



2025–26
Interim Fiscal and
Economic Update



Contents

Introduction	1
Part 1: The Yukon's finances	2
2024–25 Public Accounts	2
2025–26 Estimates	3
Revenue	5
Operation and maintenance expenses	6
Capital Plan update	8
Borrowing	9
Part 2: Economic overview	10
Eagle Gold Mine suspension weighs on real GDP	10
The Yukon remains sheltered from trade winds	11
The labour market has evolved in line with expectations	12
Federal immigration changes result in slower population growth	13
Higher shelter and food prices are driving inflation	14
Lower interest rates lift home prices	15
Building construction investment remains steady	16
Though the outlook has improved, the Eagle Gold Mine looms large	17
Air arrivals and border crossings on track for record highs	19
Appendix:	
Key economic indicators	20

Introduction

This document provides an update on fiscal and economic developments since the release of the 2025–26 Fiscal and Economic Outlook (FEO) in March 2025.

The FEO outlined the Yukon's fiscal position and medium-term economic expectations. It highlighted pressures related to the remediation of the Eagle Gold Mine, planned spending on infrastructure, and rising costs for health care, housing, and essential services. Since the release of the FEO, the territory has continued to respond to fiscal pressures in these areas. Work with the Receiver for Victoria Gold Corp. is ongoing as reclamation efforts and potential sale activities progress.

While the economy continues to face headwinds from global trade tensions and the ongoing suspension of operations at the Eagle Gold Mine, key indicators show resilience. So far in 2025, employment, construction activity, and tourism remain strong, helping to offset soft retail sales and weaker performance in some goods-producing industries. Gains in the labour market, tourism, and construction are expected to support a return to economic growth over the medium term.



Part 1: The Yukon's finances

Summary

- This fiscal update provides revised forecasts for expenditures, revenues, and other financial indicators based on the 2025–26 Supplementary Estimates No. 1.
- Overall, expenditures for health, education, and wildfire responses are higher than anticipated, resulting in a lower budgetary surplus for 2025–26 compared to the Main Estimates.
- The forecast for net debt has decreased as compared to the Main Estimates due to an improvement in year-end net debt in 2024–25, affecting the opening net debt in 2025–26.

2024–25 Public Accounts

The Yukon's 2024–25 Public Accounts were published on October 31, 2025. They show that total non-consolidated revenues in 2024–25 were \$2.184 billion and non-consolidated expenses were \$2.038 billion, for an end of year surplus of \$148.6 million. This is \$29.5 million higher than forecast in the 2024–25 Main Estimates.¹ The increase in the surplus results from higher than forecast revenue, due in large part to the recognition of \$54 million in revenue from the Canadian tobacco settlement,² and lapses in both operation and maintenance (O&M) and capital spending.

1. Revenue and expenditure numbers are presented differently in Table 1 due to the presentation of accounting adjustments as a discrete line.

2. \$54 million represents the net present value of the \$101 million due to the Yukon through the settlement of a class action lawsuit against tobacco companies. The Government of Yukon received \$25.4 million in 2024–25 and the balance of the settlement will be paid out over the next 20+ years.

Year-end net debt of \$528.8 million in 2024–25 was \$79.4 million lower than forecast in the Supplementary Estimates No. 2 of that year. The reduction from the forecast impacts the starting net debt balance for 2025–26, resulting in a lower forecast net debt in the 2025–26 Supplementary Estimates No. 1 as compared to the Main Estimates, despite an increase in expenditures.

2025–26 Estimates

As shown in Table 1, total expenses, net of recoveries, are anticipated to increase by \$141.4 million (7.1 per cent) compared to the 2025–26 Main Estimates. Increased expenses are partially offset by an increase of \$5.9 million in revenue, for an overall net increase of \$135.6 million. The increase in expenditures, offset by the \$75 million contingency included in the Main Estimates, and combined with an \$8.9 million change in accounting adjustments, results in a \$69.5 million decrease in the forecasted surplus from \$82 million to \$12.5 million. Net debt is forecast to be \$677.7 million, lower than forecast in the Main Estimates, but \$148.9 million (28.2 per cent) higher than the year-end balance in the 2024–25 Public Accounts.

Table 1. Fiscal summary³

(\$ millions)	2024–25 Supplementary Estimates No. 2	2024–25 Public Accounts	2025–26 Main Estimates	2025–26 Supplementary Estimates No. 1
Revenue ⁴	1,690.2	1,759.3	1,813.7	1,819.6
Expense ⁵	(1,976.0)	(1,925.1)	(1,999.6)	(2,141.1)
Contingency for anticipated expenses ⁶	0.0	0.0	(75.0)	0.0
Accounting adjustments ⁷	343.4	314.3	342.9	334.0
Surplus/(Deficit) ⁸	57.6	148.6	82.0	12.5
Net Debt (end of year)	(608.1)	(528.8)	(695.7)	(677.7)

Source: Department of Finance. Numbers may not add due to rounding.

3. To align with the presentation in the Yukon Public Accounts, revenues and recoveries do not include those collected by Yukon Housing Corporation, which are included in the “accounting adjustments” in this table.

4. Revenue is the sum of “Transfers from Canada,” “Tax Revenue,” and “Other Revenue” as found on pages S-8 and S-12 of the 2025–26 Supplementary Estimates No. 1.

5. Expense is the sum of “Total Appropriated Amounts,” as found on page S-9 of the 2025–26 Supplementary Estimates No. 1, minus “Recoveries from Canada” and “Third-Party Recoveries,” as found on page S-8.

