

FOR RELEASE

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GOVERNMENT OF YUKON REPORTS HEALTHY FINANCIAL POSITION

WHITEHORSE – The Yukon government updated financial framework projections were released today by Premier and Finance Minister Dennis Fentie.

Fentie noted the 2006/07 forecast and future year estimates fully reflect the financial position of the government and capture all commitments this government has made to date that will affect future periods.

“There has been a lot of speculation about the financial position of the government,” Fentie said. “I wanted to be fully accountable and transparent to the electorate about where we see this government going financially. These projections demonstrate that the government is projecting a healthy surplus financial position for the year ended and in each of the future years in this time frame.”

“The financial framework presented shows the government ended the fiscal year 2005/06 with an annual surplus financial position of just under \$45 million, a net financial resources position of about \$69 million and an accumulated surplus of \$458 million,” Finance Deputy Minister Bruce McLennan reported. “This is an improvement over the financial forecast released with the 2006/07 Main Estimates.”

Fentie also commented on the differences between the recently released Statistics Canada - National Income Accounts projections for 2005/06 and those of the government.

“These differences include the fact that Statistics Canada does not follow Generally Accepted Accounting Principles,” Fentie said. “Statistics Canada projections also do not take into account certain liabilities that the government has fully booked, nor do they report transactions that have occurred since the original budget forecast was made.”

“As well, Statistics Canada includes other related government entities in their report, including the Workers’ Compensation Health and Safety Board and the Whitehorse Hospital Corp.” McLennan added.

“While these Statistics Canada – National Income Accounts projections may be useful to economists, they do not truly reflect the financial positions of governments across Canada,” Fentie said. “I prefer to report our financial position to the Yukon public following Canadian Institute of Chartered Accountants’ time-tested and approved accounting principles which are comparable to those used by the private sector,” Fentie concluded.

While Fentie noted the final audited 2005/06 year end financial statements will not be issued until October, both he and McLennan are confident the financial position released will closely approximate those being signed-off by the Auditor General in the fall.

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