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YUKON ECONOMIC STRATEGY

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Building the Future

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THE YUKON ECONOMIC STRATEGY

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MINISTER'S MESSAGE

What can a territory racked by recession do but take a very hard look at its prospects?

Between 1982 and 1985, the Yukon watched events abroad close its mines, mills and railroad. Even after local leaders helped forge a deal to reopen the Faro mine, we were still painfully aware that a bad day at the London metal markets or an Asian smelter could ruin our lives.

That Yukon had a weak, narrow, colonial economy was clear; what we could do to change it was not. Obviously, we needed to strengthen our basic industries. We needed to broaden our economic base and increase local control. But how?

Some agreement about our future direction was a must. Such a small community in so large an area would have to pull together or pull apart. To plan or not to plan was no longer the question. The issue was: who would do it. If we didn't do it ourselves, outsiders would do it for us. The Yukon has no universities and few experts. We had nobody to turn to except each other. It was time to talk.

The government set up a small unit in the Economic Development Department to gather information, get it to the public, and faithfully record Yukoners' ideas. So began YUKON 2000.

From the first meeting in Faro in June of 1986 to the last in Dawson City in October of 1987, through the dozens of industry workshops and community meetings, we met with labour and business leaders, Indian bands, municipalities, volunteer groups, women, youth, and many individuals.

Hundreds of ideas were aired, some of them inspired. Along the way, Yukoners discovered they share many of the same values: self-reliance, a mix of economic activity, community empowerment, equality, and a clean environment.



Tony Penikett: Government Leader

People wanted to shield their jobs, their homes, and their settlements against the whims of the world market. But at the same time, nobody spoke of isolating the territory from the rest of the planet. In fact, the opposite was true.

Through programs like export promotion, import replacement and skill development we might begin to stand on our own feet. Used wisely, our rivers, forests and lands promise us prosperity for generations. By welcoming those who came to make a living rather than those who came only for a killing we shall build a better, fairer society.

People expect mining will continue to be our number one industry, but Yukoners want to earn more benefits from it. Tourism will grow but we must work harder to establish Yukon as a destination for Canadian travellers. Local forest, farm and fish products must in future supply more of our housing, energy and food needs.

The Yukon Economic Strategy is our government's response to everything that was said in the months since we began this project. So numerous are the proposals that they will realistically take years to implement. But the end result should be a much more self-sufficient community

There may be nothing in particular which is new about the strategy but as a whole its thrust is unique to our time and place. A professor might label our approach 'maximum sustainable value-added', a publicist 'Yukonomics'. I call it a truly democratic answer to the problem of preparing for the future.

Many thanks are due to those who played a part in this task.



Tony Penikett

Government Leader

OUR DESIRES AND GOALS

The Yukon has always been a land of dreams and those who follow them, from hunters looking for game to miners searching for gold. Many of the dream-chasers lingered here, discovering wealth they had not sought. The beauty and the promise of the land have captivated us, its people, despite physical and economic hardships. Some Yukoners trace their roots in this place back beyond memory to the time of legend. Others have roots as young as yesterday. What we share, all of us, is the dream of making our homes and building our lives in the Yukon.

The Yukon Economic Strategy arises from both the experience and the dreams of the Yukon's people. It represents less the economic vision of the Yukon government than the government's plan to nurture the visions of the people.

Over the past two years, Yukoners have talked about the economy, both to government and to each other. We have agreed on some things and disagreed on others, as is inevitable among strong willed people. However, out of the discussion has come a degree of consensus about what matters to Yukoners and what we want for our own future and that of our children.



Consensus: Yukoners got together many times to discuss development

Consensus, in any degree, is a major achievement in a society like the Yukon's. The Yukon is not a single entity, but a community of communities. Some are the geographical clusters that we commonly call communities: towns, villages, the islands of human settlement that dot a land still largely wilderness. Others are communities of interest: groups of people, like women, Indians, trappers, or miners, who share common characteristics, concerns, interests, or hopes.

All of these communities are vital entities that shift and overlap, each adding its own quality to the Yukon's character.

Economic development moves upward from the people, who both create and benefit from economic activity, not downward from government, which only supports their efforts. The role of government, as this Strategy outlines, is to provide the climate and tools for growth and, through its spending, investments, and assistance programs, to promote development that benefits the Yukon and that helps the Yukon's people meet their goals.

The Things That Matter

In the discussions and studies leading to the Yukon Economic Strategy, we grappled with the problem of change — change forced upon us by outside forces and the change required if all Yukoners and Yukon communities are to flourish. In that process, we were able to capture and record our most basic desires, the things we want to encourage in the course of economic development, the things that matter.

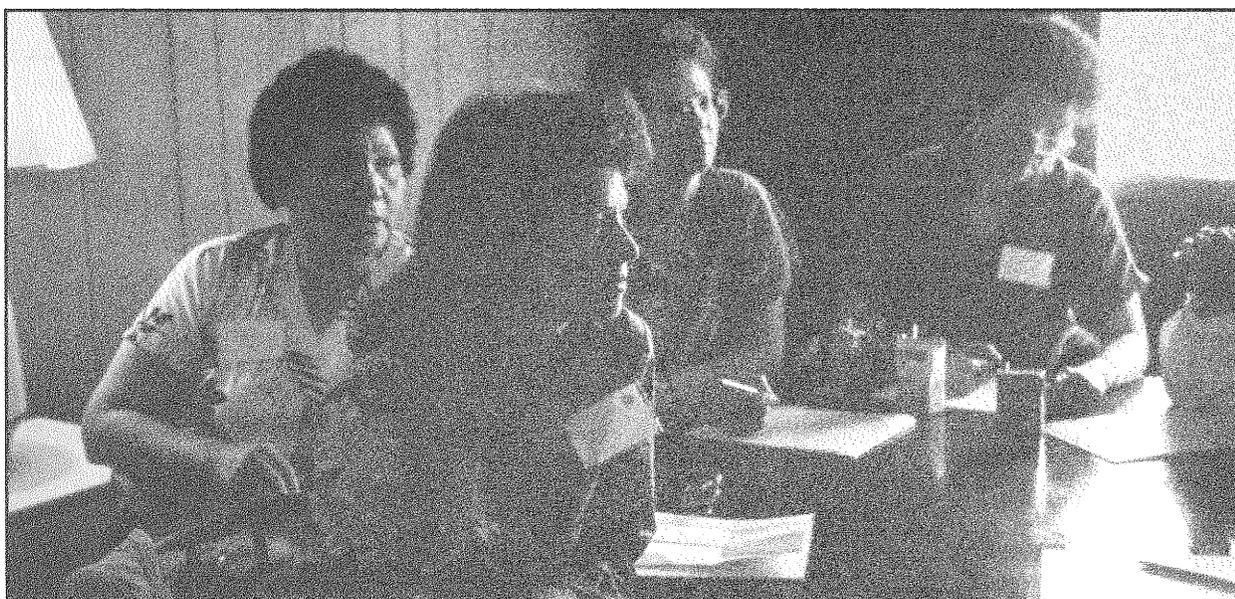
Above all, we want to be more self-reliant. Climate, geography, and the territory's vulnerability to outside forces make self-reliance an uphill journey, but one well worth making. And the vital precondition to self-reliance is participation. Yukoners claim the right to develop our own economy, to participate directly through time, energy, or capital and indirectly by taking part in the decisions that affect our lives. Until we can make more of our own economic decisions, the economy will not serve us as we wish.

The decisions should be made, as far as possible, at the community level where we can see our needs most clearly. Communities must be helped to develop themselves, to plan and control the improvement of local economic and social conditions.

Resources are the key to improving our condition. But resources are also fundamental to our identity as Yukoners, and we want them used wisely and responsibly. That means sustainable use of renewable resources and a careful use of non-renewable resources that will allow communities to plan a long and secure future.

Encouraging a mix of economies is another step on the way to economic security. Resource-based industries, small business, government, and non-wage activities like subsistence living, volunteer services, or household work, all have a role in the Yukon's economic future. Too many years of the boom-and-bust cycle have driven home to us the advantages of a diverse economy for cushioning tough times.

Tough times have also given us an appreciation of flexibility — the readiness to turn our hands to whatever will make us a living in this place. Now we must stretch that flexibility



Participation: A vital precondition to self-reliance

in new directions in order to offer a fair share in the economy to those of us who have been denied fairness in the past.

For years women have received less than a full share of the economy's benefits. It is time to recognize and reward the economic contribution they make, both in the paid workforce and through non-wage work. And it is time to open all areas of the economy to their full and fair participation.

The first Yukoners, the Indian people, have not received their share of the benefits of development. However, the Indian community is already an important player in the Yukon economy, particularly through the wide range of their non-wage and subsistence activities. Land claim settlements, Indian self-government, and local administration of programs will strengthen the Indian economy further. Those factors also must, and will, open the wider Yukon economy to more Indian people.

The Goals

Economic activity is by, for, and about people; it should serve human goals, not just an abstraction labelled "the bottom line." Perhaps the most vital achievement of the process that led to the Yukon Economic Strategy is the consensus we reached about the goals toward which we will work. Yukoners recognize and support four broad goals for economic development. The importance of these goals should not be underestimated. They form the foundation of this Strategy and will be the guide for future government decisions.

- **The Option to Stay in the Yukon:** Yukoners see our territory as a desirable place to live, work, learn, and raise a family. We want it to stay that way, but we also want to be able to earn a living in our chosen place. Development must offer us the chance to support ourselves and our families, within the territory and within our communities.
- **Control of the Future:** Yukoners want more control over the economic future of the territory. The keys to greater control are more regional and local decision-making, increased authority for communities, and a higher level of Yukon ownership.
- **An Acceptable Quality of Life:** Yukoners want development to preserve and enhance the quality of Yukon life. We want wages, business opportunities, and public services comparable with the rest of Canada. But we are not prepared to sacrifice either the potential for living off the land or the unspoiled natural environment that surrounds us.
- **Equality:** Development should ensure an equal economic chance for all Yukoners, including those who do not currently have equal opportunity.

The success of the implementation of the Yukon Economic Strategy will be measured by our progress toward meeting these goals. When reviewing new policy or program proposals, the Yukon government and the Yukon people will have to continually ask whether they help us meet our goals.

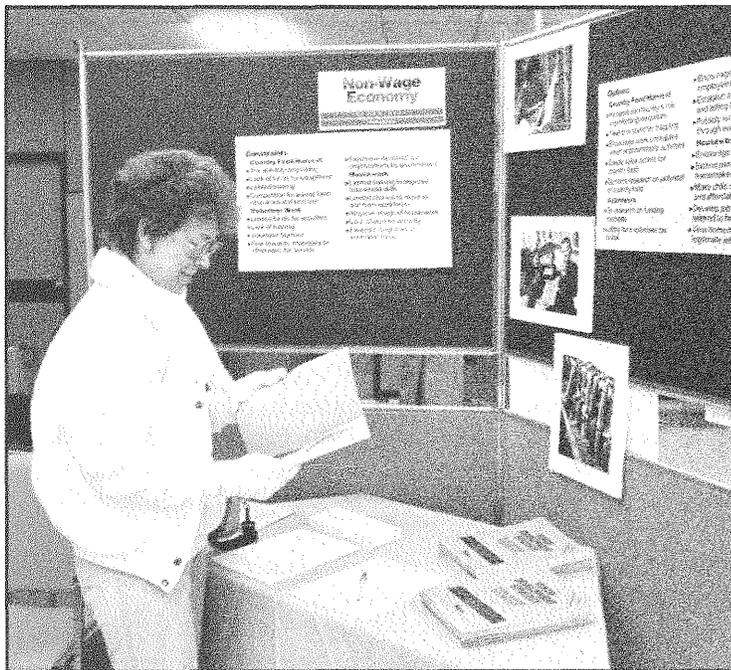
THE YUKON ECONOMIC STRATEGY

What is a Strategy?

The goals of the Yukon Economic Strategy identify what we are striving for in the long term. The Strategy itself is a plan for meeting those goals. It sets out broad policies that will guide the Yukon government's actions, policies that we believe will take us closer to our goals. Finally, the Strategy lays out specific commitments by the Yukon government to an initial course of action.

How was the Strategy developed?

The Strategy arose from the YUKON 2000 process, which provided a broad, comprehensive view of the economy. We looked at the things economic strategies typically examine: industries and how to encourage their growth and development. Twelve industries were examined. Besides mining, tourism, forestry, manufacturing, and other typical income-producing industries, we looked at some of our non-wage activities — subsistence activity, volunteer work and housework — that also create economic value.



YUKON 2000: Yukoners also tackled non-wage issues

But a wider view of the economy is required if we are to achieve our potential for economic development. These broader elements — the territory's human and natural resources, financial resources, information and technology, and our infrastructure — affect the development of all our industries. The Yukon Economic Strategy addresses how we can use these elements to help our industries meet our goals.

What sets the YUKON 2000 process apart from other economic strategies is how it developed. The public consultation was both wide and thorough, involving people from all backgrounds. The ideas contributed by Yukoners, as compiled in the report called *The Things That Matter*, form the core of this Strategy. An outline of major events in the YUKON 2000 consultation is provided in the Appendix.

Yukoners have told us that much of the value of YUKON 2000 and the development of this Economic Strategy has been in the process itself. The process has provided the opportunity to share and explore different ideas and to learn from others, like ourselves and different from ourselves.

What factors affect implementation?

The Yukon Economic Strategy lays out the Yukon government's broad policies that will guide us toward our goals. More specific details will be provided in throne speeches and budgets. However, given the comprehensive nature of the Strategy, we will need help from other sources — the federal government, economic organizations and other groups.

The support of the federal government has been instrumental throughout the YUKON 2000 process. Many of the recommendations in *The Things That Matter*, the report on public consultation, fall under federal jurisdiction or require federal support. The federal government is a major influence in the Yukon, and the Yukon government wants the federal government to work with us to meet our goals.