6. Found on page S-9 of the 2025–26 Supplementary Estimates No. 1.

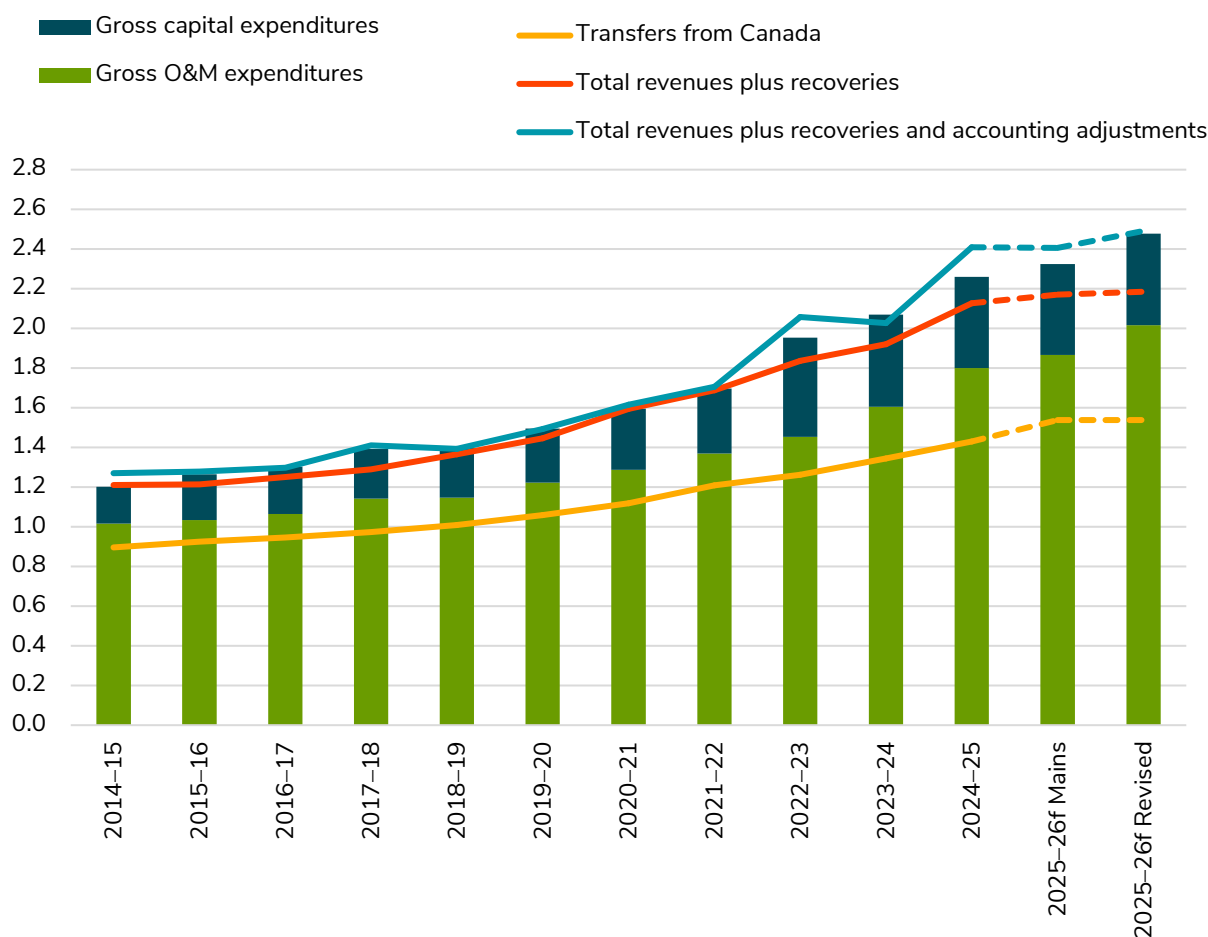
7. Accounting Adjustments are the sum of “Tangible Capital Assets (net),” “Investment in Land Development,” “Expenditures on Loan Programs,” and “Other Adjustments (net),” on page S-9 of the 2025–26 Supplementary Estimates No. 1.

8. Surplus/(Deficit) is the sum of “Revenue,” “Expense,” “Contingency for Anticipated Expenses,” and “Accounting Adjustments.”

Chart 1 compares historical gross expenditures and revenues and recoveries as reported in the Yukon Public Accounts. It also shows the forecasts included in the 2025–26 Main Estimates and the 2025–26 Supplementary Estimates No. 1. From 2014–15 to 2024–25, annual gross expenditures grew by an average of 6.6 per cent annually, outpacing the annual average revenue and recovery growth of 5.8 per cent. The revised forecast for gross expenditures in 2025–26 is a 9.6 per cent growth over the 2024–25 Public Accounts, driven almost entirely by increases in O&M expenses.

Chart 1. Government of Yukon fiscal indicators^{9,10}

Expenditures and revenues plus recoveries (\$ billions)



Source: Department of Finance

f = forecast

9. Fiscal years 2014–15 to 2024–25 represent actuals as reported in the Yukon Public Accounts. For comparability, the forecast for fiscal year 2025–26 uses the same methodology, which differs from the presentation in Table 1.

10. To align with the presentation in the Yukon Public Accounts, revenues and recoveries do not include those collected by Yukon Housing Corporation, which are netted-out of the gross expenditures presented in this chart.

Revenue

Total government revenue, excluding recoveries, is forecast to increase by \$5.9 million to a total of \$1.82 billion in 2025–26, as shown in Table 2. The increase results from a \$6 million increase to “other revenue,” which is revised to \$84.2 million, offset by a small decrease in liquor tax. The bulk of the increase in “other revenue” reflects a change in interest on the loan to the Receiver for Victoria Gold Corp., which has been revised from \$9.5 million to \$15.2 million. The new amount is based on actual and revised forecast advances to the Receiver in the 2025–26 fiscal year. The remaining increase in “other revenue” is driven by higher-than-forecast cannabis profits and aviation fees, partially offset by lower forecasted revenue from campground permit sales.

The forecast for transfers from Canada and personal and corporate income tax revenue remain unchanged from projections in the 2025–26 Main Estimates.

Table 2. Revenue by type^{11, 12}

(\$ millions)	2024–25 Supplementary Estimates No. 2	2024–25 Public Accounts	2025–26 Main Estimates	2025–26 Supplementary Estimates No. 1
Personal income tax	111.0	125.5	119.1	119.1
Corporate income tax	34.5	32.5	33.8	33.8
Property tax	7.6	7.8	7.8	7.8
Fuel oil tax	11.6	9.1	11.8	11.8
Tobacco and alcohol taxes	15.8	14.8	15.5	15.4
Other taxes	9.0	9.1	9.4	9.4
Other revenue	70.8	129.8	78.2	84.2
Total own-source revenue	260.3	328.6	275.6	281.5
Federal transfers	1,429.9	1,430.7	1,538.1	1,538.1
Total revenue	1,690.2	1,759.3	1,813.7	1,819.6

Source: Department of Finance. Numbers may not add due to rounding.

11. All revenue figures are found on pages S-8 and S-12 of the 2025–26 Supplementary Estimates No. 1.

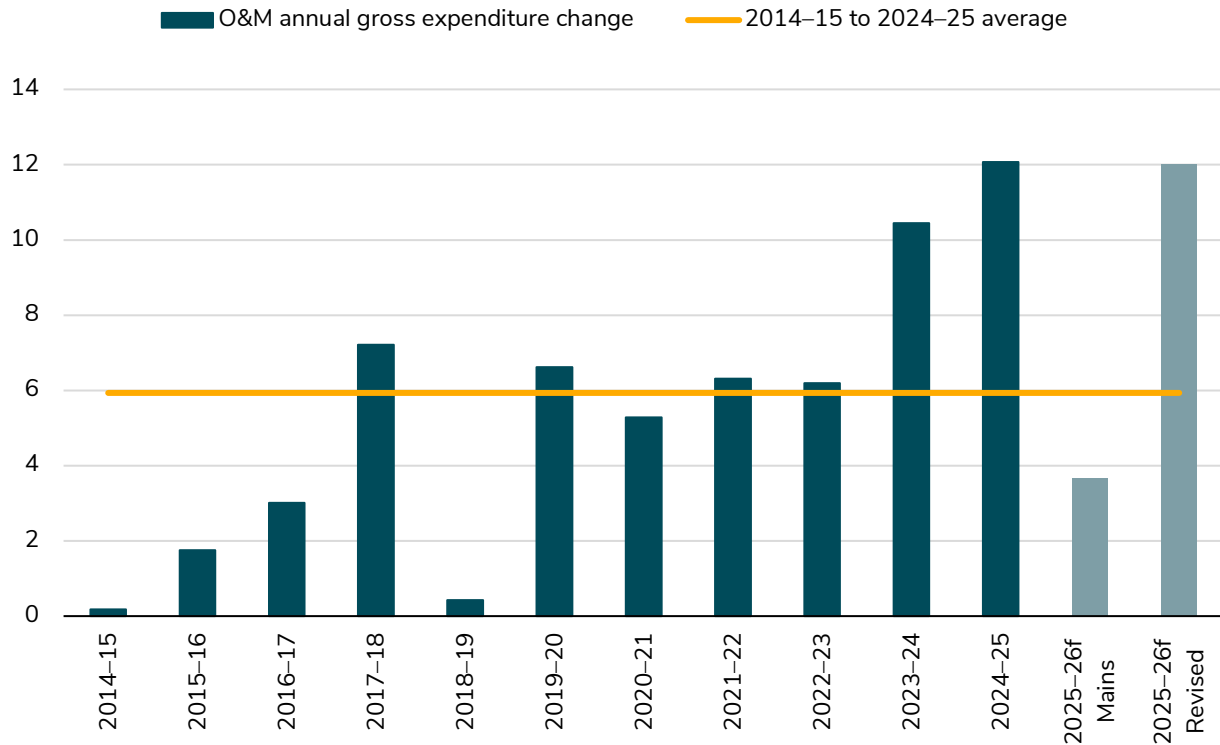
12. To align with the presentation in the Yukon Public Accounts, revenues do not include those collected by Yukon Housing Corporation.

