recipients of the Yukon Senior Income Supplement, and a \$100 monthly increase to eligible Social Assistance recipients.

Additional response:

- This government already established a strong record of making life more affordable for Yukoners with almost \$10 million-worth of inflation relief made available in last year's budget.

Joint Corporate Note Inflation and affordability

Finance
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- This included more funding for Food Network Yukon, a 10 per cent top up to the Pioneer Utility Grant and rebates on the purchase of firewood.
- Yukoners are also receiving inflation relief from the federal government. This includes the accelerated Canada Workers' Benefit, the elimination of interest on student loans, a doubling of the GST tax credit, dental care and the Canada Housing Benefit for renters.

Context—this may be an issue because:

- Inflation has increased to decade highs in many countries, including Canada, which is experiencing the highest inflation in almost 40 years.
- Energy prices have been a significant driver and these prices are more obvious to consumers.
- Housing affordability has been a concern in the Yukon for several years.
- [March's rate of inflation in Yukon was the highest in Canada at 5.5 per cent vs 4.3 per cent nationally according to the Whitehorse Consumer Price Index.](#)

Background:

Key government initiatives addressing affordability in Yukon

Highlight of affordability spending in Budget 2023-24

- \$5.3 million to extend the Inflation Relief Rebate. Yukoners will receive a \$50 credit on their power bill in April and May and for an additional three months later in the year.

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Finance
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- \$300,000 for the Timber Harvesting Incentive program.
- \$1.5 million to increase monthly social assistance payments by \$100.
- Over \$800,000 to recipients of the Yukon Seniors Income Supplement.
- \$500,000 for food in schools.

This builds on previous programs to protect the affordability of Yukoners including

- Last year, the Government of Yukon announced almost \$10 million in new inflation relief measures targeted at vulnerable groups.
- The inflation relief rebate covered seven months at a total cost to Government of \$7.6 million. The inflation relief rebate automatically applied a \$50 credit to all residential and commercial ATCO Electric Yukon and Yukon Energy electricity bills.
- Yukoners on social assistance received a one-time payment of \$150.
- Seniors were supported by a 10 per cent top up in the Pioneer Utility grant and a one-time payment of \$150 to recipients of the Yukon Seniors Income Supplement.
- Yukoners who heat their homes with wood are eligible for a \$50 rebate per cord of fuel wood, this program is retroactive to April 1, 2022. Yukon also introduced the Timber Harvesting Incentive that gives commercial timber harvesters \$10 per cubic metre.
- The pilot program giving an extra \$500 per month to Extended Family Caregiver agreement caregivers and foster caregivers was extended to the end of the fiscal year.
- In June 2022, the Yukon government extended the Tourism Accommodation Sector Supplement and Tourism Non-Accommodation Sector Supplement programs, administered through Economic Development.

Yukoners are also supported by Federal Government affordability programs

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- Accelerated Canada Workers Benefit payments and new minimum entitlement starting in July 2023 (\$4 billion over six years, starting in 2022-23).
- Making all Canada Student Loans and Canada Apprentice Loans permanently interest-free, starting in April 2023 (\$2.7 billion over five years and \$556.3 million ongoing).
- **GST Tax Credit:** The GST tax credit will be doubled for six months in current benefit year. Additional payment will be provided in one lump-sum, before the end of the benefit year. Targeted to individuals and families with low incomes (below \$39,826, and gradually phased out above that level). Single Canadians without children would receive up to an extra \$234 and couples with two children would receive up to an extra \$467 this year. Seniors would receive an extra \$225 on average.

Inflation outlook

- The inflation rate in Whitehorse was 5.5 per cent in March, down from 7.0 in February, but 1.2 percentage points higher than the national inflation rate of 4.3 per cent. Whitehorse's inflation rate was the highest in Canada for fourth consecutive month.
- This ranking is a reversal from earlier in 2022 when Whitehorse had the lowest inflation in Canada. For 2022 as a whole, the relatively lower inflation at the beginning of the year and higher inflation at the end of the year cancelled out, and so, the annual inflation rate in Whitehorse was the same as the national rate: 6.8 per cent.
- It is natural that relatively lower inflation in Whitehorse is eventually followed by relatively higher inflation as prices in Whitehorse follow the national trend over the long term.

