

Yukon Liquor Corporation – Spring Sitting Briefing Notes 2026

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The Creative Initiatives Warehouse liquor permits

Yukon Liquor Corp.

Topic: In early March, CBC Yukon contacted the Yukon Liquor Corporation (corporation) to speak with the corporation and the Yukon Liquor Board (Board) regarding liquor permit denials at a Front Street venue known as The Creative Initiatives Warehouse (Warehouse).

The corporation granted 35 liquor permits to several societies for functions at Warehouse between 2022 and 2025. However, in July 2025, the Board denied a liquor licence for this venue after receiving community objections (while noise levels at previous functions was a key concern, the Board found the venue did not satisfy several other requirements to be deemed adequate). Following the Board's decision on the liquor licence, the Warehouse was not able to demonstrate that it had taken steps to mitigate the Board's concerns. As a result, the President denied three permit applications for the venue.

The most recent permit application for a silent event on March 27 was granted. On March 30, CBC Airplay presented a roundup of this developing story.

Key messages:

- The Yukon Liquor Board is independent and solely responsible for granting or refusing liquor licences in the territory.
 - The corporation is responsible for granting or refusing liquor permits, while the Board hears appeals for permit decisions.

The Creative Initiatives Warehouse liquor permits

Yukon Liquor Corp.

- When the Board hears appeals, it functions as an administrative tribunal. The corporation supports the Board's independence and authority and does not comment on Board decisions.

Approved by:

Philippe Mollet

March 31, 2026

President, Yukon Liquor Corporation

Date approved

Cannabis – Distribution and retail sales

Yukon Liquor Corp.

Topic: Cannabis supply, distribution, retail sales, and pricing.

Key messages:

- The Yukon has strong cannabis sales overall with cannabis retail provided by six private retail stores serving all Yukon communities.
- As the distributor corporation for cannabis, the Yukon Liquor Corporation works with private retailers to maintain a strong legal cannabis industry.
- Cannabis retailers in the territory influence which cannabis suppliers the Corporation signs on, and which products are purchased by the Corporation for wholesale distribution.

Key facts and stats:

- Retail sales in the Yukon during the 2025 calendar year were close to \$16 million. This is a \$1.5 million or 10.7% increase from 2024.
- 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.
- Licensed retailers set their own retail prices, whether that is for products priced lower to compete with the illicit market or higher priced premium products.
- The Corporation provides sourcing and supply services, warehouse operations, wholesale and distribution services as well as regulatory oversight to the Yukon's licensed retailers.
- Research data (from 2023) indicates that 82% of Yukon respondents purchased cannabis from local private retailers.

Cannabis – Distribution and retail sales

Yukon Liquor Corp.

Status:

- See Tab #2, *Supporting licensees and reducing harms*, for details on specific measures to support retail licensees.
- Over the years, the Corporation has expanded the special-order program offered to licensees to support them in ordering the exact products they want for their store.

If asked about privatization of cannabis distribution:

- While the Yukon has a government-run distribution system, all cannabis retail is in the hands of private retail stores. There are no government-run cannabis retail stores.
- We are exploring a distribution model that would best support a strong legal industry.

Approved by:

Philippe Mollet

February 18, 2026

President, Yukon Liquor Corporation

Date approved

Cannabis – Supporting licensees and reducing harms

Yukon Liquor Corp.

Topic: Yukon Liquor Corporation is working with licensed cannabis retailers to strengthen the local legal industry and ensure sound licensing practices.

Key messages:

- While the transition from illicit to legal cannabis sales in the territory has been strong, some illicit activity remains and we will continue to support retailers in displacing the black market to further strengthen the legal cannabis industry.
- The Corporation will continue to monitor the industry and promote initiatives that educate the public on safer consumption practices.
- The Yukon Liquor Corporation works with licensees to educate them on the legislation on an ongoing basis to ensure understanding and compliance.
- The Yukon Liquor Corporation works closely with private retailers whenever possible and aims to address issues or concerns promptly.