Operation and maintenance expenses

Revised gross O&M expenditures are forecast to increase \$150.4 million to \$2.03 billion, a 12 per cent increase from the 2024–25 actuals and 8.1 per cent above the 2025–26 Main Estimates. Chart 2 shows the annual growth in gross O&M spending of the Government of Yukon for the preceding 10 years, compared to estimates for 2025–26.

Chart 2. Annual growth in gross O&M spending

Change in Government of Yukon gross O&M spending over prior year (per cent)



Source: Department of Finance

f = forecast

The largest cost drivers in additional O&M expenditures include the following:

- \$33.7 million in costs related to wildfire response. These costs vary based on the intensity of the fire season and are captured within the contingency amount included in the Main Estimates.
- \$23.7 million in additional funding to the Department of Highways and Public Works to address operational pressures in transportation and property management, as well as funding to support enterprise risk management and the repair and replacement of heavy equipment critical for maintaining roads and airports.
- \$21.9 million to meet health and social services system pressures, including additional funding for the Yukon Hospital Corporation, the Whitehorse Emergency Shelter, Family and Children's Services, physician compensation, and staffing within Continuing Care.
- \$14.9 million in provisional contingencies for price and volume pressures, including inflation, increased demand for public services, and potential wage increases resulting from ongoing collective bargaining.
- \$13.7 million for educational supports, including funding for the First Nation School Board and Commission scolaire francophone du Yukon; instructional, education assistant and shared resources staffing at Yukon schools; and funding from Canada to support infrastructure projects that increase inclusion in early learning and child care for underserved communities.
- \$8.5 million for the Department of Justice to support funding requirements at the Whitehorse Correctional Centre, for the administration of justice in rural Yukon, for legal services professionals and the Yukon Human Rights Commission, and for costs related to the implementation of the Jack Hulland Elementary School settlement.
- \$8.2 million in general contingencies across all departments to ensure they comply with financial authorities and remain within their voted budgets for the fiscal year, given the potential for unforeseen pressures.
- \$3.7 million for the Yukon's mobile radio system, an essential communication tool for the Yukon's first responder agencies.
- \$1.6 million for the new Affordability Rate Relief program to partially offset the impact of Yukon Utilities Board approved interim electricity rate increases.

Capital Plan update

The revised forecast for gross capital expenditure in 2025–26 includes an overall increase of \$1.0 million to \$478.3 million. Major adjustments that account for the increase include:

- An increase of \$5 million for various federally-recoverable community infrastructure projects.
- \$3 million to support the City of Whitehorse in advancing key infrastructure projects, including a new fire hall in Whistle Bend and improvements along the Mountain View Drive corridor.
- \$3.9 million for the Yukon Hospital Corporation for renovations to increase bed capacity and for medical device reprocessing.
- \$4.7 million for the purchase of 408 Wood Street to support housing needs within the Yukon's health care system.
- \$7.5 million to advance work on a new convention centre in Whitehorse, pending a decision about the viability of the operating model.
- \$947,000 for cashflow adjustments on the Battery Energy Storage System project.

These increases are offset by:

- A reduction of \$11.5 million for a 34-unit residence in Dawson on the site of the former Korbo Apartments, resulting from necessary environmental remediation work.
- A reduction of \$3.4 million due to a change in the project timelines for both the Sādeḡ Solar Initiative project and Lhu'ààn Mân N'tsi wind project, which are covered under the Arctic Energy Fund.
- A \$5.9 million decrease resulting from reduced anticipated spending on both the Teslin River (\$3.5 million) and Lewes River (\$2.4 million) bridge projects due to contracting delays and permitting considerations.
- A deferral of \$4 million in costs for the new Kêts'ádań Kù school in Burwash Landing due to adjustments in the project implementation schedule.

Other minor adjustments account for the balance.

Borrowing

Total anticipated territorial borrowing was \$773.9 million in the 2025–26 Main Estimates, inclusive of \$400 million in long-term borrowing authorized in the *First Appropriation Act 2025–26*.

Significant energy infrastructure pressures, including critical work in Mayo, required an increase of \$100 million to the Yukon Development Corporation's short-term borrowing limit since the Main Estimates to manage construction financing into 2026–27. A decrease of \$966,000 in a loan payable by Yukon University and a \$3.15 million increase in accrued interest payable results in revised estimated total territorial borrowing per the borrowing regulations in 2025–26 of \$876.1 million, leaving \$323.9 million in available borrowing within the Yukon's \$1.2 billion borrowing limit.

Table 3. Borrowing summary

(\$ millions)	2024–25 Supplementary Estimates No. 2	2024–25 Public Accounts	2025–26 Main Estimates	2025–26 Supplementary Estimates No. 1
Short-term borrowing	400.0	357.6	150.0	250.0
Long-term borrowing ¹³	231.5	230.3	621.9	621.0
Total borrowing	631.5	587.9	771.9	876.1
Accrued interest payable	2.0	1.8	2.0	5.1
Territorial borrowing limit	1,200.0	1,200.0	1,200.0	1,200.0
Available borrowing authority	566.5	610.3	426.1	323.9