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- The Bank of Canada has started to take a more aggressive approach to battling inflation by raising interest rates 4.25 percentage points since March 2022. The Bank's increase of 0.25 percentage point on January 25 brought the overnight rate to 4.5 per cent, the highest rate since early 2008. [This rate was maintained at the April rate announcement.](#)
- The housing market in the Yukon has stayed resilient the face of higher interest rates that have cooled markets in most other parts of Canada. Yukon was the only Canadian jurisdiction that saw residential sales in 2022 increase over 2021
- It wasn't until the fourth quarter until signs of cooling showed in the Yukon data, with average sales prices falling across all housing type. Compared with the end of 2021, prices were down by 1.2 per cent for single-detached, 3.9 per cent for duplexes, 11.4 per cent for condos, and 1.6 per cent for mobile homes.
- Most forecasters expect inflation in Canada will move towards historic norms over the next couple of years as supply chain problems subside and the effect of higher interest rates move through the economy. Canadian inflation is expected to decline from near 7 per cent in 2022, to between 3.5-4.0 per cent in 2023. Inflation in 2024 is expected to return to the midpoint of the Bank of Canada's target range of 1-3 per cent.
- Inflation in Whitehorse follows the national trend and therefore expected to fall to 3.8 per cent in 2023 and to 2.5 per cent in 2024.

INFLATION RELIEF ACROSS GOVERNMENT

Tourism and Culture:

COVID-19 Business Relief Programs

- In response to the COVID-19 pandemic, the Government of Yukon acted quickly and decisively by implementing one of the most robust business relief programs in the country, beginning with the Yukon Business Relief Program (YBRP) in

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2020, which was open to any business from any sector that experienced at least a 30% revenue loss due to the pandemic.

- In that same year, Tourism and Culture (T&C) also launched the Tourism Relief and Recovery Plan (TRRP), which was reviewed and endorsed by the Yukon Tourism Advisory Board (YTAB) and industry.
- The TRRP committed \$15 million over three years to support the tourism sector and was focused on four key themes:
 - Providing tourism sector leadership;
 - Rebuilding confidence and capabilities for tourism;
 - Supporting the recovery of tourism industry operators; and
 - Refining the brand and inspiring travelers to visit.
- Through the TRRP, various financial support programs were rolled out during the course of the pandemic to sustain the tourism industry and prepare it for the eventual reopening of borders, including:
 - Tourism Accommodation Sector Supplement (TASS);
 - Tourism Non-Accommodation Sector Supplement (TNASS);
 - Culture and Tourism Non-profit Sector Supplement;
 - Great Yukon Summer (GYS) program;
 - Great Yukon Summer Freeze program;
 - ELEVATE program; and
 - A top-up to the Tourism Cooperative Marketing Fund (TCMF).

Community Tourism Destination Development Fund

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- In October 2022, the Department of Tourism and Culture announced the creation of the new Community Tourism Destination Development Fund, which is slated to run for an initial three-year term.
- The new annual funding program is available to local businesses, First Nations governments, First Nation Development entities, municipalities and not-for-profit organizations for projects that will improve tourism-related services and infrastructure.
- Projects can focus on infrastructure like accommodations, attractions, activities and amenities, and special consideration will be given to umbrella projects, where multiple organizations are working together.

Creative and Cultural Industries

- In November 2021, the Department of Tourism and Culture released *Creative Potential; Advancing the Yukon's Creative and Cultural Industries*, a 10-year strategy to support the growth and development of the creative and cultural industries in the Yukon.
- The CCIS identifies 4 strategic objectives and 22 key actions, which reflect input gathered through extensive public and sector engagement.
- We have identified 10 actions in support of pandemic recovery to be completed over three years as Phase 1 implementation, which includes:
 - Modernizing existing funding;
 - Offering new funding streams;
 - Industry branding and promotion;
 - Marketing and export strategies;
 - Workshops; and

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- Labour market supports.