The initiative of the private sector and of the community at large will be needed to build our industries, create jobs, and assist in the pursuit of equality. Yukoners must capitalize on any opportunities for positive change that come our way.

The community can help in another way to make this Strategy work, by joining with the government in the process of making decisions. The government intends to continue its consultation with the public on policy matters and specific actions. Consultation with

specific communities will continue as the government undertakes its next step — the progression from a territorial economic development strategy to strategies for community development.



Consultation: The Government will continue to ask the public about policy actions

Why do we need to review the Strategy?

Over the coming years people will continue to refine their priorities for the Yukon's economic future. The Strategy will need to be revised to reflect these changes. Yukon Indian people, for example, are working now on identifying their priorities for economic development.

Other major factors on the horizon will affect the Strategy, and all or parts of it will have to be reviewed and perhaps changed.

Land Claims

The final settlement of the Yukon aboriginal land claim will certainly affect Yukon development. The negotiations cover issues like land selection by the bands, land oc-

cupancy or tenure, sub-surface rights, self-government, land use planning, wildlife, education, health, justice, economic opportunities, and taxation.

The effects of the land claim settlement will be as broad as the range of areas it will cover. In general, however, we can expect greater confidence in the territory due to the resolution of many long-standing issues. We can also expect to see greater control resting in the hands of Yukoners. Indian people will have more natural and financial resources with which to develop their economic opportunities.

Devolution

The continuing transfer of federal responsibilities is fundamental to the Yukon Economic Strategy. Devolution greatly increases our ability to make our own economic decisions. Right now, the governments of Canada and the Yukon are negotiating transfers of the freshwater fishery, forest management, water management, lands management, rural airports, energy, interterritorial roads, mine safety, and health.

However, simply transferring programs will not bring immediate economic and social benefits. Indeed, we have to be certain that Yukoners achieve national standards as we gain a say in how the programs are run. Furthermore, we may want to redraft policies, as programs are transferred, to make sure they are consistent with the Yukon Economic Strategy.

Among the benefits we should expect after programs are transferred are faster decisions and better coordination of services. There may also be greater use of local resources and more opportunities for businesses as services are brought up to national standards.

Free Trade

The effects on the territory of the Canada/U.S. free trade agreement will be mixed. Canadians will have greater access to the United States, but the country will also see increased international competition. There will be greater investment from abroad but there is also a chance of losing control over certain areas of our economy.

How will the Strategy be reviewed?

The Cabinet will monitor implementation of the Strategy on a continuing basis and provide the central coordination to ensure YUKON 2000 priorities are reflected in government budgeting and departmental programs.

Public monitoring of the Strategy's implementation will be undertaken. The Yukon Economic Council will monitor the work on a regular basis and report annually on the progress to date. The Council may recommend to the Minister of Economic Development agenda items for an annual public review of elements of the Strategy.

OUR CHANGING ECONOMY

An economy's structure is its organization into major industries, groups, and institutions. The distribution of employment and economic activities among industries is part of that structure; so is their distribution by size of business and type of ownership. Structure includes the major types of jobs and the relative earnings of workers in these fields. It also includes the roles played in the economy by the private sector, governments, and major groups of citizens, such as aboriginal people, women, labour, and investors.

Many of the discussions leading up to the Yukon Economic Strategy touched on the general structure of the Yukon economy and particularly on the form it will take in the future. Discussions about the future tended to emphasize change: possibilities of change, fears of change, hopes for change, and responsibilities for leading and managing change. These discussions raised some important problems about the structure of the Yukon economy, problems that will have to be dealt with in the next dozen years.



Change: Small business is playing an increasingly important role in our economy

The Yukon economy is currently dependent on three major sectors: mining, tourism, and government. Each has made and will continue to make a significant contribution to the economy. However, each is subject to outside influences beyond our control. Developing other industries like manufacturing, renewable resources, processing, and finance, which now play a relatively small economic role, will help offset the dependence on any single industry and generally strengthen the economy.

Small business is playing an increasingly important part, everywhere, in creating new jobs and fresh economic activity. The Yukon suffers from dangerous gaps in its ability to meet the needs of small businesses, especially for financing, insurance and bonding, and advisory services. Limits to the growth of small business in the territory could well turn out to be limits to the growth of the territory itself.

The roles of government and the private sector in the Yukon's mixed economy must be mutually understood so that business and government can cooperate to reach the territory's full economic potential.

There is considerable underdevelopment of the aboriginal economy relative to its potential. A fully developed Indian economy will make a major contribution to the growth and prosperity of the Yukon economy as a whole.

The specific economic actions the government will take to deal with these problems are outlined later under appropriate categories. These actions arise from areas of consensus arrived at during YUKON 2000, consensus about what the structure of the Yukon economy is and what it should be. The consensus can be summarized in a few basic ideas.

First of all, the government recognizes that the Yukon economy is a mixed economy, combining economic activity by both the private sector and government. Prosperity and economic justice depend upon the contributions of both partners and upon the two developing a harmonious working relationship.

With that fundamental structure in mind, the government understands that the private sector responds to market forces. It undertakes to support private sector efforts that offer new economic activity, employment, and greater equality of economic opportunity. Diversification of the economy will be encouraged.

The government will provide services and capital, if justified on economic grounds, in cases where those services and capital will not be provided without government initiative. At the same time, the Yukon government recognizes that the private sector must lead in business development. It will consult with Yukon business to ensure a clear understanding of the government's role in providing such necessary services and in supporting development that Yukon business cannot handle alone.

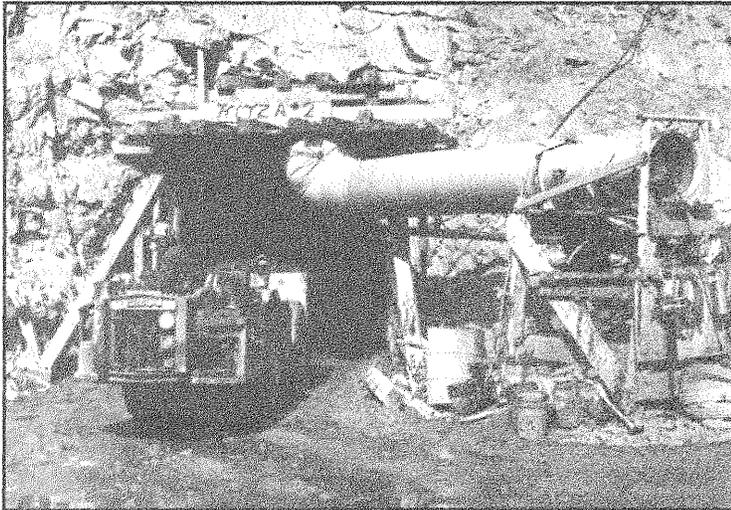
Finally, the Yukon government recognizes the importance of the aboriginal economy, both to Indian people and to other citizens of the Yukon. It will make a major effort to involve aboriginal people in planning the territory's economic future and in playing a greater role in economic activity, so that in the future they will be full and active economic partners in the Yukon.

NATURAL RESOURCES

The Yukon's environment and natural resources are its treasure. The mountains, forests, lakes, and rivers hold the promise of a prosperous future. But it is a promise with strings attached. The treasure must be used wisely, so that it lasts into the future.

In the past, natural resource development has often been a mixed blessing. Large projects have proved susceptible to forces well beyond the Yukon's control and have swung the territorial economy, like a pendulum, back and forth between boom and bust. In the rush for one form of development, other uses of resources, now or in the future, have been forgotten. Yukoners, especially those closest to and most knowledgeable about resources, have often been excluded from decisions about resource development. The reverence that the Indian people have for the land makes its use an important factor in the Indian culture and economy. Many Yukoners, especially Indians and women, have not been included in most of the benefits from resource development.

The Yukon government is determined that future development of the Yukon's natural resources will be planned more wisely and fairly, for the benefit of all Yukoners. A set of guiding principles, aimed both at investing the territory's treasure for all Yukoners and at guarding it for the future, will shape the government's actions.



Mining: A large and important employer

Our emphasis will be on diversifying resource-based economic activity to increase employment and stabilize the territorial economy, both now and in the future. Our resource industries have always provided many of our jobs and will continue to do so. Mining is a particularly important employer, not only through large projects but also through placer mining and exploration. The government will continue to support viable resource development. However, to ensure that the Yukon gets the most from resource development, the government will support those developments from which Yukoners derive the maximum benefit over longer periods of time.

In the renewable resource area, the government will work to develop sustainable industries, ones that harvest resources in ways that allow them to replenish themselves. In the non-renewable resource area, the government will support developments that produce the maximum benefit for the Yukon and its communities and that sustain existing communities, rather than creating new, single-industry towns.

So that as little as possible is lost in the process of development, the government will ensure that the relationship between the environment and economic activity is always considered, with the goal of fostering environmentally sound development.

The government will try to ensure that those involved in making decisions about resources and the environment — government, business, communities, other people interested

or affected — have as much information as possible about the implications of development. Methods will be set up to help resource users resolve conflicts. Resource users and other interested parties will be invited to play a larger part in planning policies and activities that affect resources and the environment.

To meet the goals of the Strategy the Yukon government will:

- Support development of the full range of natural resources, both renewable and non-renewable.
- Increase the economic return to the Yukon from its resources.
- Develop renewable resources at a rate that will not deplete them.
- Develop non-renewable resources at a rate that assures more stable economic growth.
- Maintain the resources required for subsistence lifestyles.
- Guard the Yukon's natural environment and historical and archaeological heritage.
- Establish greater Yukon control over the territory's natural resources.
- Accommodate the needs and values of Yukoners in the management of natural resources.

Indian people will play a greater role in developing policy and in planning the use of natural resources. Aboriginal rights will be respected and protected throughout the process.

The government will plan and finance infrastructure in a way that will encourage beneficial development and distribute costs fairly. It will also encourage a fair distribution of employment and other economic benefits resulting from development.

Finally, the government will work to achieve greater Yukon control over the management and use of resources and to secure a fair return for the Yukon people from the development of our treasure. The settlement of land claims and the devolution of responsibility for resources from the federal government will help create a more hospitable climate for development. The degree of legal certainty those changes will bring, along with clarification and streamlining of the regulations that resource industries operate under, will provide the stability needed for development.

In keeping with these principles, the Yukon government will act to:

Immediately

Communities

- ensure that communities affected by major natural resource developments receive training, jobs, business opportunities, and infrastructure associated with these developments. This could be done through negotiated development agreements which define the developer's obligations in exchange for government financial support, the development assessment process, or other means.

Informed decision-making

- support and encourage development projects that, considering all costs and benefits, provide a net economic benefit to the territory.
- establish a development assessment process for all major developments that will complement and eventually replace the federal review process. The streamlined process



Game: Sustaining renewable resources is a critical management issue

will include all other resource reviews. It will be used to determine whether and how major projects will proceed. The development assessment process will provide for:

- greater public input;
- consolidation and reduction of regulatory requirements where possible; and
- shorter decision-making times.

The process will assess the developer's statements of socioeconomic and environmental impacts, and of direct and indirect costs and benefits of the development. The public, especially the affected communities, and the developer will have input into the decision.

Devolution

- negotiate with the federal government the sharing of resource revenues, to ensure that all Yukoners benefit from resource development.

Subsistence

- protect the resources required for traditional and subsistence activities just as other resource users are protected. Traditional and subsistence resources will be protected through:
 - the effective voice of subsistence harvesters, in particular Indian people, in the management of renewable resources important to communities and community residents; and
 - greater training and employment of subsistence harvesters in resource management activities.

In Progress

Informed decision-making

- produce a Yukon Conservation Strategy, in consultation with the private sector and public interest groups, that guides the sustainable development of the Yukon's renewable resources and includes programs which are complementary to the development of non-renewable resources. This will serve as the Yukon contribution to the Canadian and World Conservation Strategies.

- build public awareness and understanding of the principles of conservation; in part, that it is possible to manage resources based on the principle of wise use, including a balance of measures to both protect and develop resources. These new educational efforts will be part of the Conservation Strategy.
- make the public aware of land use planning activities and the impacts of alternative land uses. The federal-territorial Land Use Planning Agreement will encourage full public participation in the creation of regional plans for long-term land use. These plans will guide resource users and land managers.

Devolution

- pursue devolution of resource programs as the highest priority in negotiating program transfers from the federal government.

Into the 1990s

Informed decision-making

- establish processes, such as the Compensation Review Board process, for mediating conflicts by bringing together the key parties affected in a conflict over resource use. These processes will help resolve disagreements on a voluntary and mutually acceptable basis.
- support research, including demonstration projects, into sustainable development. This research will focus on how the economy and environment are interrelated and how we can manage the socioeconomic and environmental impacts of development in a manner that secures the long-term future of the Yukon economy.

Communities

- involve communities more in resource use decisions that affect them. Resource use planning, management, and decision-making all require community input. Information on major projects and policies that will affect communities will be made available to the public. Where necessary, financial assistance can be provided to public interest intervenors in the development assessment process.

Information sharing

- arrange regular round table meetings of industry, government, aboriginal organizations, and public interest groups to discuss resource policies, opportunities, and anticipated developments as part of the Yukon Economic Strategy review process. For this review, the government will table a "State of the Yukon Resources and Environment Report" that will track major changes in the resource base and natural environment of the Yukon.