13. Long-term borrowing is presented on page S-3 of the 2025–26 Supplementary Estimates No. 1.

Part 2: Economic overview

Summary

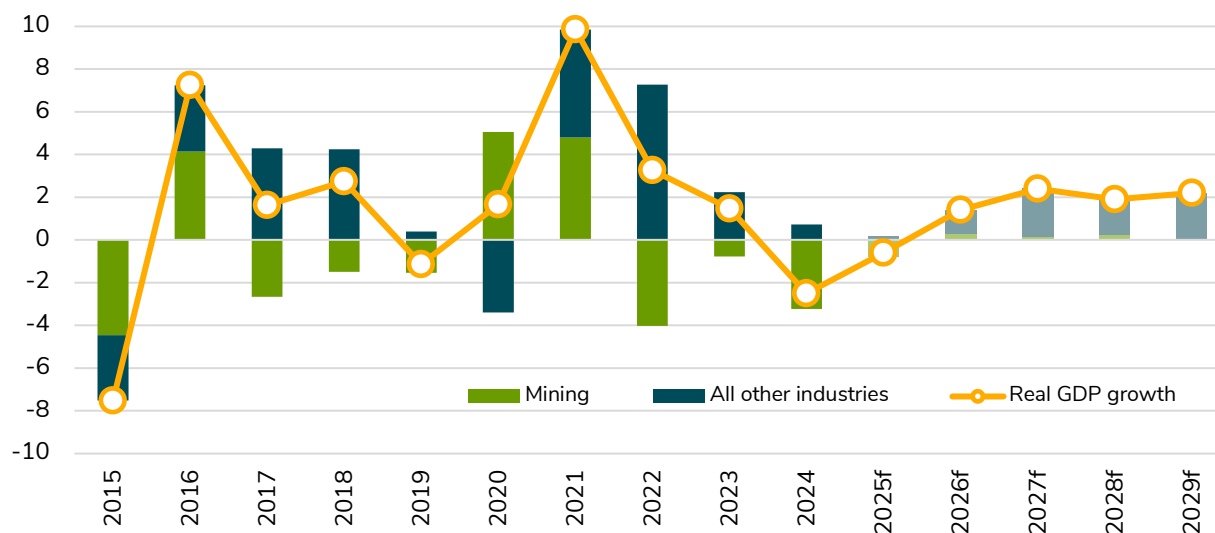
- The suspension of the Eagle Gold Mine continues to weigh on real GDP even as other areas of the economy have improved.
- The outlook for the rest of the mining sector has improved, thanks in no small part to a surge in gold and silver prices.
- The tourism sector has also performed better than expected, with an increase in border crossings and air arrivals.
- Housing and electricity costs continue to push up inflation.
- As expected, the Yukon's economy appears to have been largely insulated from the impacts of tariff actions.

Eagle Gold Mine suspension weighs on real GDP

The suspension of operations at the Eagle Gold Mine continues to weigh heavily on the Yukon's GDP, despite better-than-expected performance from placer miners and increased visitation in the tourism sector. The forecast for real GDP growth in 2025 is slightly weaker than what was projected in the 2025–26 FEO, mostly due to weaker-than-expected population growth following changes to federal immigration targets.

Chart 3. Weaker mining outlook offset by expected gains in other industries

Contribution to real GDP growth (percentage points)



Source: Statistics Canada, Department of Finance

f = forecast

Beyond 2025, the outlook is little changed from March, with modest growth resuming in 2026, averaging 2.0 per cent over the remainder of the forecast. Growth is supported by increased production from the Keno Hill Mine and elevated levels of placer gold production.

A potential sale and restart of the Eagle Gold Mine presents upside risk to the medium-term outlook, but this has not been factored into the forecast as the sale process is ongoing.

The Yukon remains sheltered from trade winds

The 2025–26 FEO forecast assumed that the Yukon’s economy would be largely insulated from the direct effect of U.S. tariffs on Canadian exports. This assumption appears safer now that more is known about the current scope of U.S. policy changes.

The basis for the assumption was that U.S. exports make up a small share of the Yukon’s GDP. Additionally, the vast majority of the Yukon’s U.S. exports, around 90 per cent, are from Hecla Mining Company’s Keno Hill Mine and are ultimately destined to be re-exported into Asia or reimported into Canada. Because they do not enter into the U.S. market for consumption, they should not be subject to U.S. tariffs. Hecla Mining Company, in their third quarter results, emphasize that, “[t]o date, tariffs have not materially impacted our financial results.”¹⁴

Most exports that are compliant with the Canada-U.S.-Mexico Agreement (CUSMA) rules of origin qualify for duty-free access to the U.S. The Bank of Canada estimates that after energy, motor vehicle and aluminum products are excluded, 94 per cent of U.S. exports qualify for a CUSMA exemption. However, originating exports from Canada are generally still subject to sectoral tariffs, such as those on steel, aluminum, autos, and lumber, which have had significant impacts in other parts of the country.

The added regulatory burden of certifying goods under CUSMA may deter smaller exporters, particularly now that the U.S. has removed its *de minimis* exemption on small imports, even if they could in principle qualify for an exemption.¹⁵ Small exporters only account for a small portion of total exports, but there could be longer term economic development implications that result from making it more difficult to expand outside the local market.

Canada’s retaliatory tariffs have not had a major impact on prices, especially since the scope of the retaliatory tariffs was narrowed starting September 1 to only apply to imported vehicles and steel and aluminum products.

Most of the remaining uncertainty around the bilateral trade relationship stems from trade negotiations over sectoral tariffs that were paused by the U.S., the expected CUSMA review next year, and whether the exemption for CUSMA-compliant goods remains intact. There is also the possibility that additional commodities beyond steel, aluminum, copper and softwood lumber will become subject to tariffs. U.S. copper tariffs went into effect on August 1, 2025, but do not extend to copper concentrates like those that were produced by Minto Mine.

14. Hecla Reports Third Quarter 2025 Results. Hecla Mining Company. (November 5, 2025).

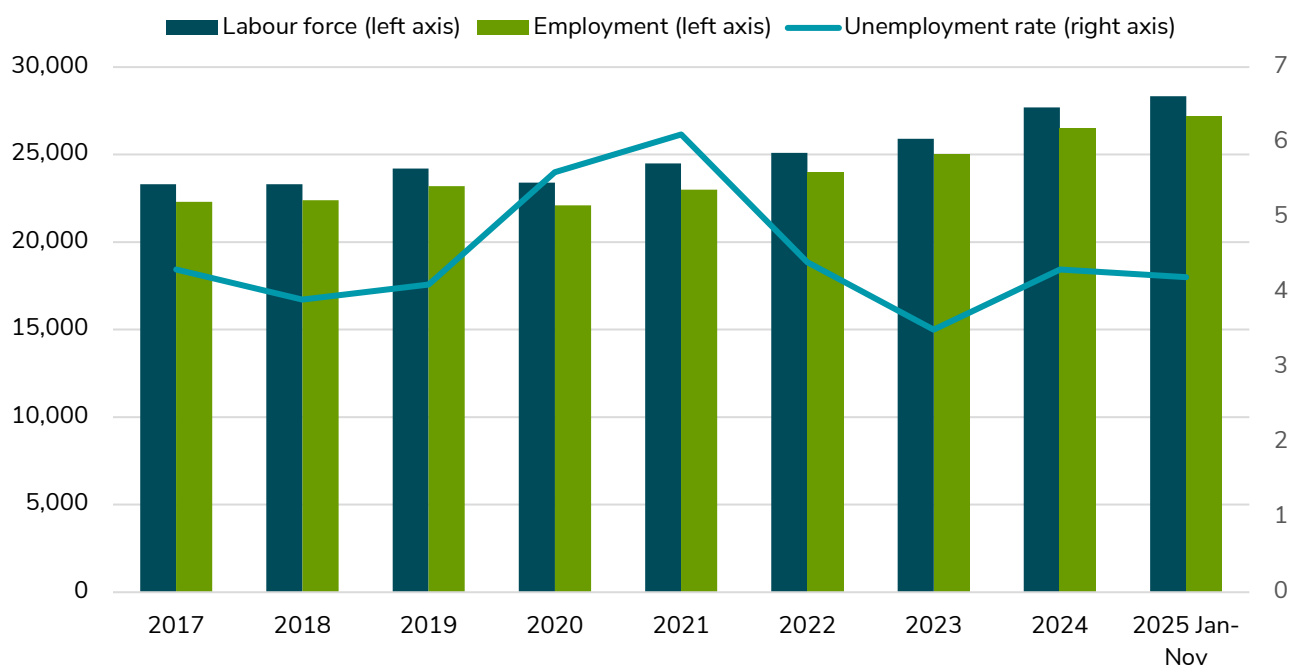
15. The *de minimis* exemption allowed goods valued under US\$800 to enter the U.S. without paying duties or taxes. This exemption was suspended as of August 29, 2025.