Key facts and stats:

- Legalization has resulted in a strong transition from illicit to legal cannabis sales in the Yukon with 82% of consumers purchasing from legal sources (from 2023 data).
- One example of black-market barriers for Yukon's licensed retailers is the wide-spread activity of illicit online sales. Consumers have difficulty distinguishing between legal and illegal online sources.
- Public, licensee and stakeholder feedback has highlighted various concerns related to public health and safety, such as cannabis

Cannabis – Supporting licensees and reducing harms

Yukon Liquor Corp.

consumption being viewed as “normal” or low risk, ongoing high consumption rates and impaired driving concerns.

Status:

- The Yukon Liquor Corporation partnered with Health Canada on safe storage cards to educate the public on preventing accidental ingestion by children and pets. The Corporation distributed these cards to licensees, who agreed to display them to customers in January 2026.
- The Corporation is looking into ways to increase the public’s understanding of legal versus illicit sources of cannabis as well as increased public awareness of the potential harms of cannabis.
- In 2024-25, the Yukon Liquor Corporation issued 77 “Be a Responsible Server – Cannabis” (BARS-C) certificates to employees of licensed retailers who sell cannabis.

Approved by:

Philippe Mollet

February 18, 2026

President, Yukon Liquor Corporation

Date approved

Topic: The Yukon is reportedly Canada's leading jurisdiction for cannabis sales per capita (CBC Yukon, March 16, 2026).

Key messages:

- There are challenges identifying the exact reasons for the reported figure, which might be attributed to a variety of factors, for example:
 - The Statistics Canada figure is a retail sales dollar figure – it doesn't address 'volume' sales, nor does it recognize the variance in cannabis pricing across Canada.
 - Since legalization in 2018, cannabis licensees are continuing to displace the illicit market¹.
 - The Yukon's population typically sees a significant increase during summers with an influx of tourists and seasonal workers.
 - Younger consumers are replacing alcohol with cannabis.
- Like other Canadian jurisdictions, the Yukon is seeing increased cannabis sales year on year which reflects the success of legalization.
- As the distributor corporation, the Yukon Liquor Corporation works with private retailers to maintain a strong legal cannabis industry.

Key facts and stats:

- Potential factors contributing to the Yukon's sales per capita figure:
 - As the industry matures, rates of trust in licensed retailers have increased, which helps divert illicit sales. Per capita usage may not have changed significantly.

¹ Yukon's Five-Year Review Cannabis Control and Regulation Act (<https://yukon.ca/sites/default/files/ylic/ylic-five-year-review-ccra-final-report.pdf>)

- Visitor numbers have rebounded since the 2020 pandemic² and cannabis licensees cannot parse out visitors from sales data.
- Changing consumer habits, such as declining alcohol sales, are trending worldwide, and industry attributes this mainly to younger generations based on health and financial reasons. Organizations including Health Canada and the Canadian Institute for Substance Use Research believe some consumers are replacing alcohol with cannabis.
- Statistics Canada figures for April 2024 to March 2025:
 - Yukon's per capita spend on cannabis was \$384 (\$100 more than any other province or territory), making Yukoners Canada's leading legal cannabis purchasers; and
 - Yukon's per capita spend on alcohol was \$1,144 (\$414 less than the Northwest Territories).
- Yukon Bureau of Statistics figures for April 2024 to March 2025:
 - cannabis sales increased by the same amount that alcohol retail sales decreased (\$1.4 million), indicating consumers may have replaced alcohol with cannabis;
 - alcohol retail sales totalled \$42.9 million; and
 - cannabis retail sales totalled \$14.4 million.

Status:

- The Yukon Liquor Corporation promotes socially responsible purchase and consumption of cannabis. For example, the corporation recently partnered with Health Canada to distribute information on safe cannabis storage to keep minors and pets safe.