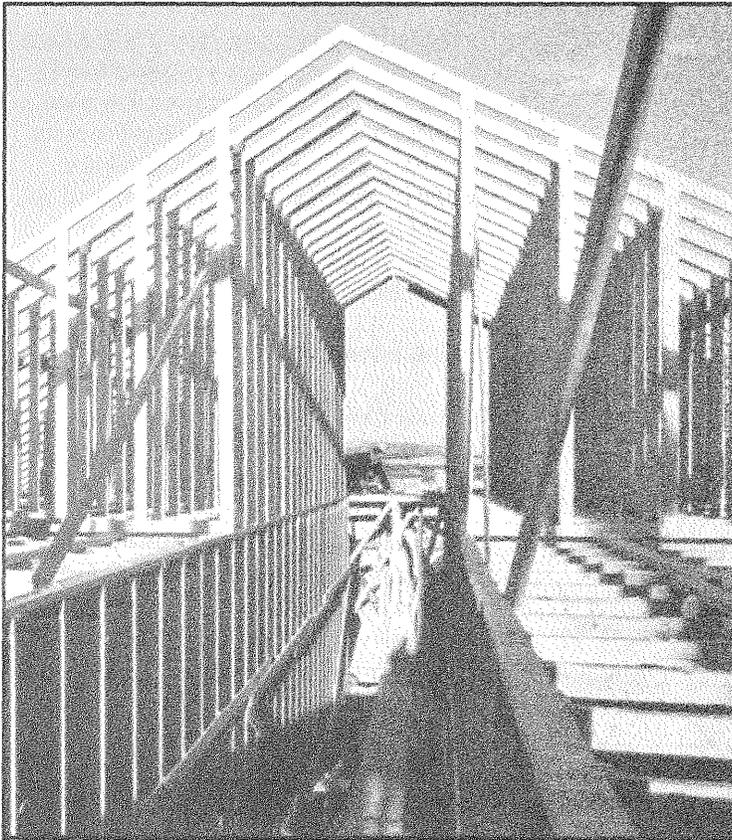
Resource management

- explore the options for streamlined resource management processes, ranging from self-regulation to the use of conditions on land use, resource harvesting, and extraction permits.

FINANCIAL & BUSINESS SERVICES

Money may not, as the song says it does, make the world go round. However, the financial institutions that handle money certainly make the economic world go round. The Yukon's economy revolves less smoothly and productively than it might because of the shortage of financial institutions and related business services in the territory.

If the territory's financial and business services are not improved, the consequences will be serious. Business opportunities, both in Whitehorse and in rural areas, will be lost.



Programs: Government financial assistance can make new ventures possible

The talents of potential Yukon entrepreneurs will be wasted. The growth of small business will be stunted, with the result that employment and income will fall short of the territory's need and potential.

Business people throughout the Yukon have been frustrated for some time by limited access to capital, especially for small and rural businesses. Some groups, such as Indian people and women, find it particularly hard to obtain credit and equity financing. And there is not much money available in the Yukon to invest in expensive projects, however vital to the territory's economic future.

In the past, the government has been able to exercise only limited influence on bank operations, including the sore points of lending policy and level of service. Rural communities still have little access to financial and business services — everything from simple banking functions to professional business advice.

In setting out to change the pattern of the past, the Yukon government will be guided by several principles. First, business development will be financed, as far as possible, by the private sector. The government

will help plug the gaps in financing, but without creating unfair competitive advantages. And the government will help out only where a business is feasible in the long term.

Before changing its economic development programs or creating new ones, the government will consult with organizations affected, such as the Council for Yukon Indians, the chambers of commerce, and women's groups. The government recognizes that special measures will be required to help women become full partners in Yukon business and to assist development of the Indian economy. Rural communities have also suffered disadvantages in the past and require better business and financial services. All government financial services, whatever their goals, should be simple to understand and convenient to use.

Occasionally it will be necessary for government to invest directly in major projects of strategic importance to the Yukon. Such investment will be made to advance overall Yukon development, where Yukon-based capital is inadequate, or where the risks of the venture make it unlikely that private capital will invest. Outside investment in the territory will be encouraged, especially where it will help diversify the economy.

In keeping with these principles, the Yukon government will act to:

Immediately

Government financial programs

- create a business development fund which might include: existing Yukon business assistance programs, a portion of the Loans Fund, and the strategic investment and the employee share purchase plan components of the Venture Capital Program. The fund will have multiple uses but a single application form, a streamlined approval process, and broad approval criteria in order to judge applications on their merits.

To meet the goals of the Strategy the Yukon government will:

- Encourage entrepreneurship and the development of small businesses in all sectors.
- Improve access to capital and financial services in rural areas.
- Remove barriers to capital for Indian businesses.
- Improve women's access to capital.
- Encourage community-based enterprises to develop to their potential.
- Maintain the leading role of the private financial sector in providing capital and financial services.
- Use government to complement and back up the work of private financial institutions.

Banking services

- provide basic banking services (cheque cashing and deposit taking) in communities. The government will explore a variety of ways to encourage the existing banking institutions to provide these services. If financial institutions cannot provide these services, the Yukon government will set up small-scale agencies using local operators to provide basic banking services in communities not served by the chartered banks.

Community development

- provide better access to specialized business services in rural communities and Whitehorse, including business training courses, business counselling, and marketing assistance.

Aboriginal economic development

- consult with Indian economic development organizations on the design and delivery of economic and business assistance programs. The Yukon government recognizes the need for secure long-term commitments in designing or modifying government programs.
- ensure that economic and training programs will help prepare Indian people to make the most of a land claims settlement.

In progress

Community development

- help provide, where there is a demonstrated need, community economic development workers who live in and report to the communities. Workers will help communities plan and put their plans into action.
- encourage the formation of community development corporations and cooperatives by ensuring they are eligible for government assistance programs.

Aboriginal economic development

- assist the Indian people with planning, organizing, and achieving their economic goals.

Cooperative activities with the business community

- work with the business community and its representative organizations on cooperative activities like an exhibition of Yukon manufacturers, revival of the made-in-Yukon campaign, participation in trade shows and promotional tours, production of a business directory, and other ventures that could help achieve the goals of this Strategy.
- help attract new investment by assisting Yukon business people to prepare proper business plans before they approach investors.

Role of the Yukon Development Corporation

- use the Yukon Development Corporation to invest in:
 - joint ventures on an equity basis with Yukon investors and community development corporations in projects that fail to attract private sector interest or funding but promise the Yukon significant benefits in employment and income; and
 - projects of strategic importance to the Yukon's development.



Banking: Communities need better access to financial services

Into the 1990s

Government financial programs

- provide financial assistance to small business, primarily in the form of loans. Government loan criteria will be expanded to cover more of the financial needs of small business, such as inventory financing, working capital, and bonding. The maximum value of loans will be increased and longer term loans of up to ten years will be available to small business. The Loan Guarantee Program, which encourages banks to increase their financing of Yukon small businesses, will be continued.
- provide financial assistance to small business in the form of grants in the following cases:
 - to help specific groups or individuals, such as Yukon Indian people, women, and people from rural communities, who have had limited opportunity to participate in the economy on an equal basis and have demonstrated that there is not enough equity available to them;
 - to provide pre-development and pre-start-up grants for business ideas with good potential to strengthen the Yukon economy, in order to absorb part of the risk; and
 - to encourage business developments, like investment in key technologies or creation of businesses in certain geographic locations, that are required to meet specific goals of the Yukon Economic Strategy.

Aboriginal economic development

- encourage joint ventures between Indian and non-Indian businesses.
- improve access for Indian people and organizations to general financing programs and continue support for affirmative action related to Indian people.

Insurance

- work with insurance companies to provide rural and high-risk areas with affordable insurance coverage.

HUMAN RESOURCES

The sole reason for economic activity is to benefit people; and only people can accomplish economic activity. People are both the means and the end.

Developing the Yukon's human resources means enabling Yukoners to contribute to the territory's economic activity to the extent of their talents and desires, as well as enabling them to draw their full and fair share of the wealth of the Yukon. But people are not simply pieces on an economic chess board. Human resource development can be achieved only by recognizing the interdependence of the economic, social, and cultural aspects of community and the individual variability of human character and talent.

Today, the state of the Yukon's human resources is far from ideal. Poverty exists in the Yukon, and it is made worse by the limited opportunities available to rural residents, Indian people, the disabled, and women. Those members of disadvantaged groups who do find work often run into rigid attitudes and structures that block their further advance. Rural Yukoners suffer from a scarcity of local work and little local control over develop-

ments that might change their situation.

Yukon residents, both rural and urban, often miss chances for work because they lack information or training or because public and private sector employers fail to recognize the skills and potential of the resident work force.



Training: Programs must be tailored to students' needs

The rigidity of standard economic and social structures has done many Yukoners a disservice. The value of the non-wage economy is not adequately recognized, and the wage sector is not yet flexible enough to allow people to combine wage and non-wage work. Training programs must be tailored more closely to the needs of Yukon students and to the present and future needs of the Yukon economy. Young people, especially those who have dropped

out of school, face high levels of unemployment. The elderly are limited by lack of opportunity to contribute the skills and knowledge of a lifetime.

And there are always those who, through no fault of their own, face personal or financial disaster. As part of caring for its human resources, its people, the Yukon must provide an economic safety net so that people's lives are not destroyed by misfortunes beyond their control.

To develop the territory's human resources, the Yukon government will follow a set of guiding principles. Suitable jobs will be made available to all Yukoners who want to work and those who want to take part in non-wage work should have the chance. The economic prospects for young people should be improved and opportunities for women to advance in the economy should be expanded. The elderly and those with disabilities also have a lot to offer the territory and should be given the opportunity.

For many Yukoners, job hunting has meant leaving home and family behind. The government supports the desire of Yukoners, particularly rural Yukoners, to live and work in their own communities. It also supports the development of the Indian economy and hopes to create opportunities for Indian people in both the Indian economy and the dominant economy.

Finally, the government wants to help people make individual economic progress, through education, training, relocation within the Yukon, or whatever other forms of self-help are required. However, the solution to problems in human resource development is not just more training programs. Good quality training is necessary, but even more necessary is a change in focus. Recognition that the Yukon is a community of communities, each with its own needs, will do more to develop the territory's human resources than will a large increase in programs and spending.

In keeping with these principles, the Yukon government will act to:

Immediately

Communities

- create a community development fund which might include the following programs: Local Employment Opportunities Program (LEOP), Community Development Planning, Special Agricultural and Rural Development Agreement (ARDA) funding, the community components of the Venture Capital Program and the Loan Fund, and discretionary training dollars.

The fund will be set up and run in consultation with community groups, bands, and business. It will provide money for community development plans and for carrying them out. The plans will assess

the social, economic, land, and infrastructure needs of communities. The fund will also ensure that training is available and jobs are created when needed and that business assistance is available.

The fund will provide a single, flexible, coordinated approach to community development and will help communities meet their job creation and long-term economic development goals.

Private sector

- negotiate development agreements on all new major Yukon projects where government assistance is given. The development agreements will include human resource

To meet the goals of the Strategy the Yukon government will:

Increase the opportunities for Yukoners to participate in all parts of the economy.

Recognize the desire of Yukoners to live in their own communities and increase the participation of rural Yukoners in the economy.

Recognize the Indian economy and create opportunities for Indian people in both the traditional and dominant economy.

Encourage the advancement of women in the economy and recognize the value of their work in both wage and non-wage economies.

Improve the prospects for young people in the Yukon economy.

Increase the participation of Yukoners with disabilities and improve their income level.

Increase the participation of the elderly in the economy and recognize their skills and knowledge as community assets.

plans that specify how jobs, training, and business opportunities will be provided to Yukoners, especially those who typically do not benefit from development.

Training

- provide assistance to non-government agencies — including communities and bands, aboriginal organizations, businesses, labour groups, and others — to help develop and deliver high-quality training relevant to their long-term needs. This will increase both the diversity of training available in the Yukon and its relevance to the communities and jobs, and will encourage the hiring of local people.

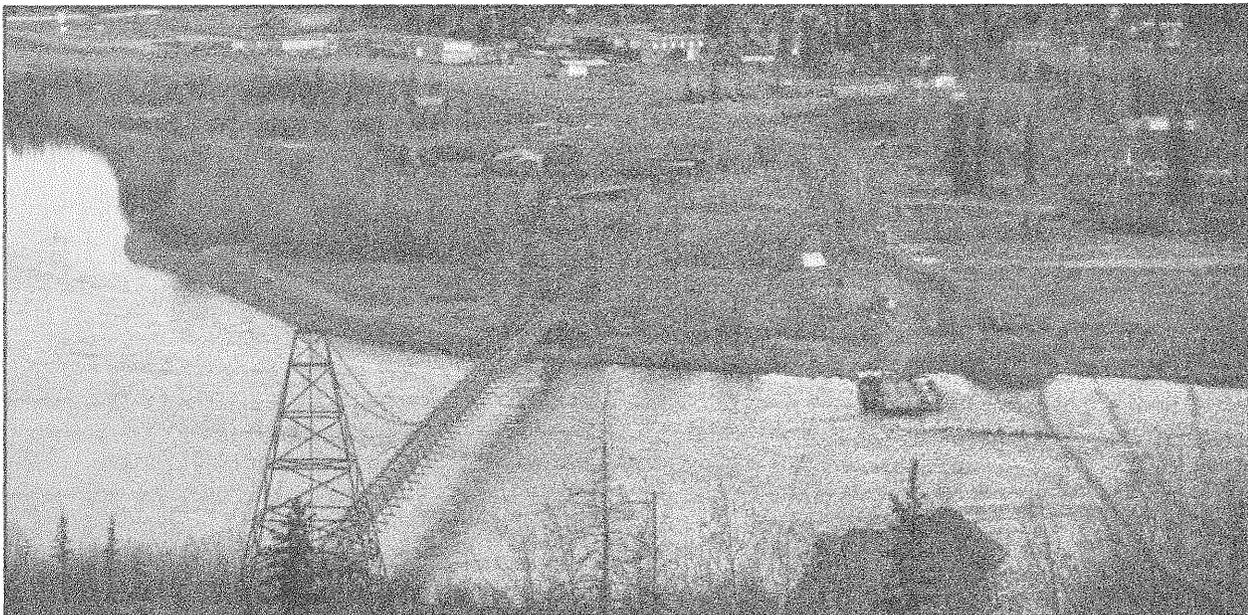
While it is necessary to meet a full range of training needs, priority targets for training are Indian people, rural people, youth, women, and the disabled.