The labour market has evolved in line with expectations

In 2024, the Yukon posted the strongest employment growth and lowest unemployment rate in Canada, despite the closure of a major mine. The labour market has continued to evolve in line with the 2025 forecast published in the 2025–26 FEO. The unemployment rate is expected to be 4.2 per cent, slightly lower than the previous forecast of 4.5 per cent. The Yukon continues to have the lowest unemployment rate and highest participation rate among provinces and territories.

Chart 4. Headline measures point to ongoing labour market strength

Labour force (persons), Employment (persons), Unemployment rate (per cent)



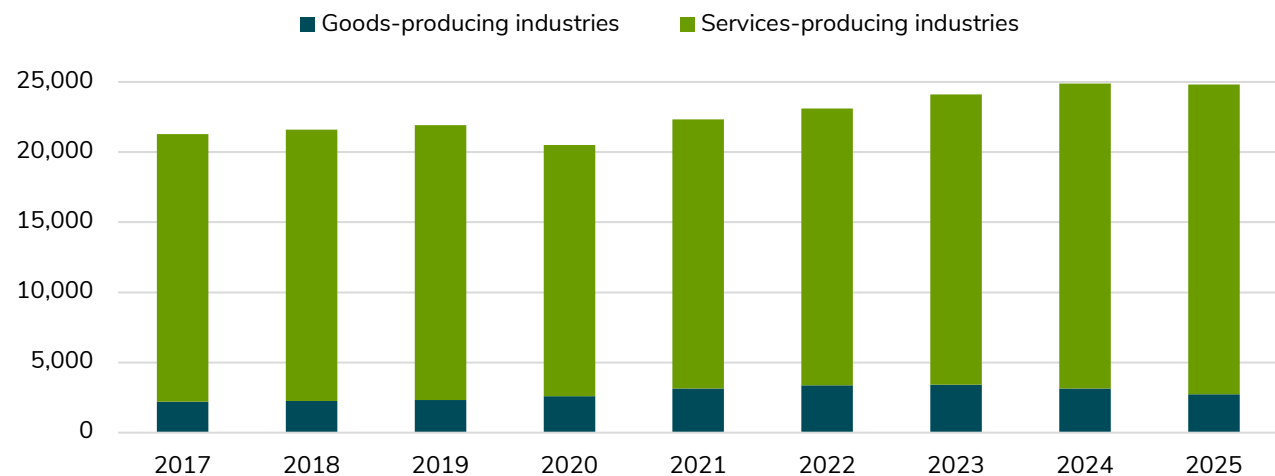
Source: Statistics Canada

The headline indicators continue to point to a strong labour market, but other indicators paint a more nuanced picture. According to the Survey of Employment, Payroll and Hours (SEPH), the number of jobs was down from 2024 levels for most of 2025, before showing strong gains in August and September.

Job losses were primarily in goods-producing industries such as mining and construction. Over the first nine months of 2025, job growth in services (+375) was offset by losses in goods-producing industries (-440), compared to the same period in 2024. The same is true for earnings, with earnings up 5.2 per cent in the service-producing industries and down 2.7 per cent in the goods-producing industries, and earnings across all industries up 3.7 per cent. The Eagle Gold Mine closure may be driving some of the discrepancies. Out-of-territory workers accounted for about two-thirds of the employees on site. These job losses would show up in the SEPH data, but not in the Labour Force Survey, which only includes Yukon residents.

Chart 5. Small drop in payroll employment driven by goods sector weakness

Employment (number of jobs), January to September



Source: Statistics Canada

Federal immigration changes result in slower population growth

Net international migration has slowed due to cuts to federal immigration targets. The most impactful changes to federal immigration policy were related to reducing the non-permanent resident population as a share of the total population, with a goal of bringing this down below 5 per cent by 2027. Another major change affecting jurisdictions was a federal reduction in allocations provided to provincial nominee programs, including the Yukon Nominee Program. This was initially a 50 per cent reduction in 2025 from 2024 levels, with some additional allocations provided later in the year.

Net international migration fell to 799 between July 1, 2024 and July 1, 2025, from 1,414 in between July 1, 2023 and July 1, 2024. Almost all of this drop off is due to the population of non-permanent residents, which grew by 521 residents in 2024, but fell by 24 residents in 2025. Permanent immigration was only modestly lower, with 69 fewer immigrants.

As a result of lower net international migration, population growth in the Yukon has slowed from 3.6 per cent in 2024 to just 1.1 per cent in 2025.¹⁶ Growth is expected to remain weak while the federal government continues to reduce the non-permanent resident share of the national population, to below 5 per cent. This means that some provinces and territories will be significantly below 5 per cent. This process is expected to continue until 2027 according to government projections.

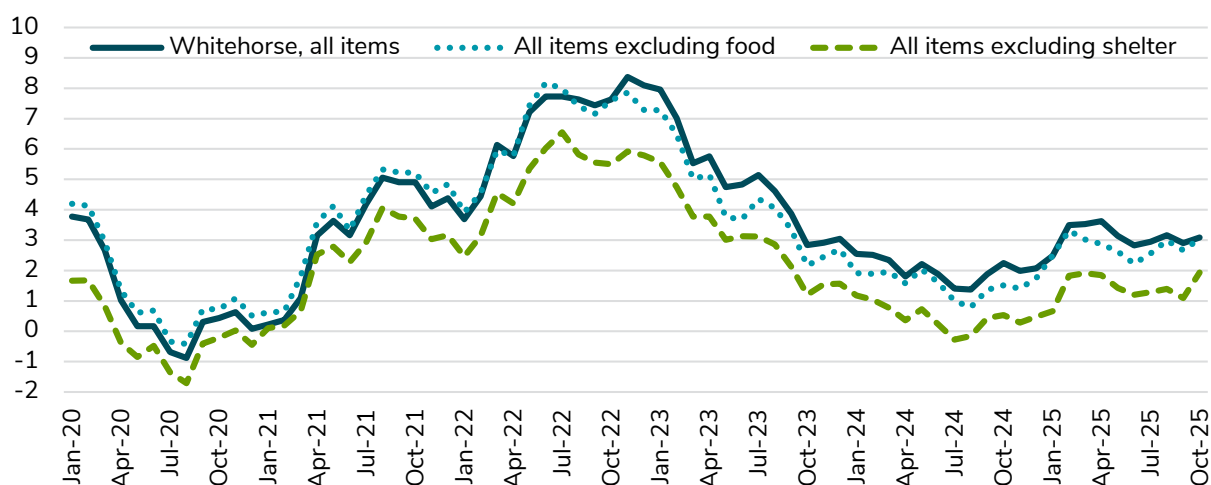
As a result, the forecast for the Yukon's population is lower than what was presented in March 2025, with a growth of 1.5 per cent in 2026. The Yukon's population is expected to surpass 50,000 by 2029.