² Yukon tourism indicators (<https://open-data-static-files.service.yukon.ca/tourism-indicators/visitor-estimates.html>)

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Cannabis sales per capita

Yukon Liquor Corp.

- Cannabis is regulated by the Yukon Liquor Corporation and licensees have measures in place to ensure responsible retail operations.

Approved by:

Philippe Mollet

March 20, 2026

President, Yukon Liquor Corporation

Date approved

Liquor – Direct-to-Consumer (DTC) Alcohol Sales

Yukon Liquor Corp.

Topic: The Government of Yukon's progress on exploring direct-to-consumer alcohol sales.

Key messages:

- Pursuing direct-to-consumer alcohol sales is part of a national effort to reduce trade barriers and strengthen Canada's internal market for alcohol.
- We continue to work with our federal, provincial and territorial counterparts on initiatives that benefit Yukoners and local businesses.
- As we determine how direct-to-consumer sales for alcohol could be implemented, we will consider the health and safety of Yukoners as well as the perspectives of Yukon communities.

Key facts and stats:

- Direct-to-consumer (DTC) sales allow consumers to order alcoholic beverages for personal consumption directly from liquor manufacturers in other jurisdictions.
- Currently, Yukon licensed producers can sell alcohol in-person at their licensed premises or ship their products to consumers in other parts of Canada where DTC is allowed.
- At the Committee of Internal Trade (CIT) meeting on March 30, 2026, internal trade ministers party to the DTC memorandum of understanding reaffirmed their commitments to making progress on implementing DTC.
- A press statement following the CIT meeting mentioned parties working toward the May 2026 deadline to implement DTC, depending on legislative requirements for each jurisdiction.

Liquor – Direct-to-Consumer (DTC) Alcohol Sales

Yukon Liquor Corp.

Status:

- In June 2025, the Government of Yukon signed a memorandum of understanding (MOU) on direct-to-consumer sales with ten provinces. The MOU commits to an implementation timeline for May 2026 but is not legally binding.
- The Government of Yukon will not be ready to implement a DTC framework for Yukon by the MOU deadline of May 2026.
- The Yukon Liquor Corporation engaged local producers in the summer 2025 to collect feedback on pursuing DTC alcohol sales for Yukon.
- The Government of Yukon is a participant of a provincial-territorial working group on DTC where jurisdictions share progress updates and work together on an operating agreement that seeks to clarify the broad scope of DTC while not infringing on the legislative authority of each jurisdiction (i.e. the agreement is not legally binding).

If asked about meeting the MOU deadline of May 2026:

- The Government of Yukon is a signatory to the provincial-territorial memorandum of understanding on direct-to-consumer sales.
- Yukon will not meet the May 2026 deadline set out in the MOU, though work continues with provincial and territorial counterparts to align approaches where possible.
- Implementing a DTC model for Yukon will require legislative amendments, which will take time to develop and consider carefully.

Approved by:
Philippe Mollet

March 31, 2026

Session Briefing Note

TAB# 10
Spring 2026

Liquor – Direct-to-Consumer (DTC) Alcohol Sales

Yukon Liquor Corp.

President, Yukon Liquor Corporation	Date approved
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Topic: The Yukon Liquor Corporation's role in liquor licensing and enforcement decisions.

Key messages:

- The Yukon Liquor Corporation adheres to the *Liquor Act* and regulations, which means there is no tolerance for service to minors or overserving patrons.
- Licensing and compliance officers work with licensees to educate them about their responsibilities to promote compliance.

Key facts and stats:

- The “Be A Responsible Server – Liquor” (BARS-L) trains servers of their obligations according to the *Liquor Act* and regulations.
- From April 1, 2025, to January 2026, 172 people completed the BARS-L online course.
- In fiscal year 2025-26, there were two licence suspensions.