Participation

- assist bands, communities, and other groups to develop curriculum and run courses in self-awareness and lifeskills for all ages of people from elementary school to adults. These courses will help people acquire the awareness, confidence, and motivation to obtain training and work and to contribute to the economy and community.
- provide authority and resources to Indian bands and aboriginal organizations to ensure their effective involvement in all aspects of education.

Government practices

- set an example by becoming a model employer. In consultation with employees, the government will strive to:
 - by the year 2000, have aboriginal people, women, and the disabled represented at all levels of government employment in proportion to their representation in the general population. This will be done by reviewing recruiting and promotion practices, increasing expenditures on training, the Positive Employment Program and cross-cultural training; and



Communities: A fund will provide money for planning and development

- implement flexible work arrangements, such as job sharing, part-time work, variable hours, and seasonal work, without depriving employees of normal employment benefits.

In progress

Communities

- support community hire through:
 - hiring locally, as far as possible, for Yukon government jobs in rural communities;
 - establishing programs for community hire that offer incentives in those communities where unemployment levels are higher than average. Local skills inventories will be compiled and training made available to facilitate community hire; and
 - helping local governments and employers hire within their communities.



Education: Strengthen links between schools and the

Training

- improve access to quality training by providing:
 - childcare at Yukon College;
 - career counselling in the communities;
 - financial, accommodation, and transportation assistance;
 - more training courses at the community level through local campuses; and
 - more flexible entrance requirements, continuous entry, continuous progress, and adaptations to the curriculum to make training more relevant to the students' life experiences.

Participation

- recognize the importance of childcare to working people and support the development of an improved childcare system. Improvements to the childcare system will take into account the Green Paper and public consultations on childcare.
- establish programs so that all Yukoners can achieve literacy.

Government practices

- create an advisory committee on decentralization with representation from government, business, labour, and aboriginal and community groups, to help achieve a fair distribution of government jobs throughout the Yukon.
- revise training programs, government policies, procedures, and forms to remove sex and race stereotyping and to make material more relevant to aboriginal people, women, and rural and northern people.
- modify government recruiting practices to recognize skills acquired informally and to hire Yukoners lacking full formal qualifications and train them on the job.
- improve information on training and job needs and opportunities in the current and future Yukon economy. This information will be provided to employers, counsellors,

- communities, bands, labour, and other groups concerned with employment, by such methods as locating FAX machines or computer terminals in communities.
- encourage greater Yukon employment through continued support for Yukon hire and through the use of government purchasing to buy Yukon goods and services.

Into the 1990s

Private sector

- form a working group with the Yukon Chamber of Commerce to encourage and assist private sector employers to:
 - increase employment and advancement of aboriginal people, women, youth, and the disabled;
 - recognize skills gained in non-wage work;
 - implement flexible work arrangements that do not deprive employees of normal employment benefits;
 - support Yukon hire and purchase of Yukon goods and services; and
 - place greater emphasis on occupational health and safety.

Training

- work with Yukon employers to make greater use of cooperative work programs, which give students the opportunity to obtain work experience while in school.

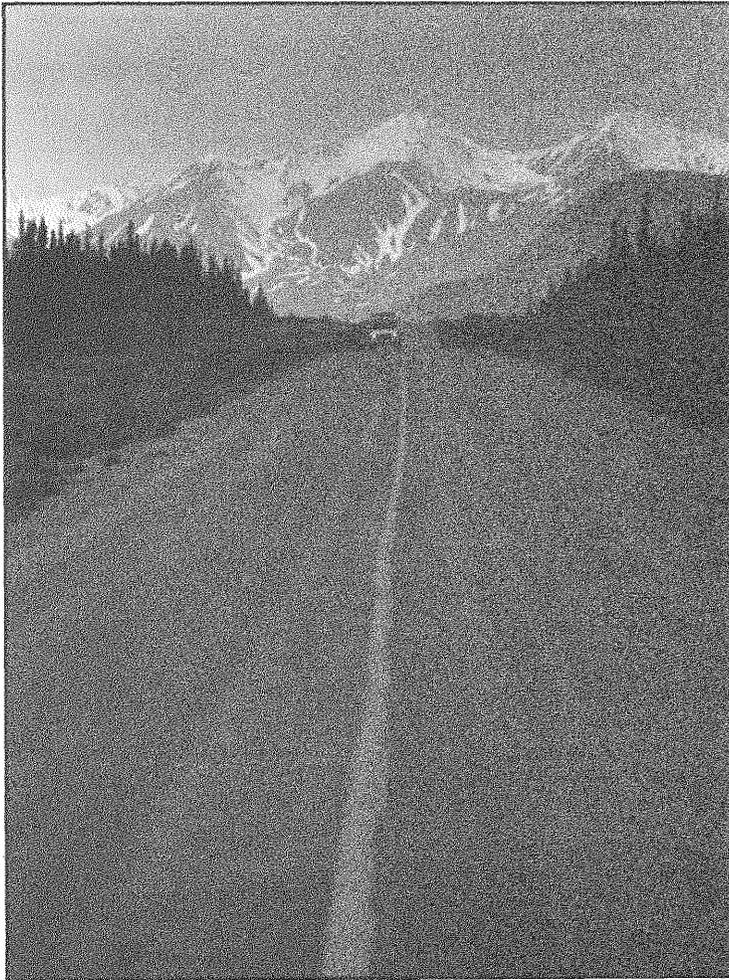
Participation

- establish a Health and Social Services Board for the Yukon.
- review income security programs, such as social assistance, unemployment insurance, pensions, and minimum wage, to remove elements that discourage individuals from obtaining training or meaningful work.
- strengthen the links between the school system and post-school training by encouraging school drop-outs to enter training programs and by encouraging high school graduates to take some form of training. Encourage more Indian people to enter professional occupations and more women to enter non-traditional occupations.

INFRASTRUCTURE

Infrastructure makes it possible for thousands of Yukoners to live and work, summer and winter, in modern ease and comfort north of the sixtieth parallel. It is a framework of facilities and services, including transportation, energy sources, municipal services, housing, and recreational facilities. Infrastructure is vital; we use it for transporting goods, communicating information, heating buildings, housing people, and supporting the standard of life enjoyed by Yukoners.

We cannot afford to take our infrastructure — roads, airports, houses, and hydro dams — for granted. Our transportation faces rising costs, changing needs and demands, and rapid changes in technology and regulations. High energy costs and the territory's dependence on external sources of energy are a drain on our budgets. Yukoners need more housing, better housing, and affordable housing. And there is a growing demand for recreation services and facilities, particularly in rural areas.



Roads: Communities and business depend on good transportation links

Infrastructure costs money, but it also earns money. Without adequate infrastructure, economic development is limited and community growth is stunted. The government recognizes the need for sound municipal infrastructure, developed with the full involvement of communities and taking into account the individual character and needs of each Yukon community.

In its efforts to provide and improve infrastructure, the Yukon government will keep a number of principles in mind. First, it will work to reduce energy costs and decrease dependence on energy imported from outside the territory.

The transportation system will be planned and developed so that both business and the communities receive good service that meets their needs. The government will work to increase Yukon influence in shaping national and regional transportation policies and to expand Yukon control over the development of transportation infrastructure.

The government will work to provide all Yukoners with access to good, affordable housing. More responsibility for housing programs will be transferred to local communities so that housing can be an important tool in each community's planning for economic development and jobs. The creation of recreation programs and facilities

can also play a large part in community economic development, as well as in the quality of community life.

In keeping with these principles the Yukon government will act to:

Immediately

Housing

- increase availability and affordability of all types of housing in the Yukon by creating new programs to support home ownership, such as:

- mortgage funding through the combined efforts of the Yukon Housing Corporation and private lending institutions to bridge the gap between assessed values and actual construction costs;
- ensuring land costs are affordable by making more building lots available;
- removing barriers to mortgages to buy and repair existing housing;
- coordinating programs to repair existing housing such as the Residential Rehabilitation Assistance Program, the Homes Improvement Initiative, and the Saving Energy Actions Loan Program (SEAL);

- provide venture capital funding for the development of privately and cooperatively owned multiple unit residential buildings;
- ensure the availability of affordable and adequate housing to those in need.

Energy

- reduce costs of energy in the Yukon by:
 - ensuring fair and equitable energy rates for all consumers;
 - reducing electrical energy costs through more efficient production and distribution; and
 - taking measures to reduce the costs of petroleum products.

Community infrastructure

- undertake joint planning with unincorporated communities and bands to ensure that:

To meet the goals of the Strategy the Yukon government will:

Provide access for all Yukoners to good quality, appropriate, and affordable housing.

Devolve responsibility for running housing programs.

Use housing development to promote local training, employment, and business to improve the local quality of life.

Substitute local energy resources for imported energy forms, where it is technically feasible and cost effective to do so.

Assess new energy developments considering the direct and indirect economic benefits to local communities.

Improve the cost-effectiveness of existing energy sources through an examination of distribution costs and conservation methods.

Use infrastructure development to promote local employment and business development and to enhance the local quality of life.

Devolve responsibility for planning and running infrastructure, and for the delivery of town services as it is requested.

Build community infrastructure according to standards which reflect regional conditions.

Assess the cost and benefits of transportation projects to local and regional interests, consulting both industry and community representatives.

Integrate the transportation system within the Yukon and with those of other areas.

Include recreation planning in the community and territorial economic development strategies.

- capital projects are suitable to community and economic needs;
- construction of such projects is coordinated with community plans; and
- capital projects provide as much sustained employment as possible in the community.
- provide support and local training for jobs in band and municipal government, as well as training for advancement in band and municipal management.

Transportation

- develop a long-term transportation plan that sets priorities for the development of all transportation projects including roads, docks, and airstrips.

Immediate priorities are:

- developing a comprehensive transportation policy;
- encouraging increased competition at, and use of the Port of Skagway;
- reconstructing the South Klondike Highway; and
- improving the Campbell and North Klondike highways.
- work with industries, other jurisdictions, and the federal government to improve transportation services to the Yukon.

Priorities are:

- improving the Alaska Highway;
- improving air competition on major routes to and from the Yukon;
- developing a new airport at Dawson City; and
- encouraging increased tourism and commerce with Alaska through better use of the state ferry system.



Housing: Increase benefits from housing construction to the Yukon economy

Recreation

- train recreation directors in communities to make recreation programming more sensitive to local needs and to provide local jobs.

In Progress

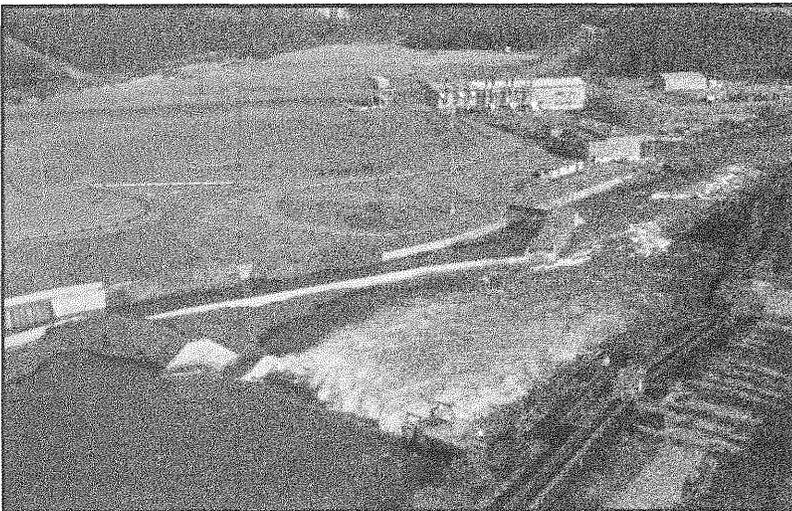
Housing

- increase benefits from housing construction to the Yukon economy by:
 - using a broad range of training programs, including apprenticeship programs, in construction and maintenance for local residents;
 - using a local hire policy on government-funded housing projects and encouraging private developers to hire locally;
 - supporting the construction of energy efficient northern housing with appropriate technology; and
 - ensuring the use of locally produced materials and supplies during construction and maintenance of publicly funded housing projects.

Energy

- reduce losses to the Yukon economy from expensive imported energy by:
 - funding studies and pilot projects of other energy sources, such as the central wood chip heating projects in Whitehorse, Faro, and Haines Junction, the wood waste power generation project in Watson Lake, geothermal heating at Mayo, micro-hydro projects, and the waste heat recovery project at Watson Lake; and
 - promoting energy conservation through the use of the government's energy conservation (SEAL) program in rural areas and by Indian people.

Community infrastructure



Hydroelectricity: A local energy source

- ensure every community in the Yukon has roads, garbage dumps, sewer and water systems, and recreational facilities that meet minimum Yukon government standards. In larger towns this is being done with capital block funding. For bands or small communities or communities not covered by block funding, the government will work with local residents to reach this goal. The Yukon government will also work with the federal government to improve the standards of health facilities in communities.
- provide support and advice to help communities plan new facilities in accordance with the community planning process.

Transportation

- consult communities and industry when identifying transportation needs and involve these groups in setting priorities for transportation projects.

Immediate priorities for consultation are:

- reducing the cost of transporting goods to, from, and within the Yukon;
- improving bus service in the Yukon; and
- developing road or other access to Kluane National Park.
- protect Yukon interests during federal deregulation of the transportation industry.
- negotiate the transfer of transportation responsibilities from the federal government to the Yukon. These include the Yukon's ten community (Arctic B and C) airports, and highways, other than the Alaska Highway, connecting the Yukon with other areas. Adequate funds must accompany any transfer.
- develop resource access roads with a priority given to those that are available for multiple use.
- improve transportation to and from the Yukon by coordinating regulatory requirements, such as vehicle weights and dimensions, with those of neighbouring areas and other areas.

Recreation

- encourage community planning that examines how recreational programs and facilities contribute to economic and social goals. Such plans should help identify and develop recreation programs and facilities that attract tourists as well as meet community needs.
- continue to develop cultural and recreational facilities in close consultation with community residents.

