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YUKON ANNOUNCES SIGNIFICANT INCREASE TO MUNICIPAL GRANT FUNDING

WHITEHORSE – Yukon government is significantly increasing funding for Yukon communities beginning April 1, 2008 to be phased in over five years.

Community Services Minister Glenn Hart announced Comprehensive Municipal Grant funding will increase by 32 per cent from its current level of \$12.538 million per year to \$16.575 million by 2012. “The increase of \$4,037,500 over five years shows this government’s commitment to Yukon municipalities,” Hart said

In addition to the increase in the Comprehensive Municipal Grant, Hart also confirmed there will be a proportional increase for funding to unincorporated communities.

“We recognize that the cost to deliver services in unincorporated Yukon is also increasing,” said Hart, “The Department of Community Services will receive an additional \$605,625 over five years in order to meet these demands.”

Doug Graham, president of the Association of Yukon Communities (AYC), welcomed the increased funding. “This is the first substantial broad based increase to the Comprehensive Municipal Grant since its inception in 1991,” said Graham. “I am pleased to recognize the minister’s efforts on behalf of all Yukon municipalities.”

By increasing the overall Comprehensive Municipal Grant Fund, the Yukon government will be investing an additional \$12.11 million in Yukon communities over the five year period.

The Consumer Price Index (CPI) was used as a guideline to determine the increase to the Comprehensive Municipal Grant Fund dating back to 1991, when the fund was first allocated under the *Municipal Finance & Community Grants Act*. The increase also considers the projected CPI to 2012 as a method to keep pace with inflation as the increases are phased in.

In addition to the announced increase to municipal grants, the Department of Community Services and AYC have reaffirmed their commitment to continue working together to address other municipal issues.

Graham stressed the importance of a strong partnership between Community Services and AYC in the future. “It is critical that we continue to work with the Yukon Government to define and address the long term infrastructure needs that face Yukon municipalities,” he said.

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