Higher shelter and food prices are driving inflation

The inflation forecast for 2025 has increased to 3.1 per cent as higher shelter and food costs continue to drive cost pressures.¹⁷ Shelter costs over the first 10 months of 2024 in Whitehorse rose 6.1 per cent. Excluding shelter costs, inflation has been consistently below 2.0 per cent for two years (Chart 6).

Chart 6. Higher shelter and food costs continue to push up inflation

Whitehorse CPI, year-over-year contribution to per cent change (percentage points)



Source: Statistics Canada

Electricity, a key sub-component of shelter, has been a major driver of inflation in 2025. Year-over-year growth in the electricity price index peaked at 38.4 per cent in September, before electricity rebates reduced year-over-year price growth to 7.7 per cent in October. This was still higher than any other province or territory in Canada, but only modestly more than in Newfoundland and Labrador, with 6.9 per cent. Under Yukon Energy's 2025 – 2027 General Rate Application, electricity rates rose 10 per cent on July 1, 2025.

16. June 30 estimates represent the annual figure.

17. With no territory-wide measures available, changes in the Whitehorse CPI are considered a proxy for inflation for the Yukon.

The end of the consumer carbon price at the end of March has offered some relief to households. Through the first nine months of 2025, gasoline and fuel oil prices are down 7.6 per cent, while other fuels have declined 3.1 per cent. Lower gas prices have kept a lid on retail sales, which in the first three quarters of 2025 were slightly below 2024 levels. With gas stations excluded, retail sales were up 2.2 per cent over the same period. The full year forecast for 2025 has retail sales up 1.0 per cent, as the fourth quarter is shaping up to be markedly better than 2024.

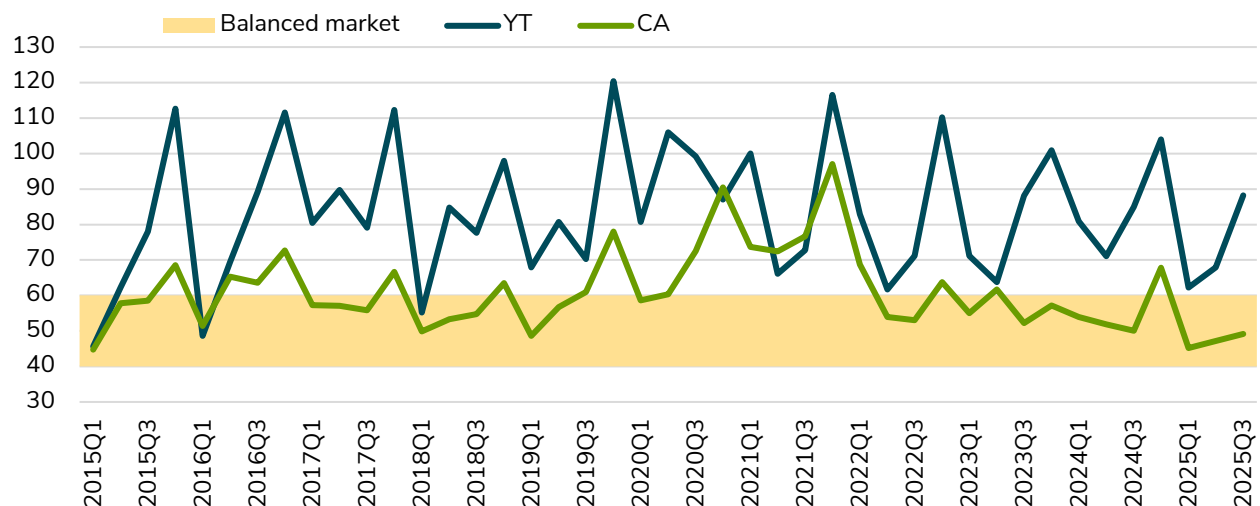
Lower interest rates lift home prices

The Bank of Canada has lowered interest rates four times in 2025, bringing the bank's target rate down to 2.25 per cent. This has boosted home sales in Whitehorse. The latest data show the value of Whitehorse residential sales totalled a record \$125.3 million in the third quarter of 2025.¹⁸ Sales were driven largely by single-detached houses, which accounted for 58 per cent of the total. The 95 single detached homes sold represented nearly half of all home sales in the city. The average price of a single detached home reached a record of \$762,500, an increase of 11.4 per cent from \$684,500 in the third quarter of 2024.

The Yukon's housing market has been exceptionally tight for over a decade as evidenced by the sales-to-new listings ratio, a key measure of housing market tightness. Typically, anything above 60 is considered a "seller's market" as houses are bought almost as soon as they are listed. As shown in Chart 7, the Yukon housing market has been a "seller's market" for an extended period. Conditions in the rental market have also been exceptionally tight with a vacancy rate of 1.2 per cent in April 2025, well below the typical vacancy rate of around 3.0 per cent prior to the pandemic.

Chart 7. Persistent tightness in housing market

Sales-to-new listings ratio, four-quarter moving average



Source: The Canadian Real Estate Association

18. Yukon Real Estate Report Third Quarter, 2025. Yukon Bureau of Statistics. (November 2025).

Building construction investment remains steady

Investment in non-residential buildings is offsetting a decline in residential building construction. Year-to-date figures show non-residential building construction up over the same period of 2024 both in terms of building permit values and estimated investment in building construction.

Comparing the value of building permits for the first 10 months in 2025 to 2024, the total value of residential permits decreased by \$55.4 million, or 37 per cent.¹⁹ This decrease was mainly attributable to three large multi-residential projects in 2024, which had a combined value of \$66.9 million. The projects included:

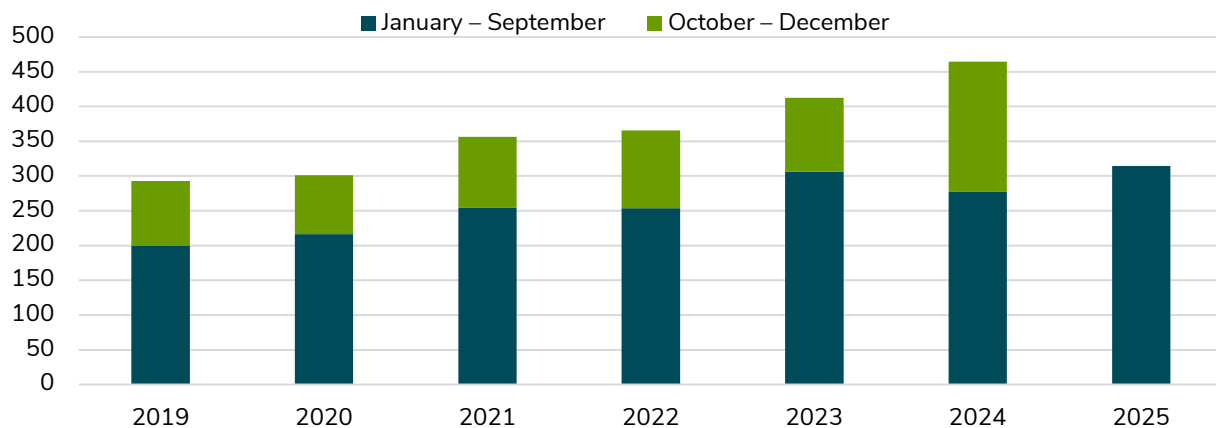
- a new apartment building in Dawson;
- a foundation for a new apartment building in Whitehorse; and
- the renovation of a former hotel into affordable housing units in Whitehorse.