Into the 1990s

Housing

- decentralize the management of Yukon Housing Corporation accommodation to local community authorities wherever possible.
- reduce home maintenance costs and provide jobs to local people by having Yukon College offer a basic home maintenance course in Yukon communities.

Energy

- reduce losses to the Yukon economy from expensive imported energy by:
 - replacing imported energy with local energy sources such as hydroelectricity, wood, coal, waste heat recovery, micro-hydro, wind power, and geothermal energy;
 - achieving higher standards of energy conservation in government buildings through the Internal Energy Management Program and Yukon Housing's energy-efficient construction and retrofitting projects; and
 - using government buildings as demonstration projects and models of energy conservation.

Community infrastructure

- conduct research into northern infrastructure development to develop Yukon ways to reduce building and operating costs.
- turn over government responsibility and money for community infrastructure to smaller communities and bands, as they request it.

Transportation

- review major new road projects through the development assessment process.

Recreation

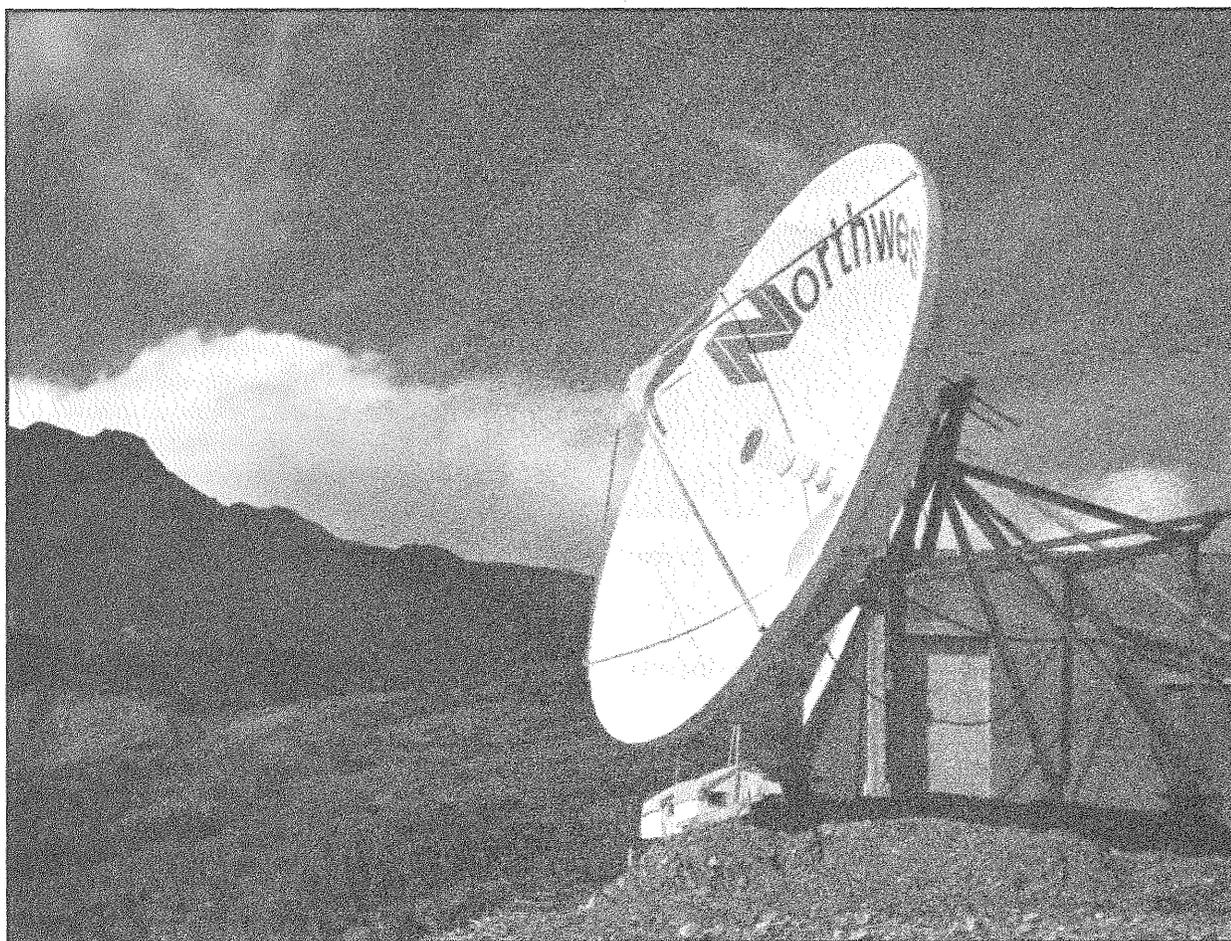
- promote outdoor recreation by investing in parks and public outdoor recreation sites that would not ordinarily attract investment from the private sector. A priority will be the development of a comprehensive system of recreation trails.

INFORMATION & TECHNOLOGY

Research and development offer the Yukon a two-edged economic sword. Used as a development tool, the sword can make resource use more efficient, open up new resources, protect the environment, make the territory less dependent on outside goods and services, and improve the social and cultural life of Yukoners. But the sword cuts both ways; it can damage the environment, harm local economies, eliminate jobs, and alter the social and cultural nature of society.

Dealing with the double-edged nature of research and development requires information. If Yukoners are to benefit from scientific and technological research, the results of that research must be open to everyone. Research undertaken in the territory must be relevant to Yukon needs. People will need help in dealing with the adverse effects of innovation, and those segments of society least ready for technological change will need special help. Care must be taken that efforts to promote scientific and technological development apply to the traditional economy as well as the industrial economy.

Science and technology are advancing so quickly that the Yukon and its economy will be left behind unless efforts are made to adapt new technologies to Yukon industry, in-



Communications: Technology will expand our opportunities

infrastructure, and society. On the positive side, technological advances offer the Yukon ways to overcome some of the disadvantages of location, climate, and a small and dispersed population.

In approaching the use of research and development, the Yukon government will be guided by several principles. Most fundamentally, science and technology should be used as tools for economic development and should serve social goals.

Scientific research should be conducted in the North to encourage technological advances relevant to the North. Traditional Indian and rural lifestyles should be reinforced by the use of new technology and of traditional technology adapted for modern use.

The ability of the Yukon economy to undertake any serious quantity of research is limited by our size. On the other hand, there are all sorts of research efforts underway in countries with environments similar to the Yukon's. We must locate relevant technology and research and adapt it to the Yukon's needs.

Communication services not only improve the quality of Yukon life but also provide the vital links between Yukon communities and with the world. They supply Yukoners with the information they need to run their businesses and live their lives. Rapid changes in technology, coupled with changing needs and demands, make it both necessary and possible to improve communication services in the Yukon.



Broadcasting: In the 1990s, extend coverage to meet community needs

Information is the key to surviving the rapid evolution of technology. Information services should be readily available in Yukon communities. Yukoners should have access to scientific and technological information that is relevant to the Yukon.

Technological innovation should be used to broaden existing industries, develop new areas, and to improve infrastructure. At the same time, resources should be available to ease any adverse effects of technological innovation.

In keeping with these guiding principles, the Yukon government will act to:

Immediately

Science and technology policy

- develop a Yukon Science and Technology Strategy to guide research and development in the Yukon over the long term and coordinate the efforts of governments, Yukon College, the Yukon Science Institute, research groups, educational groups, and industry in meeting the goals of the Economic Strategy.

YUKON ECONOMIC STRATEGY

The Science and Technology Strategy will:

- emphasize research and development in areas relevant to the Yukon economy, including the Indian economy, and to the social, cultural, and environmental problems of the Yukon;
- encourage research and development by both the private and public sectors. Public sector assistance will be directed to areas that are not likely to receive attention from the private sector;
- provide for the use of both traditional Indian knowledge and scientific knowledge; and
- provide for the periodic assessment of the impact of technological change on the Yukon.

To meet the goals of the Strategy the Yukon government will:

Use science and technology as tools for development.

Improve our understanding of the natural and social environment and improve access to existing sources of information.

Support original scientific research in the North.

Reinforce the traditional Indian and rural lifestyles by using appropriate technologies and adapting traditional technologies for modern uses.

Expand the scope of resource industries by using technology to move in new directions.

Promote the use of science and technology by small business.

Improve public infrastructure through science and technology.

Ensure a satisfactory level of broadcasting and telecommunication services for Yukoners throughout the territory.

Use emerging communications technology in the most appropriate manner for individuals, businesses, and communities in the Yukon.

Support for research and development

- create a Yukon studies fund to promote research projects in the Yukon.
- consult with communities, bands, and other groups to create a community development institute. It would help coordinate participation in community development and community planning.
- undertake negotiations with the federal government to support the Yukon Science and Technology Strategy through funding.

Communications

- upgrade the quality and reliability of the community radio and television system.
- replace the VHF mobile radio system in a manner that allows NorthwesTel to extend telephone and other communication services to all Yukoners. These services could include a more reliable system and the extension of radio phone and data-quality transmission services to areas not now receiving them.
- ensure NorthwesTel maintains its head office in the Yukon and company ownership in the North.

In progress

Support for research and development

- continue and expand government support for applied technology and research, especially in fields of strategic economic importance to the Yukon, through such programs as the business development fund.

Communications

- ensure a satisfactory level of telecommunications services by monitoring CRTC telecommunications decisions and intervening where necessary to ensure quality service at reasonable rates for Yukon residents.
- use new communications technology to support economic development by:
 - monitoring technological developments and identifying those with Yukon applications;
 - using federal programs that assist the development of a local telecommunications industry and identifying appropriate national pilot projects and studies that can effectively be carried out in the Yukon; and
 - identifying appropriate telecommunications technology for distance education.

Education and public awareness

- help Yukoners get access to federal and other funds for research and development.
- encourage groups such as the Yukon Science Institute to provide information on science and technology to the public and schools, and encourage the private sector to inform the public of scientific and technological innovations.

Public access to information

- make government-funded studies, research, and other information resources available to the public, unless prohibited by contract, commercial confidentiality, or for reasons of national security.

Into the 1990s

Support for research and development

- expand the current advisory roles of the Mining Institute and the Tourism Institute, from training only to:
 - identifying research needed by their industries;
 - encouraging and coordinating industry participation in research; and
 - encouraging the adaptation of appropriate technology by industry.
- enlarge the role of Yukon Archives as a data and information centre and improve its computer links to scientific data bases and research institutions throughout the world.
- ensure that Yukon College is able to develop research facilities and other support systems for Yukon researchers, as well as programs to encourage scientific and technological research and awareness.

Communications

- ensure a satisfactory level of broadcasting by extending radio coverage along Yukon highways in response to community needs.

Education and public awareness

- put more emphasis on science education for all children, starting at the elementary school level, by:
 - strengthening teaching capabilities and curriculum;
 - revising science curriculum to be more attractive to female and Indian students and more relevant to community life;

- including study of the interaction of science, technology, and society in science education; and
- including technology courses in secondary school curriculum.

Public access to information

- make computer equipment, data, and networks in government more available in communities and encourage the development of data bases and services that are relevant to the public, communities, and businesses.

STRENGTHENING OUR INDUSTRIES

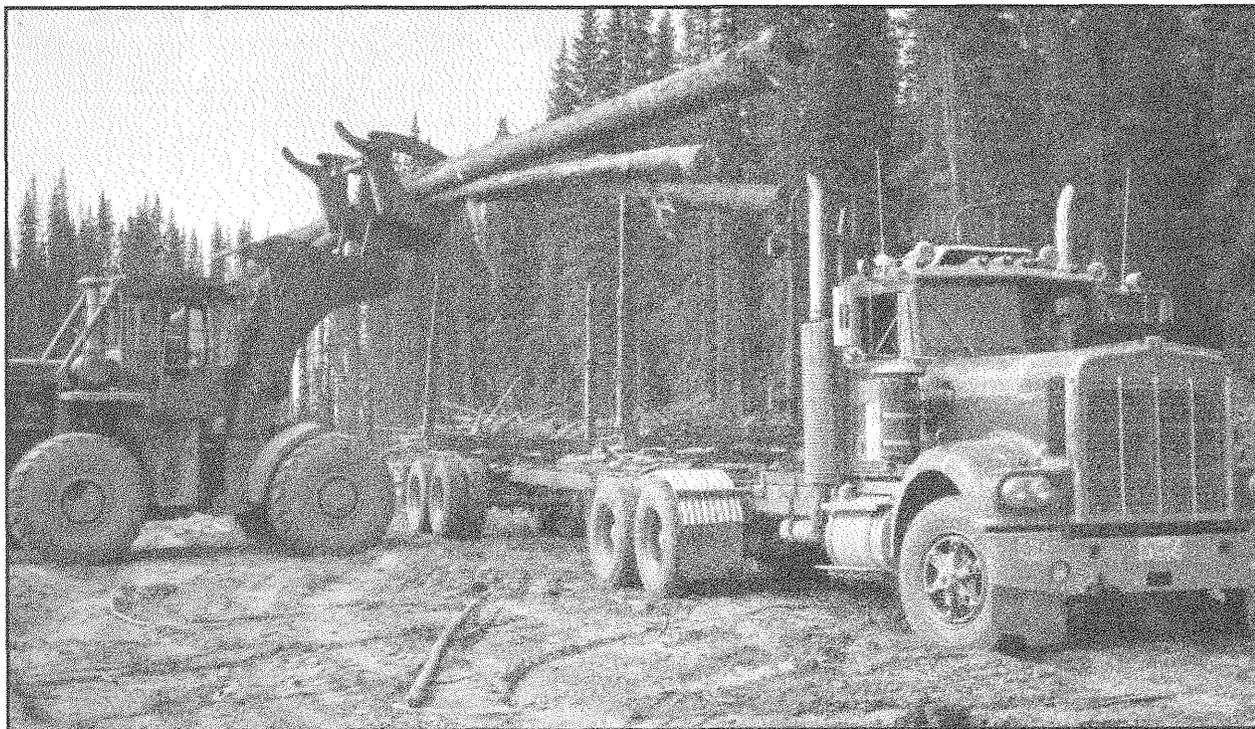
The territory has strong industries. Mining and tourism have grown robust in recent years. Their growth has helped increase construction activity, retail trade, and the demand for business services. In Watson Lake, the Yukon government invested in the forest industry to put our territory's largest mill back in production.