In 2023-24, three new funding programs will provide \$450,000 annually to the creative and cultural sectors, including:

- Express Micro-grant;
- Indigenous Artists and Cultural Carriers Micro-grant; and
- Creative and Cultural Career Advancement Fund.

Additional Funding Programs

- Tourism and Culture also provides annual supports to the tourism and culture sectors through Transfer Payment Agreements (TPAs) with many NGOs across the Yukon and through a number of regular funding programs, including:
 - Advanced Artist Award;
 - Arts Fund;
 - Arts Operating Funds;
 - Cultural Industries Training Funds;
 - Culture Quest;
 - New Canadian Events Fund;
 - Touring Artist Fund;
 - Historic Properties Assistance Program;
 - Historic Resources Fund;
 - Museums Contribution Program;
 - Special Projects Capital Assistance Program (SPCAP); and

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- Tourism Cooperative Marketing Fund;

Yukon Development Corporation:

Inflation Relief Rebate

- The Inflation Relief Rebate provides \$50 per month to all non-government residential and commercial electricity customers to help ease the impacts of rising inflation.
- The IRR initially covered June, July, and August 2022, and was extended to cover October, November, and December 2022. The budgets for these were included in 2022-23 Supplementary Estimates.
- The IRR was subsequently extended for March, April, and May 2023. The budget in 2023-24 is comprised of:
 - \$2,056,000 for program costs in April and May 2023 (costs for March 2023 are included in the 2022-23 Supplementary Estimates #2).
 - \$3,246,000 for a further three additional months. We will continue to monitor inflation and costs of living, and we anticipate this will show on electricity bills next winter when electricity bills are typically higher.

Economic Development:

- Economic Development is in the process of developing a temporary paid sick leave program. Program criteria, including eligibility and duration, are currently being developed.

Energy, Mines and Resources:

Energy retrofits and funding to improve efficiency and offset costs

Joint Corporate Note Inflation and affordability

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- Our energy programs are successfully encouraging Yukon residents and local businesses to reduce their energy use, save money and choose low carbon options to live and move.
- Energy efficiency programs are available for the transportation sector, renewable heating sector, and the construction sector focusing on high efficiency buildings.
- For existing homes, the Energy Branch offers the Good Energy rebate program for high performance heating systems and upgrades to thermal enclosures including insulation and windows and high performance new homes. Taking these measures will save homeowners money on their energy costs.
- For commercial and institutional buildings, the Energy Branch offers rebates for greenhouse gas-reducing retrofits and renewable heating.
- For First Nation and municipal buildings, the Energy Branch offers retrofit and funding support through its Community Institutional Energy Efficiency Program.
- There are two current incentives for wood, one for harvesters and one to offset fuelwood costs:
 - In October 2022 we launched the timber harvesting incentive to provide registered Yukon timber harvesting businesses an incentive of \$10 per cubic metre of timber harvested or sold between April 1, 2022 and March 31, 2023. We have paid out \$163,000 to industry so far.
 - In September 2022, we launched a new firewood rebate to offset the increased costs of firewood for home heating. The rebate provides \$50 for each cord of firewood purchased, up to a maximum of 10 cords. As of February 14, 2023 we processed 586 applications, and paid out approximately \$69,850 in rebates for 1,389 cords of firewood.

Yukon Housing Corporation:

Projects under the Five-Year Capital Plan which support housing affordability and those in need include:

Joint Corporate Note Inflation and affordability

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- The 47-unit housing complex at 401 Jeckell Street in Whitehorse opened in January 2023. The building provides new homes to Yukoners, including 5 three-bedroom, 12 two-bedroom, 16 one-bedroom and 14 bachelor units;
- The Opportunities Yukon 45-unit Cornerstone Development in Whitehorse opened in summer 2022 and is providing supportive living and accessible housing;
- Triplex housing units in Watson Lake, Mayo and Whitehorse were completed in spring 2022 and are providing affordable homes to families in each of these communities;
- In Old Crow, the 10-Plex Mixed-Use Housing complex is under construction with expected completion in summer 2023; and
- The 10-Plex Housing First Project in Watson Lake is included in the Northern Carve-Out. Construction is anticipated to begin in 2023-24.