Status:

- Yukon Liquor Corporation takes an educational approach first when addressing licensee infractions. If further corrective action is necessary, penalties may be imposed, and the licensee is informed of the rationale for the enforcement action.
- Enforcement decisions are also publicly available on Yukon.ca.
- BARS-L training is free for staff of Yukon's licensed establishments.

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Liquor - Licensing

Yukon Liquor Corp.

- To improve accessibility, an online version of this course has been available since November 2022. In-person offerings continue to be available upon request.

Approved by:

Philippe Mollet

February 18, 2026

President, Yukon Liquor Corporation

Date approved

Topic: Liquor product pricing

Key messages:

- Our government is committed to exploring ways of allowing the private sector to grow and lead economic growth, while also keeping communities safe.
- The revenues from sales to liquor licensees and through YLC retail stores are remitted to the Government of Yukon to fund programs and services for Yukoners.

Key facts and stats:

- Similar to liquor models in most other jurisdictions, the Yukon Liquor Corporation distributes liquor in the territory.
- Liquor licensed establishments pay a wholesale price for the liquor they purchase from the Yukon Liquor Corporation.
- The pricing structure is published on Yukon.ca and individual product prices are published monthly.

Status:

- The Yukon Party platform committed to reviewing the price model for the Yukon Liquor Corporation and modernize liquor licensing to increase innovation and support hospitality industry. Any changes considered for pricing must complement the licensing regime.

If asked about challenges the industry faces:

- We understand that the hospitality sector, especially bars and restaurants, is facing a challenging economic situation due to a variety of factors like inflation.
- The Yukon Liquor Corporation continues to work with other government departments on options that could support a healthy hospitality sector.

Approved by:

Philippe Mollet

February 18, 2026

President, Yukon Liquor Corporation

Date approved

Topic: The Yukon Liquor Corporation was directed to stop buying US-made liquor products as a non-tariff counter measure following unjustified tariffs applied to Canadian goods and services as of March 2025.

Key messages:

- Due to continued trade tensions with the United States, US-made alcohol products are not available in the six Yukon Liquor Corporation stores.
- Boycotting US-made alcohol is meant to be a temporary measure in response to unjustified tariffs applied to Canadian goods and services by the United States.
- The Government of Yukon continues to monitor the situation alongside our provincial, territorial, and federal counterparts.

Key facts and stats:

- In March 2025, all provinces and territories announced bans on purchasing and selling US-made alcohol products as counter measures to tariffs imposed on Canadian goods and services entering the US, often replacing US brands with Canadian products.
- Except for Alberta and Saskatchewan, the US-made alcohol boycott is still in effect among liquor authorities across Canada.
- The boycott of US-products has caught the attention of the United States. In January 2026, President Trump attempted to pressure Canada, particularly provincial/territorial liquor authorities, to lift the bans on US-made products in advance of Canada-US-Mexico Agreement (CUSMA) negotiations.

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Liquor - US Tariffs and trade

Yukon Liquor Corp.

Status:

- The Yukon Liquor Corporation stopped placing new orders of US-made alcohol products in March 2025.
- Yukon's liquor licensees were notified in March 2025 of the purpose of the restrictions on US-made products and that supplies may become depleted.

If asked about remaining US stock:

- The Yukon's liquor licensees may continue to sell and purchase remaining US-made alcohol products until stock is depleted.
- Licensees can find information about the remaining stock on the liquor wholesale price list on Yukon.ca.

Approved by:

Philippe Mollet

February 18, 2026

President, Yukon Liquor Corporation

Date approved

Topic: The modernization of Yukon's *Liquor Act* and licensing regime.

Key messages:

- The Yukon Liquor Corporation is exploring options to modernize licensing in a practical and responsible way.
- We are looking for opportunities to reduce red tape and support the hospitality industry, while also meeting the needs of Yukon communities and balancing the health and wellness of Yukoners.