However, the territory also has industries in need of help if they are to reach their potential. The cultural industries are in their infancy. Some manufacturing can succeed, but we have to be selective about what we choose to develop. Selectivity of development extends to many of our industries. For example, land-based agriculture will be limited by our quality of soil and commercial fishing by the fishing resource.

The renewable resource sectors have been plagued by factors outside our control: no treaty with the United States on Yukon River salmon, the anti-trapping movement in Europe, and limited control over the Yukon's land and water resources.

The non-wage sectors — subsistence activities, volunteering, and housework — are just beginning to be recognized for what they add to the economy. They need to be encouraged and strengthened.

The challenges that lie ahead for our underdeveloped industries are great, but we also must remember that stability is not guaranteed, even for the strongest. Events in the early 1980s proved this.



Logging: The Yukon is now taking steps to develop its forest industries

The Yukon government believes that, as we strive to meet the Yukon Economic Strategy goals, our industries will become healthier. The government intends to assist each industry to stand on its own.

This Yukon Economic Strategy encompasses the common needs of industry: training people, getting money to start or expand businesses, sound marketing plans, access to land and water resources, and reduced operating costs such as energy and transportation.

The Strategy addresses these concerns together — in the economic environment chapters — rather than restating them for each industry. Common problems, in many cases, will have common solutions. For example, some of the business skills needed to run a small retail outlet in Whitehorse can be used to run a wilderness guiding operation. The marketing plans for Indian crafts have much in common with the marketing plans for specialty fish products.

The more we communicate within and between industries, the better off we will all be. There's a lot we can learn from each other. Also, the government wants to minimize duplication in the delivery of new programs. It not only holds the costs down; it prevents bureaucratic tangles.

The strategies for human resources, financial resources, natural resources, information resources, and infrastructure apply to each industry.

What of the future? Land claims, devolution, free trade, world commodity prices, the stock market: lots of things will shake or strengthen our industries. We must be prepared to adjust our Strategy to deal with these changes.

However, each industry has its own specific needs, regardless of other events, if it is to grow and remain healthy. The final twelve sections of the Yukon Economic Strategy present strategies to strengthen our industries.

AGRICULTURE

The Yukon has some of the highest food prices in the country. We import most of our food. We pay high transport costs to get it to our tables. In the end, we pay the price, but the benefits go south.

Some crops and products could be grown here to compete with imports and even find a place in the export market. Future agricultural development depends on finding the right crops and producing the right volume to satisfy consumers' demands.

To meet the goals of this Strategy the Yukon government will:

Promote the development of economically viable agriculture.

Increase the availability of those lands suitable for agricultural purposes.

Help the industry to develop markets and provide the necessary infrastructure to assist the growth of the industry.

Support research and innovative development.

The Yukon government is committed to making more land available for agriculture. This is a necessary step in increasing production. However, we can't afford to let our limited land resources be wasted on un-economic and inappropriate development. We will support the development of commercial agriculture only on those lands most suitable for agriculture.

The government also supports research and innovation to increase the quantity and variety of products, from land-based food production, and from techniques like hydroponics and greenhouses. The govern-

ment accepts its role in providing services, such as inspection and infrastructure, on an industry-wide basis. However, there will be limits to government assistance. Agricultural development with the potential for economic viability will be supported, but uneconomic production will not be subsidized.

In keeping with these guiding principles, the Yukon government will act to:

Immediately

Land availability

- work with the federal government to streamline the land application process and establish clear rules and processes for land disposition.
- pursue the transfer from the federal government of lands needed for viable agriculture (class 3 and 4 lands).
- continue regional land use planning.

Programs and policies

- continue Yukon government financial assistance programs wherever the long-term viability of agricultural enterprises can be demonstrated. The Yukon government will also lobby the federal government to expand its programs and services in the territory.
- help the industry develop support services, such as produce storage and slaughter facilities if they are feasible, and producer cooperatives.

- continue to offer agricultural extension services, and research and development through the agriculture branch.
- help industry develop an agriculture marketing strategy to identify potential products and local and export markets, and to improve the distribution and promotion of products.
- help develop the industry by enacting necessary legislation and regulations, such as those for meat inspection.
- complete the agricultural policy now under review following consultation with the industry.

Into the 1990s



Research: Developing suitable crops for the territory

- crop and technology developments such as hydroponics to enable Yukon products to supplant imports. Research that can help more than one producer will get preference.
- move away from spot land transfers to planned agricultural areas. This move will be tied to the land use planning process. The size and location of agricultural parcels will be more adaptable to user needs.

Land availability

- do research to identify lands suitable for agriculture. Only lands with the greatest potential for production, class 3 and 4 land, will be considered for intensive agriculture. The legitimate interest in rural residential land will be addressed and directed toward development of lands unsuitable for commercial agriculture.
- try to ensure that land developed for agriculture does not shift to other uses.

Programs and policies

- coordinate and develop, with the assistance of the industry and the federal government, research projects aimed at new

CONSTRUCTION

Construction is one of the Yukon's largest industries during booms. But the 1980s have seen both boom and bust. When the boom comes we can't train Yukoners fast enough to fill the available jobs. We are often forced to invite workers to move to the Yukon. After the boom, they leave, and our workers hang up their tools.



Building: Tailor government construction to economic circumstances

The government's commitment to development of a sound and stable economy is basic to the Yukon Economic Strategy. As construction activity depends on demand, a healthy and confident private sector will boost annual construction figures.

But Yukoners, in shaping the Strategy, asked the government to make community development a high priority, too. Community development partly involves construction by the private and public sectors of housing, offices, utilities, infrastructure, recreation facilities, and tourist facilities like campgrounds.

The Yukon government plans to use its spending power to keep the industry active when demand slumps, to redistribute economic activity throughout the Yukon, and to promote community development. In encouraging the construction industry, the government recognizes its close links with other industries. The construction industry can contribute to the development of the manufacturing and forestry sectors. As much as possible, the government will encourage the use of local materials in its own construction projects.

In keeping with these principles, the Yukon government will act to:

Immediately

Capital budget

- tailor government construction activity in the capital budget to economic circumstances. Yukon government construction spending will be coordinated with community development plans.

It will be lower in those years when spending by the private sector and other levels of government is strong, and higher when the overall level of activity in the construction industry is low. Construction activity will also be geared to the seasons where possible. Interior renovation work will be done during the winter, and outside work done during the summer.

The Yukon government will manage government capital spending to increase employment in those areas with high unemployment and will plan its construction activity to create community training opportunities.

- tender government contracts as soon as possible after passing the capital budget in the fall. Following introduction of the capital budget in the Legislature, government departments will brief the industry on planned projects.
- stagger closure dates on government contracts and explore other ways to ensure that all firms have a fair chance at contracts and can spread their work over time.

To meet the goals of the Strategy the Yukon government will:

Support and encourage the development of the Yukon construction sector as entrepreneurs and employers.

Use government-funded construction as an important tool for community development and for stabilizing the level of economic activity in the communities.

Increase the use of Yukon products in the construction industry.

Programs and policies

- advertise tenders in the territory first.
- encourage greater use of Yukon workers, businesses, and materials.
- work to increase the number of Yukon companies eligible for bonding and, in consultation with the industry, work at meeting other needs.
- establish a community hire program that

provides incentives in communities where unemployment levels are higher than average. Local skills inventories will be compiled and training provided to improve community hire.

Into the 1990s

Construction capacity

- assist in the development of a skilled workforce of Yukon people, including Indian people and women, to enhance the stability and capacity of the industry.
- help Yukoners own property, build on it, and upgrade existing structures. New home ownership and mortgage programs are being examined.
- work with unions operating in the Yukon to bring more hiring halls into the Yukon.

CULTURAL INDUSTRIES

Our society recognizes culture as much more than just a business. But the infant cultural industries also provide Yukoners with opportunities to earn or supplement their incomes.

The Yukon government plans to treat culturally oriented businesses the way it does other businesses. Viable ventures, which may need support services and financial assistance for start-up, will be encouraged to use government business programs. The aim will be to get promising cultural industries to operate without permanent assistance.

To meet the goals of this Strategy the Yukon government will:

Recognize cultural industries as economically important activities and assist in their development by such means as marketing assistance.

Support the development of the aboriginal cultural industry according to the desires and needs of the Indian community.

Encourage improved communication between different levels of government and business to assist in further development of cultural industries.

As this industry develops, excellent and unique products will stand the greatest chance for success. Indian crafts and arts, for example, fit the bill on both accounts. The government plans to work with the Indian community to develop this distinct cultural industry.

Beyond the business aspect of culture, the government recognizes its value as an important element in the quality of life that attracts workers and visitors to our communities. To this end, the broader aspects of culture will be supported as well.

In keeping with these principles, the Yukon government will act to:

Immediately

Arts and culture policy

- develop a new, comprehensive, community-based Yukon arts and culture policy, based on YUKON 2000 consultations.
- consolidate the Yukon government's delivery of cultural programs in one agency.
- survey Yukon government funding to cultural activities and reallocate funds according to the new Yukon culture policy.

Economic activities

- assess Yukon cultural activities for their economic potential, especially in the fields of tourism and exports.
- work with cultural industries to improve marketing through such methods as cooperatives, Yukon labelling, and mail order catalogues.

Program support

- recognize distinct aboriginal cultures, and work with aboriginal groups in communities, schools, and economic activities to preserve and promote these cultures.

- build and maintain strong links to communications policies and programs.
- allocate a percentage of the budget for every major public building to the acquisition of works of Yukon art for the building.
- pending the development and adoption of a new Yukon arts and culture policy, maintain government support for programs and facilities such as:
 - historic site restoration;
 - museums;
 - public art galleries;
 - Yukon Place theatre and other community facilities.

Into the 1990s

Systematic Support

- establish a writer and artist in-residence program at Yukon College.
- develop long-range operating and capital funding plans for supporting cultural industries.
- work towards a system of support for cultural industries, including facilities, training, and assistance with marketing and export.
- play a stronger role in federal cultural programs and make more use of federal cultural funding opportunities.



Culture: Work with Indian groups to preserve and enhance traditional activities

FISHING

The fishing industry in the Yukon is diverse. The commercial and subsistence fisheries and sport fishing all place demands on existing stocks.

The demand is high, but information on the resource is limited. There is need for inventories, enhancement programs, and a clear statement of priorities for harvesting fish. Our aim is the long-term viability of the industry.

To meet the goals of the Strategy the Yukon government will:

Develop a comprehensive plan, in consultation with the Indian people and other resource users, to manage the resource upon devolution.

Conduct research to ensure the long-term viability of the fisheries and to encourage the development of new fish products.

Support public awareness and education programs about the fisheries.

The Yukon government believes the future of our fishing industry lies in local control of the resource. The government is pursuing this, along with adequate funding to meet our goals for the freshwater fishery, in talks with the federal government. Control of the resource, as well as a land claims settlement, will make possible the development of a management plan.

Apart from control and management, the government is committed to public education to promote responsible use of the resource. Further, the government supports innovative activities such as fish farming and new product development and marketing.

Access for the fishing industry is a central issue. That's because too little access

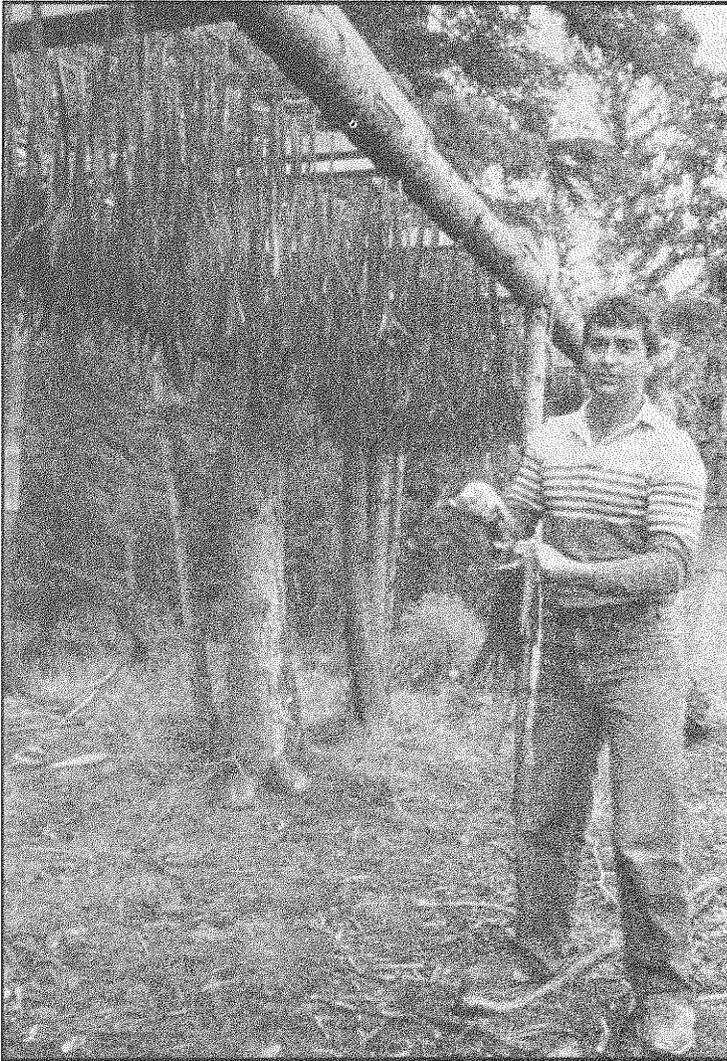
restricts use and too much access can deplete fish stocks and disrupt activities. The government will improve communication with the industry on access and other matters of concern.