Other highlights from the plan

- More homes will be created for Yukon families in rural communities through the construction of three duplexes in Dawson City, Mayo, and Carmacks. These homes are on track for completion in summer 2023.
- The demolition of Macaulay Lodge in Whitehorse was completed in October 2022. Planning for the redevelopment of the site to support mixed commercial and residential use is underway.

Health and Social Services:

For 2022-23:

Joint Corporate Note Inflation and affordability

Finance
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- a one-time \$150 payment to social assistance recipients;
- a one-time payment of \$150 to Yukon Seniors Income Supplement recipients;
- a one-time 10 per cent additional payment to Pioneer Utility Grant recipients;
- a six-month extension of \$500 per month to caregivers of children in out of home care; and
- Committed \$100,000 to Yukon Anti-Poverty Coalition to continue to support food security across the territory.

For 2023-24:

- a quarterly top-up of \$150 to eligible Yukon Senior Income Supplement recipients; and
- a \$100 monthly increase to eligible Social Assistance recipients.

Public Service Commission: *(no change from Fall BN)*

Remote work policy in support of employees working in communities

- In fall 2021, the Yukon government introduced a new remote work policy to support employees to continue working remotely in the long term.
- Implementing the new remote work policy is an action in the Our Clean Future strategy, as people are supported to work from home and reduce their emissions by commuting less.
- The new remote work policy also enables employees to work remotely from Yukon communities outside of Whitehorse, in some circumstances.
- The Public Service Commission will strive to support more long-term remote work arrangements throughout the Yukon government where it makes sense, and will track data on long-term arrangements going forward.

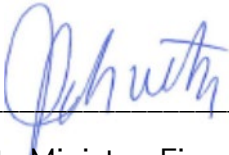
Session Briefing Note

FIN TAB #26
ECO TAB #73
Spring 2023

Joint Corporate Note Inflation and affordability

Finance
Executive Council Office

Approved by:



a/Deputy Minister, Finance

April 24, 2023

Approved

2023 04 21



Deputy Minister, Executive Council Office

Approved

**Truth and Reconciliation Commission
– Update on Calls to Action**

Executive Council
Office

Recommended response:

- Reconciliation is an ongoing process, and the Government of Yukon is continuing our work to respond to the Truth and Reconciliation Commission's Calls to Action.
- We are working collaboratively with First Nations to advance progress in key areas including health and social services, education, justice and heritage, through the Yukon Forum Joint Priority Action Plan.
- We are also working with Yukon First Nations to implement Yukon's *Missing and Murdered Indigenous Women, Girls and 2-Spirit+ People Strategy*, which will further advance reconciliation and address the Calls to Action.

Additional response:

- The Government of Yukon and Yukon First Nations governments are leaders in demonstrating a collaborative approach to reconciliation.
- At the Yukon Forum in November 2022, we discussed the approach to implementing and reporting on the Calls to Action with Yukon First Nations.
- We will continue our collaborative work to implement and report on the Calls to Action, including implementing the *Putting People First* recommendations for health and social services.

Context—this may be an issue because:

- The Yukon government (YG) previously made public its intention to fulfill its commitments to the Truth and Reconciliation Commission's (TRC) Calls to Action.
- The Calls to Action were a topic at the November 29, 2022 Yukon Forum.

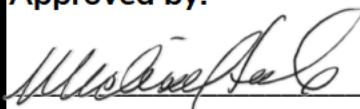
Background:

- The TRC report, *Honouring the Truth, Reconciling for the Future*, was released in June 2015. It contains 94 Calls to Action focused on redressing the harms resulting

**Truth and Reconciliation Commission
– Update on Calls to Action**Executive Council
Office

from Residential Schools and creating better relations between the federal, provincial and territorial governments and Indigenous Peoples. Thirty-two of the Calls to Action relate directly to YG.