Over the same period, the total value of non-residential permits increased by \$115.7 million, or 143.8 per cent. This increase was mainly attributable to five large projects in 2025, which had a combined value of \$137.9 million. These included:

- new office complexes in Dawson and Teslin;
- groundwork for a new science building at Yukon University in Whitehorse; and
- installation of prefabricated buildings at the Faro mine site.

Chart 8. Record investment in building construction in first nine months

Investment in building construction, Yukon (\$ millions)



Source: Statistics Canada

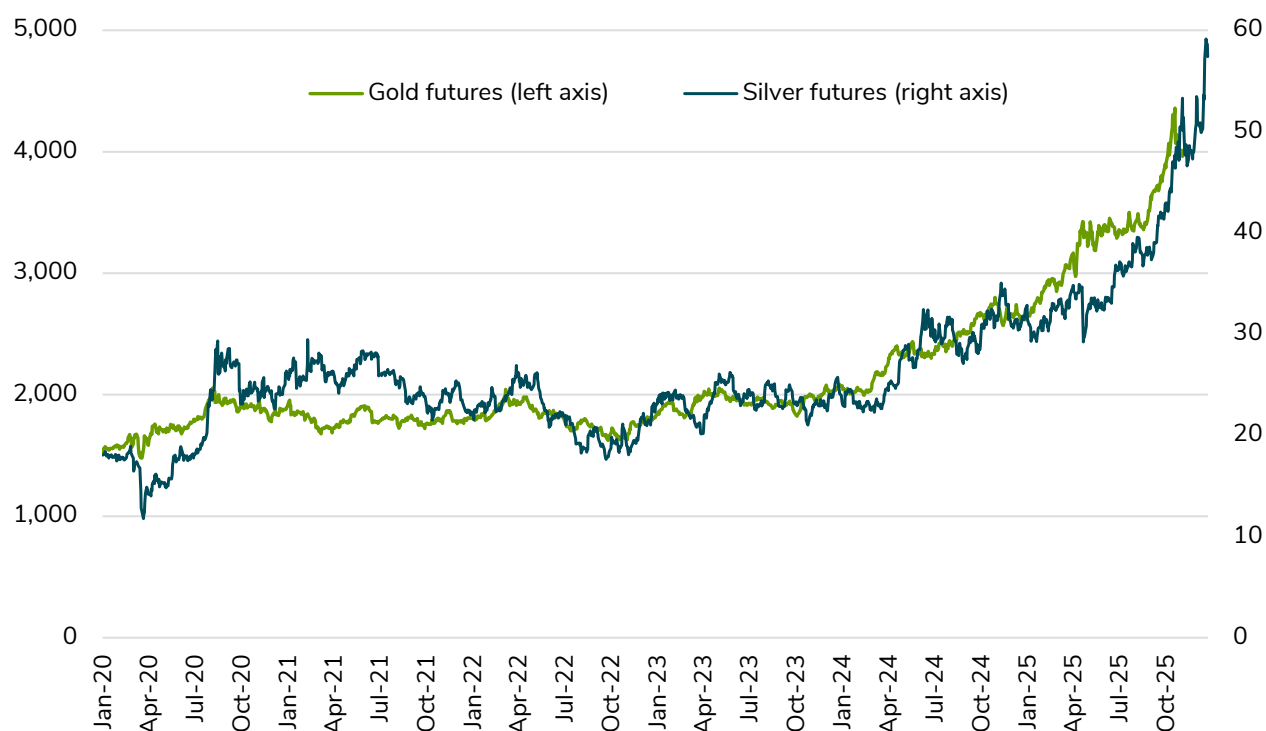
19. Building permits are reported as a leading indicator of building activity intentions. As a result, the value of permits issued may not reflect the value of construction in a given year.

Though the outlook has improved, the Eagle Gold Mine looms large

The outlook for the mining sector has improved since the 2025–26 FEO, with higher gold and silver prices, record placer production and stronger production guidance for the Keno Hill Mine. Nevertheless, the Eagle Gold Mine still dominates the outlook both in terms of the effect of the lost production and uncertainty about the outlook going forward.

Chart 9. Gold and silver prices up sharply in 2025

Metal prices, daily (US\$ per ounce)



Source: Investing.com

A surge in gold and silver prices has been the primary factor behind the improved outlook since March. In October, gold prices reached a record high approaching US\$4,400 and silver futures touched a new record level of over US\$59 per ounce in early December.

Higher gold prices have helped to mute some of the impact of the Eagle Gold Mine. Operations at the mine were suspended on June 24, 2024, following the failure of its heap leach facility. Estimates show territorial gold production fell by 35 per cent in 2024 and 41 per cent in 2025, resulting in negative real GDP growth for both years.²⁰ Thanks to higher prices, the effect on mineral revenues has been much less dramatic, with a decline of 10 per cent in 2024 and almost 15 per cent in 2025.

20. Internal estimates by the Department of Finance.

Robust growth in the price of gold has fuelled strong placer gold production so far in 2025. Placer gold production has already exceeded production for the entirety of the 2024 season, with production of 104,367 crude ounces (83,494 fine ounces) reported from April 1 to November 1.²¹ This production represents more than \$400 million in gold production, with more reporting to come. The looming expiry of a large portion of placer permits tempered optimism for placer production going forward, but the temporary extensions granted in May and the much-improved outlook for gold prices has led to higher projected placer production over the five-year forecast.

The improved silver price outlook is positive for Hecla Mining Company's Keno Hill operation, where silver is the primary product. Following its first quarterly profit in the first quarter of 2025, additional profits were reported in the following two quarters. Silver production in the first nine months of 2025 reached over 2.4 million ounces, up 12.9 per cent from the same period in 2024. The operator is now targeting full-year production of 2.9 to 3.1 million ounces, up from the prior outlook of 2.7 to 3.1 million ounces.²²

It remains the case that no new mines are expected over the five-year forecast, though the balance of risks has tilted in a positive direction. Selkirk First Nation became the first Indigenous government in Canada to own a mine after it acquired the rights to the Minto Mine in June. Selkirk First Nation partnered with Venerable Ventures Ltd. to form Selkirk Copper Mines. Selkirk Copper Mines announced positive results from its inaugural drill program in early December. Newmont Corporation sold its interest in the Coffee Gold Mine to Fuerte Metals, signaling that project may begin to move forward after being sidelined for many years. Western Copper and Gold Corporation has submitted its Casino Mine project to YESAB, triggering the first-ever panel review, with the panel likely not to be formed before April 2026.

