

**Premier Dennis Fentie**  
**Business After Hours – New Direction Announcement**  
**February 26, 2004**

**Check against delivery**

**Introduction**

During the last election we campaigned. Together We Will Do Better, I am proud to be here today with you our partners to explain our plans to stimulate short, mid and long-term economic growth in the Yukon.

In the short-term the strategy is about two things – getting people trained and creating jobs.

The proposed budget is designed to do this.

Tonight is also about the unveiling our new Economic Development Strategy called – A New Direction.

Complementing this strategy will be sector plans for each of Yukon's key strategic industries.

What makes this economic strategy unique is the recognition that Yukon must identify and develop its competitive advantages.

This will ensure Yukon can successfully compete in both the global and regional market places.

Now I would like to speak about short-term stimulus or increasing cash flow, through jobs and capacity building.

**Education**

One of the keys to economic development is capacity building. This is why our government is very committed to Education.

Minister Edzerza earlier this week announced our commitment to increase the Yukon College funding by \$1 million.

No other government in the past 10 years has taken this bold step.

This government also again put \$1 million into the Community Training Trust Funds for a total budget of \$1.5 million.

\$500K of these funds will be ear-marked for trades training.  
Keeping our students in the Yukon is also important to us.

This is why we also announced this week that the number of students participating in our summer student employment program called STEP will be increased as will the length of the program.

Students have also benefited this year from the indexing of student loans as promised in our platform.

### **Now about Jobs**

My colleagues and I have been working very hard to ensure this spring budget creates jobs and projects that will stimulate the economy.

Through sound fiscal management, this government has been able to generate one of Yukon's largest capital budgets . . . . an anticipated \$160 million.

The Department of Highways and Public Works total capital budget is forecasted to increase 34% - which means \$50 million in tenders will be available in 2004-05.

That translates into jobs this summer on highway, bridge, and airports projects.

This government realizes the contracting community needs to know what work is coming, so they can start planning their season.

So look forward to an announcement by Minister Hart for all the highways tenders in early March.

The Department of Community Services expects a capital budget of \$32 million.

This money will be spent on Firesmart, and projects like:

- water and sewer infrastructure,
- buildings,
- emergency measures equipment and training,
- and on land fills.

There will be major projects in Ross River, Watson Lake, Dawson City, Mayo, Old Crow and Carmacks.

The Department of Education expects a capital budget of \$11 million for various projects related to our schools including the first phase of the Carmack Tantalus School.

The Department of Health and Social Services is anticipating \$8 million in the capital budget for projects like, improvements to existing facilities, a new residential group home in Whitehorse and several major projects in rural communities.

Yukoners have a lot to be optimistic about in the upcoming budget.

## **Mid – Long Term**

### **In Mining:**

In the mid-term we are seeing increased resource sector interest in the Yukon.

As we heard in our local news today - it is going to be a very busy year in the mining sector.

This will mean our local service and supply businesses will be busy as well.

Exploration expenditures are expected to increase to the \$30 million range!

The Teck-Cominco and Kaska Mineral Resources are in partnership to explore in the R15 block this summer.

Placer operators are also encouraged by \$400-plus gold prices and will be back on their claims in the next few weeks.

### **In Oil and Gas:**

Devon will be investing \$10 million to drill a new well and redevelop an existing well in the Kotaneelee gas fields.

### **In Forestry:**

Yesterday's recommendation from the Kaska Stewardship Council for an allocation of wood in SE Yukon is another indicator of economic progress.

Five cut blocks have been recommended totaling approximately 80,000 cubic meters of timber.

This will become the Yukon government's first wood allocation since devolution

Now we can get down to the business of keeping people employed and strengthening the forest industry in the Yukon.

### **In Tourism:**

There will be significant investment in marketing, product development and culture. Announcements will be coming shortly.

Add to this the multi-year projects like the Multiplex, the Whitehorse waterfront project, and various rural infrastructure projects and it creates a very optimistic picture of Yukon's future.

## **Federal – Business Case**

It is important to note as well, that this week we made progress with Ottawa on our formula funding proposal called the Business Case.

- There is agreement to discuss the technical issues around . . . . removing the ceiling cap in the formula for GDP.

- Second there is an agreement to discuss extending the new health care funding for another 3 years.
- And third there was a commitment to discuss the establishment of a federal northern economic development fund.

This is very good news.

### **Long Term - A New Direction**

Now back to the Yukon.

In the long term, Yukon has abundant resources, talented and resilient people and a high quality of life.

We have all the attributes for shaping a strong and sustainable economy.

However, Yukon must compete in a global market, it is for this reason that we must identify Yukon's competitive advantages and develop them for each strategic industry.

That is the main principal behind the new economic strategy: The New Direction.

And before I go any further, on behalf of this government and all Yukoners, I want to thank the people who devoted their valuable time to the creation of our new economic strategy.

This includes our partners in labor, business and various industry sectors, our First Nation development corporations, the construction sector as well as our Information and Technology sector.

### **What was heard**

During the consultation process the messages we heard were:

- Focus on the big picture
- Get our regulatory house in order
- Attract outside investment;
- Take risks
- Orient government towards development
- Aggressively market the territory
- Be pro-economic development within and outside of government.

This is why the strategy focuses on:

- Strategic industries and projects,
- Economic infrastructure,
- Investment and Exporting,
- Marketing and Promotion,
- Capacity Development,
- Entrepreneurship and Innovation.

To get things moving there are three key economic development funds:

- Enterprise Trade Fund,
- Strategic Industries and Project Development Program
- Regional Development Fund,

We will be discussing more about these funds in the weeks to come.

### **On-going process**

Developing the economy is a dynamic process. Input from Yukoners is required.

This is why the stakeholder committee that helped form this new strategic direction will continue to advise us on economic matters.

They will be called the Partners for Economic Partnerships or PEP.

### **In Conclusion**

A new direction has been established for the Yukon economy – and it is progressive.

- We have a new corporate economic strategy
- A new committee to oversee our progress
- New partnerships with the private sector and First Nations
- \$160 million in anticipated capital projects packaged in our proposed spring budget
- On going mega projects like the multiplex, the Whitehorse waterfront project, the Alaska Highway and other infrastructure improvements.
- Increased interest in many of our strategic sectors, especially in mining exploration.

Yukoners have a lot to be optimistic about.

This government has worked hard to create the right atmosphere for prosperity and to get the economy going. It is about working together.

We are beginning to see positive results in the Yukon economy and it will improve even more in the near term.

I want to emphasize once again, by working together we will do better

Thank you.