Key facts and stats:

- The Yukon Liquor Corporation began a review of the *Liquor Act* 2002 in 2017.
- A new *Liquor Act* received royal assent in 2019; however, the *Liquor Act*, 2002 remains in force, as updated regulations are not complete for *Liquor Act*, 2019.

Status:

- The Yukon Liquor Corporation is looking into ways to address industry concerns and modernize the liquor licensing regime.

If asked about the status of new regulations for *Liquor Act*, 2019:

- A lot has changed in the Yukon since the new *Liquor Act* was passed in 2019.
- The economic climate has shifted and we first need to look closely at what will remain relevant going forward.

Approved by:

Philippe Mollet

February 18, 2026

President, Yukon Liquor Corporation

Date approved

Topic: Alcohol-related harms and Yukon Liquor Corporation's response.

Key messages:

- The Government of Yukon promotes measures that see communities thrive, which includes the wellness of communities as well as the prosperity and longevity of local businesses.
- While supporting local licensees who contribute to a strong economy, the Yukon Liquor Corporation is committed to promoting responsible consumption and reducing alcohol-related harms.
- The Yukon Liquor Corporation's profits are remitted to the government's General Revenue Fund and then reinvested into a wide range of government programs and services for Yukoners.

Key facts and stats:

- Yukon continues to be among the provinces and territories with the highest alcohol consumption and impaired driving rates per capita.
- Public Health Ontario and the University of Victoria are launching an alcohol warning label survey from April 7 until May 29, 2026.
 - The online survey evaluates the use of cancer warning labels.
 - The Northwest Territories is the experimental group where labels will be applied while the Yukon is the control group.

Status:

- The Yukon Liquor Corporation annually funds Safe Grade for substance-free high school graduation events for Yukon students. For 2025-26, the Corporation gave \$13,510 to schools in 8 communities.

Liquor - Public health, safety, labels

Yukon Liquor Corp.

- For Rendezvous this year, the Corporation provided funding to the Rendezvous Society for a free shuttle service for festival-goers to discourage impaired driving.
- The Yukon Liquor Corporation participates with other government agencies for Mothers Against Drunk Driving roadside check stops.
- Starting in March, Yukon Liquor Corporation stores have QR codes placed with liquor products that direct customers to mental health resources available in French and English. This campaign will be available until summer with potential for extension or renewal.

If asked about bootlegging:

- The Yukon Liquor Corporation is committed to cooperating with the appropriate enforcement authorities when bootlegging is suspected.
- Yukon Liquor Corporation stores work with the RCMP when purchases are suspicious.

If asked about warning labels (general):

- Any changes to alcohol labelling should be led by the federal government to ensure national consistency, reduce confusion for consumers, and avoid creating additional regulatory requirements for manufacturers and local businesses.

If asked about the territorial label study:

- We are supportive of research that offers insights about our territory.
- The research is not being led by the Government of Yukon, but the researchers have let us know that a survey will be available to the public this month.

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Liquor - Public health, safety, labels

Yukon Liquor Corp.

- Yukon is the control group, meaning results from our territory will be compared with the results of the Northwest Territories where cancer warning labels will be applied.

Approved by:

Philippe Mollet

April 1, 2026

President, Yukon Liquor Corporation

Date approved

Topic: Key highlights from the 2026–27 Main Estimates.

Key messages:

- The 2026–27 Main Estimates represent a balance of fiscal discipline in the face of our current financial situation and investment in key priorities to improve the lives of Yukoners.
- The Government of Yukon needs to focus investments on critical priorities and, in time, balance spending.
- Budget 2026 includes gross O&M expenditures of \$1.97 billion, addressing O&M pressures in health and energy affordability, as well as housing, education and public safety.
- The 2026–27 Main Estimates forecast a \$81.8 million deficit as we continue to prioritize service delivery for Yukoners while undertaking further planning for future capital investments.
- As we identify strategic capital investments in future years, these additions to publicly owned assets will have an upward effect on the surplus.