In keeping with these principles, the Yukon government will act to:

Immediately

Programs and policies

- give the devolution of fisheries the highest priority in its discussions with the federal government. The transfer agreement will be coordinated with land claim negotiations and will require adequate financing to manage and support the Yukon's fisheries. The government feels devolution of the fishery is essential if this resource is to be developed to its full potential.
- set a clear hierarchy of fishery uses. In order of importance, these are subsistence use, domestic use, sport use, and commercial use.
- conduct a complete fisheries study to assess the strengths and weaknesses of fisheries management and develop a policy and legal framework for fisheries.
- continue to fund projects designed to help develop the resource, such as a study of the potential for fish farming, more programs for fishery enhancement, or the stocking of some Yukon lakes.



Fish: A resource and market study will assess the demand for products

New products and markets

- make funding available to examine the feasibility of new products and ideas and to plan for their commercial development.
- support promotion of fish products, for example, by encouraging restaurants and airlines to serve Yukon fish and fish products. The fisheries study will assess the market demand and potential for fish products and the need for infrastructure development.

Employment and training opportunities

- examine, in consultation with the industry, training requirements, like training in roe processing.

Into the 1990s

Sound management

- develop a complete fisheries management plan, including habitat and enhancement programs.
- undertake a public awareness program to reduce pressure on more popular fish species and to explain the fisheries management plan.

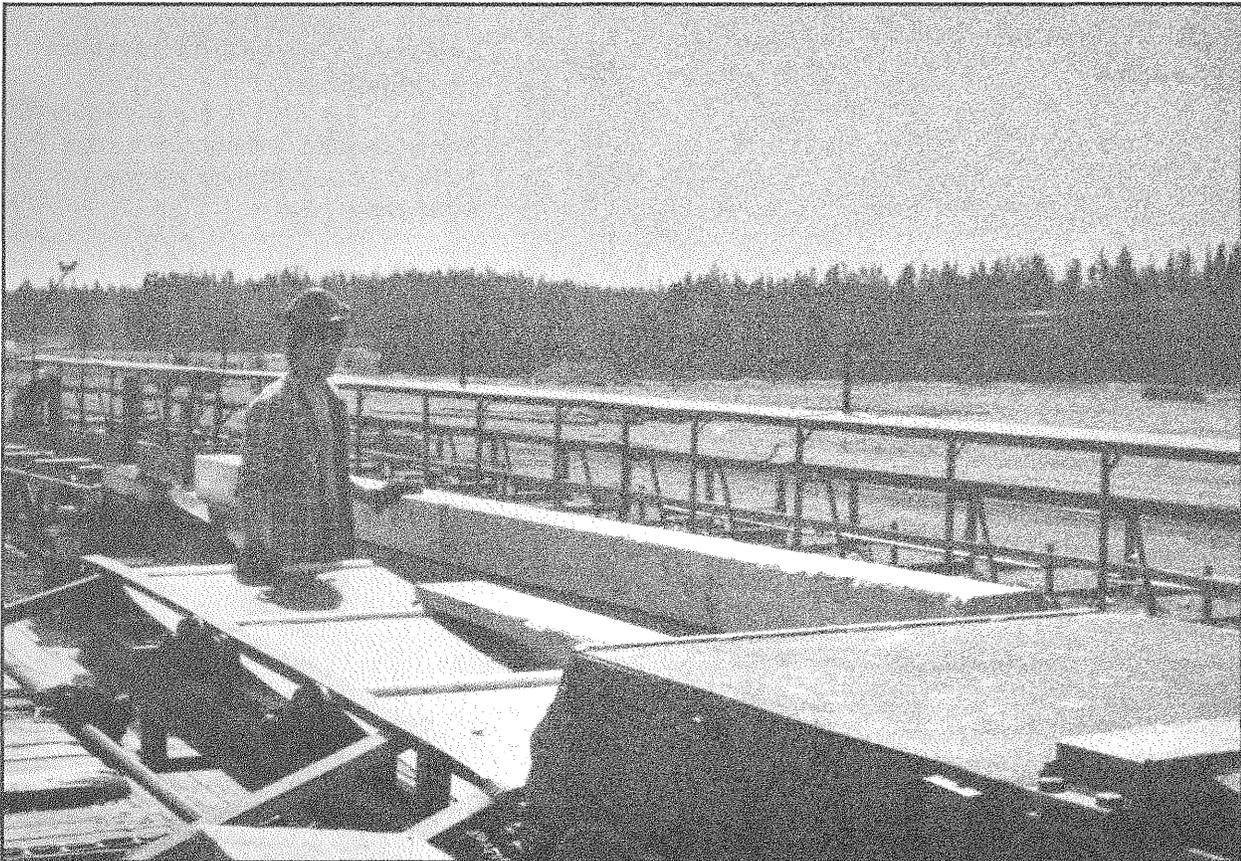
FORESTRY

Ultimately, the Yukon's forest industry will be at its strongest if we set out to maximize the revenue we get from each tree. Simply put, this means using as much of each tree as we can. It also means processing timber in the Yukon. Lumber and finished products processed in the Yukon keep forestry dollars circulating in our own economy.

The value of our forests can be increased in other ways. Waste products from milling and production can be used for heating. Cones can be exported or sold in Canada to fill the demand from tree farms.

We want to maximize revenue in the long run. But harvesting without respect for the limitations of our forests must be avoided. Regeneration is a slow process in northern climates. And it won't happen without a commitment to reforestation. The Yukon needs a long-term management plan for this industry. The plan must take into account the policies, legislation, and regulations needed for sustained development.

The territorial government is talking with the federal government about control of these functions. Management, protection, and reforestation will be significant economic activities in the future. Tied closely to the government's desire to bring control of forest resources to the Yukon is the land claim settlement.



Forests: Process timber here to maximize benefits to the Yukon

In keeping with these principles, the Yukon government will act to:

Immediately

Forestry development

- continue to support work on forest inventories. The southeast region has been completed, and work in the southwest is under way. Further work will be undertaken in areas that show commercial potential.
- continue, with the private sector, to support more processing of the forest resource through such measures as research into and development of new forestry products.
- provide, after discussion with the industry, training programs in such areas as forest management, lumber inspection, safety, and general business skills. Both on-the-job and classroom training will be offered.

To meet the goals of the Strategy the Yukon government will:

Ensure that the maximum income is derived from forestry through more Yukon processing and better use of waste products.

Develop systems in consultation with the industry and public to manage forestry upon devolution.

Work with the industry to improve productivity.

Programs and policies

- develop, in consultation with the industry, model forest legislation in advance of devolution. This will set the context for forestry management upon transfer of forestry to the Yukon government and will involve a complete forest management system, including new types of land tenure, resource royalties, a development strategy, and reforestation.
- continue to offer financial help to the industry for such things as interest charges and inventory expenses, new technology, and increased specialization to improve productivity. Government programs could also be used by the private sector to help finance a central facility for kiln-drying, planing, and marketing.
- continue, with the forest industry, to encourage use of local forest products by government and the private sector.
- continue to promote space heating and steam generation using forest waste products and encourage research and projects in this field. Work in this area will build upon pilot projects in Whitehorse, Haines Junction, Faro, Watson Lake, and Pelly Crossing.

Into the 1990s

Policies and programs

- encourage community use of forest resources after devolution and a land claim settlement by involving communities and bands in forest management, improvement, and protection.

MANUFACTURING

In a highly competitive industry like manufacturing, where modern transportation systems allow clothing for the high arctic to be made economically in the tropics, success will be difficult. However, while parkas can be made anywhere in the world, genuine Yukon parkas can be made only here.

To meet the goals of the Strategy the Yukon government will:

Encourage the development of unique Yukon products for export and products that have the potential to replace imports on a cost effective basis.

Use and encourage the use of locally manufactured products.

Encourage greater use of locally available resources and provide training to assist the industry.

Our future in manufacturing lies in two areas: high-quality export items unique to the Yukon and products made here which replace imports. The Yukon government's approach to manufacturing will be to encourage development in these areas.

The government will not support manufacturing that cannot compete in either the domestic or export market places. However, it will assist the manufacturing sector in the short-term where long-term success looks promising. Finance and training will be made available. Government can provide funds to research and promote potential manufacturing opportunities.

Furthermore, the government can take an active role by using locally produced goods and promoting their use by other Yukoners.

In keeping with these principles, the Yukon government will act to:

Immediately

New products and markets

- promote the manufacture in the Yukon of products that can replace imports such as building materials for the construction industry. The use of local materials, for example Yukon furs in clothing manufacture, will be encouraged.
- promote the export of unique, authentic Yukon goods, including aboriginal and cottage industry products. Where export potential is demonstrable, other products will also be supported.
- provide a marketing specialist to advise Yukon businesses about marketing their products locally and for export.
- help the industry promote a made-in-Yukon label and the purchase of goods manufactured in the Yukon, especially where there is a potential to replace imports.
- work with the industry to produce a catalogue of Yukon-made merchandise to increase consumer awareness of the products and to assist in marketing them.
- continue to help businesses cover the expense of attending trade shows.
- provide training geared to the needs of the manufacturing sector, as determined in consultation with industry.

Into the 1990s

Market development

- help establish a central marketing service, in cooperation with the private sector, for firms interested in exporting Yukon products. This service will assist in providing information, ordering, warehousing, shipping, and implementing a coordinated long-term approach to export development.
- continue to support selective import substitution by helping to finance such opportunities and by encouraging both government and the private sector to buy locally.
- support, at the request of the private sector, a pilot project to set up a business incubator — low-rent space and advisory services for firms starting out in business.



Marketing: Unique products, like gold jewellery, have the greatest potential

MINING

Mining has been, and will continue to be a cornerstone of the Yukon economy. The Yukon government values the employment and income that mining contributes to the economy. It will continue to encourage exploration and development of mineral resources through such programs as exploration incentives, and by creating a better investment climate for the industry.

The first task at hand is to create legal certainty by setting the rules and keeping them the same. Two obvious requirements are the settlement of land claims and greater control of the resource in the Yukon.

We will try to create a more stable investment climate in the territory, partly through the implementation of this Strategy.

We will also work with all interests to develop streamlined and fair assessment and regulation processes that will serve the needs of industry as well as safeguarding the interests of other Yukoners and the environment.

The Yukon government is just beginning to take responsibility for the mining industry. As federal programs are devolved and new territorial ones developed, the Yukon government will continue to consult with the industry for the sake of its long-term development.

In keeping with these principles, the Yukon government will act to:



Exploration: Incentives will support the search for minerals

Immediately

A climate of greater certainty

- work with the federal government and with industry through the Yukon Placer Implementation Review Committee to develop regulations that are acceptable to placer miners and that provide reasonable protection for fisheries.
- develop a fair and streamlined regulatory process in consultation with the mining industry.
- hold annual meetings between the Yukon government's ministers and the industry to discuss mining issues. Meetings between the industry and appropriate government officials will be scheduled quarterly.

To meet the goals of the Strategy the Yukon government will:

Create a climate of resource and investment certainty to promote the mining industry.

Develop appropriate policies to support both small and large scale mining firms in consultation with the industry.

Speed decision-making by working with the industry, other levels of government, and other resource users.

- sponsor an annual workshop, involving the industry and others who have a stake in use, to encourage communication among users and forestall lengthy and disruptive conflicts over land and water resources.

Infrastructure

- improve the trunk road network by rebuilding the South Klondike Highway, and improving the North Klondike and Robert Campbell Highways.
- involve the mining industry in the setting of priorities for implementing transportation projects.
- develop resource access roads with a

priority given to those that are available for multiple use.

- use energy as a tool for economic development and provide fair and equitable rates for the mining industry as well as other consumers.

Programs and policies

- foster strength and diversity in the minerals industry through continued support of its major programs:
 - Prospectors Assistance Program, for prospectors;
 - Exploration Incentives Program, for junior companies;
 - Resource Transportation Access Program, for all companies;
 - Economic Development Agreement (EDA), to research geological information, for the whole industry; and
 - Economic Development Agreement (EDA) to do placer research, for placer miners.
- provide better access for placer miners to financial assistance programs.
- continue to take measures such as the off-road fuel tax exemption to keep fuel prices down.
- lobby to maintain federal tax incentives for the mining industry.

Into the 1990s

Programs and policies

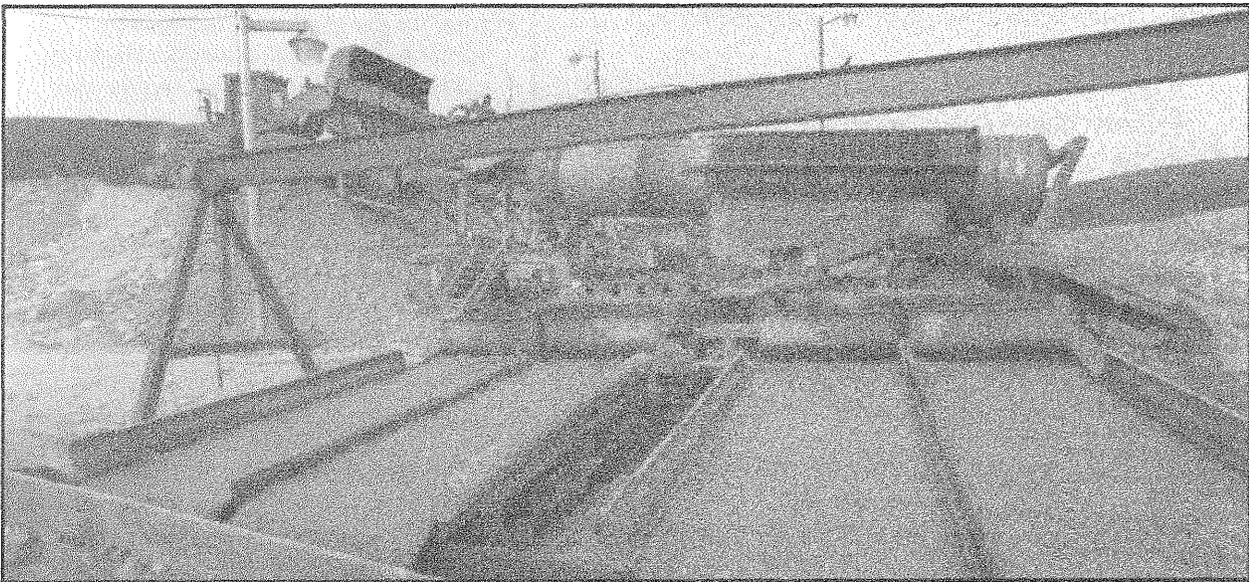
- renegotiate the Canada/Yukon Economic Development Sub-agreement for mining and other programs.
- continue infrastructure and program support for the industry.
- strive to increase to a more reasonable level the federal government funding available to develop the necessary geological data base for the territory.
- support innovative environmental protection projects by mining companies.