A restart of the Eagle Gold Mine poses substantial upside for the mineral production forecast. As the sale process is ongoing, the project is not included in the five-year forecast.

Phase 1 of the court-approved sales process began in June and was completed on September 23, 2025. Qualified bidders were selected to participate in Phase 2 of the sales process involving increased due diligence, information sharing and a site visit, after which interested bidders will submit their binding Phase 2 bids.

21. Placer gold production is generally reported on a fiscal year basis, April 1 to March 31.

22. News release – Hecla Reports Third Quarter 2025 Results. Hecla Mining Company. (November 5, 2025).

Air arrivals and border crossings on track for record highs

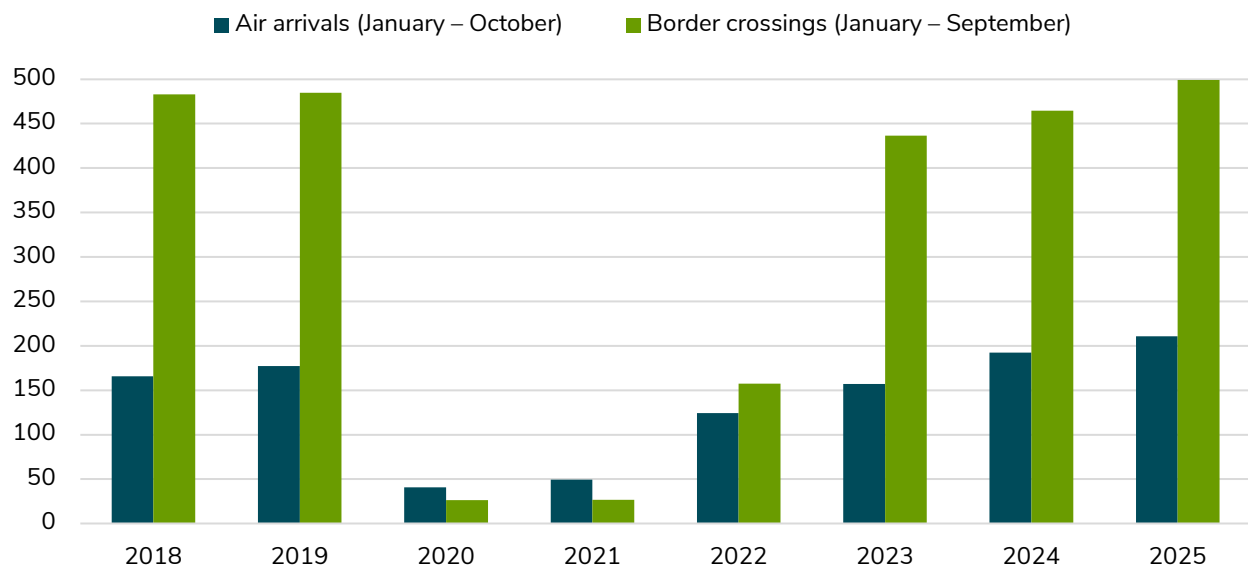
Air arrivals at Erik Nielsen Whitehorse International Airport remain strong. Total arrivals are up 9.5 per cent to almost 211,000 in the first 10 months of the year.

After a slow start, border crossings are tracking to grow for a fourth consecutive year. Border crossings totalled nearly half-a-million through three quarters of 2025, up 7.4 per cent from the same period of 2024. Year-to-date crossings are ahead of the previous high of 484,785 recorded in the first nine months of 2019, a year where a record of over 505,000 border crossings were reported.

The tourism sector has been a bright spot for the economy, and developments like the recent opening of the new \$50 million Hyatt Place Whitehorse speaks to optimism for continued growth. This new hotel in downtown Whitehorse adds 115 rooms to local capacity.

Chart 10. Air arrivals and border crossings on track for record highs

International land border crossings (thousands), air arrivals at Erik Nielsen Whitehorse International Airport (thousands)



Source: Department of Tourism and Culture, Statistics Canada

Appendix:

Key economic indicators

	2023	2024	2025f	2026f	2027f	2028f	2029f
Gross Domestic Product (GDP)							
Real GDP (2017 \$ millions)	3,306	3,223	3,204	3,249	3,327	3,390	3,464
Per cent change	1.5	-2.5	-0.6	1.4	2.4	1.9	2.2
Nominal GDP (\$ millions)	4,182	4,349	4,527	4,690	4,869	4,995	5,215
Per cent change	8.0	4.0	4.1	3.6	3.8	2.6	4.4
Mineral production							
Metal production (\$ millions)	690	620	590	720	650	690	720
Labour market							
Labour force*	25,900	27,700	28,300	28,600	28,900	29,200	29,700
Employment*	25,000	26,500	27,100	27,300	27,500	27,700	28,100
Unemployment rate (per cent)	3.5	4.3	4.2	4.6	4.7	5.1	5.3
Participation rate (per cent)	74.0	76.3	76.5	76.1	75.3	74.3	73.6
Income							
Household income (\$ millions)	2,720	2,904	3,095	3,249	3,420	3,565	3,731
Per cent change	8.8	6.8	6.6	5.0	5.3	4.2	4.6
Consumers							
Consumer price inflation (per cent)^	4.9	2.0	3.1	2.0	2.0	2.0	2.0
Retail sales (\$ millions)*	1,162	1,178	1,190	1,220	1,260	1,290	1,350
Population							
Population*	45,356	46,967	47,505	48,200	49,000	49,900	50,800
Per cent change	3.1	3.6	1.1	1.5	1.7	1.9	1.8
Key assumptions							
Gold (USD/t oz)	1,943	2,387	3,390	3,790	3,480	3,480	3,480
Silver (USD/t oz)	23.40	28.25	38.25	43.80	40.30	40.30	40.30
Copper (USD/lb.)	3.85	4.15	4.40	4.60	4.55	4.55	4.55
Zinc (USD/lb.)	1.20	1.26	1.27	1.25	1.25	1.25	1.25
Lead (USD/lb.)	0.97	0.94	0.89	0.90	0.95	0.95	0.95
CAD/USD exchange rate	0.74	0.73	0.71	0.73	0.76	0.76	0.76

e = estimate

f = forecast

^ = CPI available only for Whitehorse, annual average

* = Forecasts rounded. Annual per cent change based on unrounded figures.

Source: Statistics Canada, Bank of Canada, Yukon Bureau of Statistics (YBS)

Population projections are produced by the Department of Finance's Economic Research Branch. They would normally be produced by YBS, but YBS updated the Yukon's population projections before the effects of recent federal immigration policy changes were reflected in the underlying data. An updated projection model is in development and revised estimates will be available in January 2026.

Metal prices forecasts are informed by various public forecasts, including Canada's major banks, the World Bank and the International Monetary Fund. All other forecasts are produced by the Department of Finance's Economic Research Branch based on data available as of December 5, 2025.