Key facts and stats:

- 2026–27 Operations and Maintenance Expenditures total \$1.97 billion, plus a \$100 million contingency vote, with recoveries totaling \$188 million.
- Capital expenditures are estimated at \$385 million, with \$105.8 million in recoveries.
- Revenue will increase by \$138 million, or 7.6 per cent, over the 2025–26 Main Estimates, which is driven mainly by increased federal transfers.

- Transfers from Canada are forecast to increase by \$130.8 million, due to an increase in the Territorial Formula Financing Grant.
- Tax and General Revenue are expected to increase by \$7.7 million compared to last year's Main Estimates.

Ensuring Reliable Power for Yukoners and Protecting the Integrity of the Electricity Grid:

- Budget 2026 reflects our commitment to make energy affordable through the \$13 million the Affordability Rate Relief program, for rebates on residential electricity bills.
- Major investment in our energy grid is required to ensure our grid is stable. We have earmarked up to \$100 million in additional debt space for Yukon Energy Corporation to undertake critical investments in its infrastructure this year, including upgrades to the Mayo site.

Improve timely access to frontline health care services for Yukoners:

- We have prioritized support to ensuring access to front-line health care, reflected through increased investment in the Yukon Hospital Corporation.
- The 2026–27 Main Estimates include an additional \$12.5 million in O&M funding. Including increases at the supplementary estimates, this is a \$15.8 million or 11.7% increase in O&M funding for the hospital corporation over the 2025-26 Main Estimates.
- We will also move ahead with planning for the Whitehorse General Hospital Expansion and have allocated \$4 million in capital for that planning work in 2026–27.

Theme 3: Increase the affordability and availability of housing and land

- Budget 2026 includes investments to expand the availability of housing stock and make homes more affordable.
- \$16.2 million has been allocated to complete the replacement of the Korbo apartments in Dawson and \$9.2 million for the replacement of the Ryder apartments in Whitehorse.
- The 2026-27 Main Estimates also include \$1.1 million for an anticipated lease agreement for 75 units at the new Winter Crossing development in Whistle Bend.
- \$22.2 million is allocated to advance land development in Whitehorse and rural Yukon.
 - In Whitehorse, work will continue on the Range Point Subdivision. Additionally, Whistle Bend Phases 12 and 13 will be completed, with design work completed for Phases 10 and 11.
 - In rural Yukon, work is planned on the Dredge Pond Phase II subdivision in Dawson and Mitchell Road lots in Faro.

Theme 4: Put the needs of students at the centre of our education system

- Budget 2026 provides additional funding totaling \$2.7 million for more teachers and learning assistants to support students.
- As we continue to assess improvements to how the Department of Education supports our education system, we are moving ahead with planning for a new school in Whitehorse, with \$400,000 for planning in 2026–27.

- Construction of the new school in Burwash will continue, with \$17.3 million in capital earmarked for that project in 2026–27.

Theme 5: Restoring public safety and keeping communities safe

- Budget 2026 includes a significant \$4.3 million increase in funding for the RCMP, which will allow for the hiring of 10 new officers and two support staff, as well as upgrading equipment.
- In addition, \$3.1 million in capital upgrades will be invested in RCMP detachments.
- We are investing an additional \$550,000 for gear, equipment and training for the Fire Marshal’s Office. With the \$812,000 provided at the 2025–26 Supplementary Estimates to address ongoing personnel pressures, this is a \$1.4 million year-over-year increase to the Fire Marshal, or a 62 per cent increase in that budget from the 2025–26 Main Estimates.

Theme 6: Creating the conditions to allow the private sector to grow and lead economic growth

- To streamline and refocus government’s investment in our tourism, cultural and economic sectors, we are merging the departments of Economic Development and Tourism and Culture.
- The capital budget includes up to \$7.5 million to complete delayed planning work on the proposed Convention Centre.

Approved by:

Katherine White

March 16, 2026

Deputy Minister, Finance

Date approved