- YG and Yukon First Nations (YFNs) collaborate on addressing the Calls to Action through the Yukon Forum Joint Priority Action Plan.
- YG has taken steps to address the Calls to Action, including:
 - establishing the position of Assistant Deputy Minister of First Nations Initiatives at the Department of Education, signing an agreement to establish a YFN School Board, and entering into education agreements with all YFNs (speaks to Calls 7 and 10 directed to the Federal government);
 - supporting Indigenous athletes and the North American Indigenous Games (Call 88);
 - implementing the YFN Procurement Policy (relates to Call 92) and the Representative Public Service Plan: *Breaking Trail Together* (relates to Call 7);
 - working with YFNs and Yukon Indigenous women's groups to implement Yukon's *Missing and Murdered Indigenous Women, Girls and 2-Spirit+ People Strategy* (MMIWG2S+ Strategy) (relates to Call 41);
 - participating at the Trilateral Table on the Wellbeing of YFN Children and Families to address gaps for culturally appropriate parenting programs (Call 5); and
 - receiving input from YFNs on Health and Social Services programming through the Mental Health Advisory Committee (relates to Call 19).

Approved by:

Deputy Minister, Executive Council Office

February 6, 2023

Date

Session Briefing Note**Spring 2023****Corporate Note – Budget Highlights**

Finance

Embargoed until day of budget tabling

Recommended response:

- In 2023-24, the Yukon continues to demonstrate its robust position nationally with population and economic growth among the strongest in the country.
- Budget 2023-24 delivers spending initiatives aimed at making life more affordable for Yukoners while also including several inflation relief measures to help combat the rising cost of goods.
- This budget continues to invest in the Yukon's health and social system and includes investments in new and expanded health services through the implementation of *Putting People First*. This includes addressing the substance-use health emergency and supporting the mental health of Yukoners.
- It delivers on our commitment to support a green economy with investments outlined in *Our Clean Future*.
- There are also strategic investments in infrastructure, particularly in housing for the most vulnerable. Other investments in housing include funds for land development, investments in housing projects in Dawson City, Watson Lake and Teslin, subsidies and supports for renters and funding for various affordable and community housing projects.
- Like in previous budgets, Budget 2023-24 continues to build relationships and further reconciliation with Yukon First Nations.

Session Briefing Note**Spring 2023****Corporate Note – Budget Highlights**

Finance

Embargoed until day of budget tabling

Additional response:

- The Yukon government is delivering on its commitment to grow a strong and resilient economy while ensuring robust, sustainable fiscal management.
- A surplus of 2.49 per cent of expenditures serves as a prudent fiscal management tool and demonstrates the ability of the government to address unforeseen events without going into a deficit.
- The fiscal summary includes a \$50 million contingency for presently undefined expected expenditures in 2023-24. This will not affect the Yukon's forecast fiscal position and allows the government to remain transparent about potential pressures.

Context—this may be an issue because:

- The 2023-24 Main Estimates will be debated during the March 2023 legislative session.
-

Background:

- The 2023-24 Main Estimates include a surplus of \$48.2 million and year-end debt of \$374.8 million.
- Total revenue is expected to be \$1.58 billion in 2023-24. This is an increase of \$115.2 million or 7.3 per cent from the 2022-23 Main Estimates.
- Forecast O&M expenditures total \$1.45 billion, with O&M recoveries offsetting this amount by \$130.9 million. This is an increase of 2.6 per cent in net O&M expenditures from the 2022-23 Main Estimates.

Session Briefing Note**Spring 2023****Corporate Note – Budget Highlights**

Finance

Embargoed until day of budget tabling

- Forecast capital expenditures total \$483.8 million with recoveries of \$164.5 million. This is a 9.9 per cent decrease in net capital expenditures from the 2022-23 Main Estimates. This represents a reduction of \$63 million from last year's capital budget. This reduction reflects a sustainable approach to budgeting in the territory following elevated capital spending over the last two years, which helped stimulate Yukon's economy during the pandemic.
- There are 5,332.0 FTEs in the 2023-24 budget, which is a decrease of 89.1 FTEs from 2022-23.

Approved by:

a/Deputy Minister, Department

February 23, 2023

Approved