Training

- act on the advice of the Mining Institute about the industry's training requirements.

Investment

- provide more information to potential outside investors on the benefits of investing in the Yukon.



Placer: Research funds will work to increase productivity

OUTFITTING, TRAPPING & GUIDING

The wildlife of the Yukon is unique and of a quality found nowhere else in the world. It has an economic value not only to the outfitters, trappers, and guides but also to tourism. In addition, wildlife holds cultural value for the Indian community, and is a part of the quality of life of all Yukoners.

Its commercial use also provides opportunities for those living by subsistence activity to earn income needed to augment their lifestyle.

The government supports economic activities dependent on the wildlife resource, but recognizes the need for careful planning so that the resource can be sustained for commercial use well into the future. Overhunting, overtrapping, or the loss of vital habitat today, could rob our children of this economic resource and natural treasure.

To meet the goals of the Strategy the Yukon government will:

Manage our wildlife population for sustained use or harvest.

Develop the commercial use of wildlife to capitalize on the unique and high quality nature of the resource.

Study carefully the feasibility of new commercial ventures using wildlife.

Research is underway to help us understand wildlife and habitat in order to plan for sustainable development of the resource. Training users will lead to better use of the resource, and provide them with the business skills to gain a higher return from it.

The government will continue to support the industry and its efforts to expand and sustain markets, as in countering the anti-fur lobby.

Land claims and devolution talks will affect the management and development of this resource in the future. The government will ensure that the users of the resource have a strong voice.

In keeping with these principles, the Yukon government will act to:

Immediately

Outfitting and guiding

- develop, with industry representatives, a training program for big game outfitters and wilderness guides. The program will help increase the number of guides available as well as improve the skills of guides already working.
- expand its information and education program in order to increase public knowledge about the Yukon's wilderness and wildlife resources through such means as a major textbook on Yukon natural history, brochures, wildlife points along highways, and better development of trails.
- continue to market the wilderness experience in cooperation with industry associations.
- continue to support the joint NWT/Yukon Renewable Resources Program offered in Fort Smith to train people in wildlife resource management and encourage participation to meet the demand in this field.

Trapping

- continue to regard the fight against the anti-trapping lobby as a very high priority and help public groups involved in it to educate the public about the trapping industry.
- initiate a fur enhancement program which will:
 - give trappers access to operating capital (a grubstake) for a season's trapping;
 - allow active trappers to exchange leg-hold traps for quick-kill devices, a shift that will improve the public perception of the trapping industry;
 - provide trappers, through its trapline visits component, with delivery service of furs to market from remote areas;
 - encourage trappers to become familiar with all aspects of their traplines through trapline surveys; and
 - provide assistance to improve access to traplines.
- expand the Trapper Education Program to include business skills as well as trapline management, fur handling, and humane trapping techniques.
- complete research on fur farming and establish a fur farming policy.

Commercial use of wildlife

- develop a compensation policy to guide the Concession and Compensation Review Board in dealing with trappers and outfitters displaced by developments on lands administered by the Yukon government. Compensation to those displaced from other lands will be examined.
- examine ways other than fee simple title (ownership) to provide some security of tenure for land concessions. Leases and contractual arrangements are possible solution. Land claim negotiators will be consulted before any action is taken.
- amend the Wildlife Act to allow implementation of the recommendations of the Select Committee on Renewable Resources.
- continue to provide interest relief for inventory loans and money for feasibility studies into commercial use of wildlife.



Guiding: Market the wilderness experience

Scientific use of wildlife

- provide researchers and scientists with a list of locally available suppliers, guides, transportation companies, and other services when they apply for research permits.

Into the 1990s

Use of wildlife resource

- recognize that habitat for wildlife must be preserved. A comprehensive inventory of wildlife habitats throughout the territory is under way. Ways of setting aside and protecting land for this purpose are being examined. Competing demands for land and water will be resolved through such processes as land use planning.
- develop, with the industry and elders, a program to use traditional skills to preserve meat, and distribute surplus meat to people in communities.

Secondary processing

- support value-added processing and wider use of the industry's products, such as:
 - examining the use of lower-valued furs in a manner that does not increase the overall pressure on the furbearing population; and
 - developing policies to promote secondary processing and remove legal barriers like restrictions on the commercial sale of wildlife. Assistance is available to assess the feasibility of new products, to establish commercial development plans, and to market these products.
- provide assistance, on request from the industry, to look at developing an "umbrella organization" for the secondary processing of wildlife.
- continue to help businesses obtain training in the production, management, and marketing of cottage crafts using wildlife products, such as hides, on a scale appropriate to sustaining the resource and to the market.



Viewing: Develop sites along our highways to view wildlife

Scientific use of wildlife

- provide facilities at Yukon College for researchers and scientists. Research being conducted in the Yukon will be better communicated to the public, and the results of research will be made available to those who could benefit from it.

Rangeland

- give priority for grazing lands to those who are dependent on them for their livelihood. Rangelands used by outfitters are now managed under a new Grazing Policy. Land transfers are being pursued, but the extent to which land will be used for this purpose cannot be determined until land use planning is complete.

SUBSISTENCE

The subsistence economy and the skills of those engaged in it have been undervalued in the past, but their importance is now being realized. In the Yukon, many people rely on subsistence activities to survive. The Yukon government looks upon subsistence as a real economic activity. Subsistence stands as a valued aspect of rural and Indian lifestyles.

The subsistence economy, however, still suffers from lack of recognition. Part of the problem is the lack of information about subsistence. The government is funding a study to change that. When it is complete, the government will issue a policy to support the subsistence economy. In the meantime, many important subsistence issues are being addressed at the land claims table. Among them are the protection of land and water resources and preserving the skills needed to live off the land.

At one time, subsistence wasn't a matter of choice but of survival. Living off the land was difficult but also rewarding. Today, there is a choice to be made. The Yukon government will not discourage people from making subsistence a choice. However, for subsistence to be a viable choice, it often has to be combined with work for wages. This relationship should be acknowledged, and the links between subsistence and wage ac-

activities should be strengthened through recognition that many of the skills needed for subsistence are also valuable in the wage economy.

In keeping with these principles, the Yukon government will act to:

To meet the goals of the Strategy the Yukon government will:

Develop an understanding of the subsistence economy and harvest.

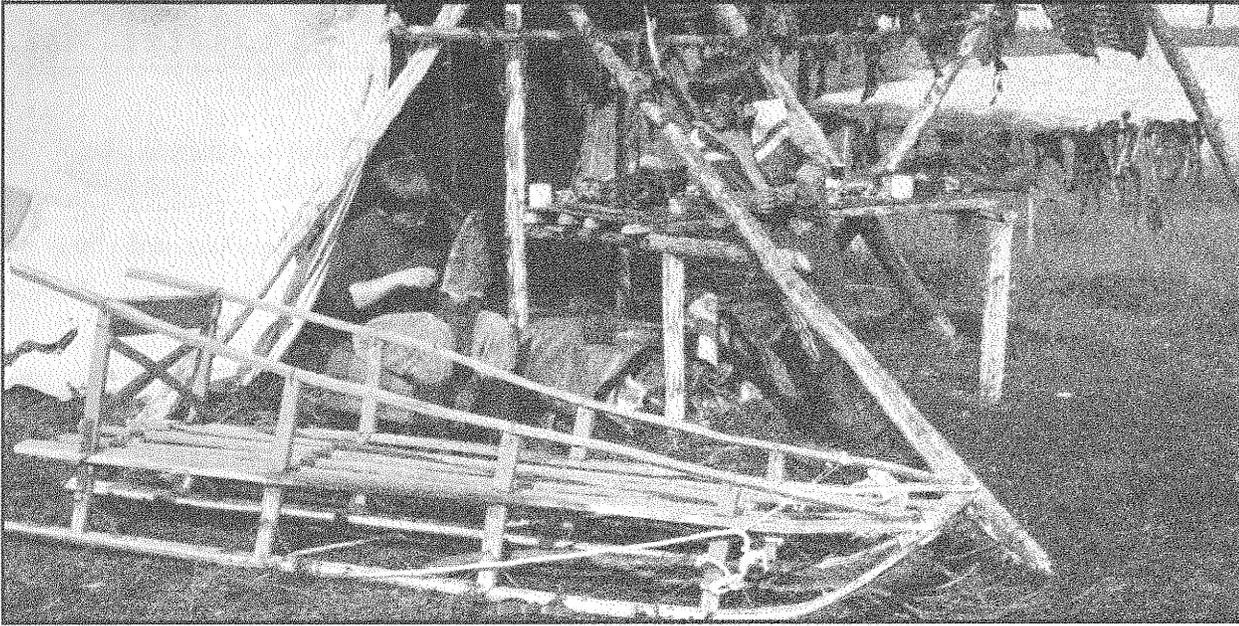
Develop policies and programs to strengthen and support the subsistence economy.

Ensure people working in the subsistence economy have the opportunity to move to the wage economy by recognizing the experience gained through subsistence activity and developing flexible work arrangements.

Immediately

Recognition

- recognize that subsistence activities are the most viable economic pursuits in some of our rural communities and are the foundation of the Indian economy. The government will ensure land use regulations, resource allocation, and wildlife management regimes reflect this fact.
- develop an "elder-protege" program that teams youth who want to work in this area with elders who are masters of their craft, for the purpose of on-the-job training. The elders would be paid for conducting the training.
- conduct research to gain a better understanding of the subsistence economy in order to strengthen it. Research is needed to define and describe the subsistence economy, gather basic data, and identify the issues and concerns facing the industry.
- discuss with employers and the labour movement the opportunities for flexible work arrangements that let people combine subsistence and wage work. The Yukon government is recognizing the value of experience gained through subsistence employment by:



Skills: Develop a program to team youth with elders to learn traditional methods

- having the Public Service Commission review application forms to make sure they reflect this recognition; and
- training government staff involved in hiring to ask for such information and to understand the importance of taking subsistence experience into account.
- provide support for those who wish to move from subsistence activities to commercial activities based on the subsistence economy, such as marketing wild berry products.
- use traditional knowledge in government resource management.

Into the 1990s

Development

- examine support programs for the subsistence economy, based on the needs of the industry. These could include capital and equipment, customary ways of training and passing on old skills, and the use of selective technology to strengthen the industry.

TOURISM

Getting people to the Yukon is what tourism is all about. We also want them to take home fond memories of their trip to this land of magic and mystery. They'll tell their friends to trek north and they'll come back again if they capture even a bit the Yukon spirit. Our aim is to maintain existing markets and develop growth markets on the basis of our history, native culture, and natural attractions.

To meet the goals of the Strategy the Yukon government will:

- Focus development and marketing efforts on high-return markets while continuing to maintain existing markets.
- Develop attractions and promote tourism to benefit more Yukon communities.
- Encourage greater Indian participation in tourism.
- Increase training for the tourism industry.

But getting the most from the tourism industry involves more than attracting high volumes. We must target our marketing towards the people who will spend more while they are here. This type of tourist wants high-quality attractions, good accommodation, restaurants, and other services.

The Yukon government supports expansion of the industry in a way that gives greater control and benefits from tourism to Yukoners. Our communities should have a much greater role in the industry. Our primary marketing plans must promote greater Indian participation; there is a unique opportunity here that we can't afford to lose. Finally, the shoulder and off-season periods — from September to early May — will be promoted.

The Government of the Yukon will soon release and implement its Tourism Strategy to develop the industry further.

What attracts tourists to destinations can change. Government will work with industry to ensure the Tourism Strategy continues to work.

In keeping with these principles, the Yukon government will act to:

Immediately

Actions guided by the Yukon Tourism Strategy

- develop products that offer the maximum economic benefits to the Yukon, and target marketing programs at markets with the greatest potential for growth.
- negotiate with the federal government joint funding mechanisms for tourism, such as a new Economic Development Agreement Tourism Sub-agreement, to provide programs that assist in:
 - job creation;
 - tourism product development by both public and private sectors;
 - professional training; and
 - integration of Indian priorities and objectives in the tourism plan and Indian involvement in product development.

- provide support for private sector initiatives to:
 - develop internationally competitive destination attractions, such as the Champagne/Aishihik Band's Matatana Resort;
 - continue developing the Robert Campbell Highway and the Silver Trail Region as tourism destination areas;
 - develop and implement major programs to promote the fiftieth anniversary of the Alaska Highway and the Goldrush centennial;
 - increase development and marketing of Yukon outdoor adventure products, emphasizing the non-consumptive use of resources; and
 - build the convention, meeting, and sports event markets.
- identify opportunities and support Indian ownership of tourism oriented businesses, in conjunction with the Council for Yukon Indians and bands.
- identify regional tourism priorities and projects throughout the Yukon through regional tourism plans.
- develop training programs with the private sector through the Tourism Institute.
- negotiate improved public access to Kluane National Park.

Into the 1990s

Product development

- continue research to provide information on which to base decisions about tourism investment and development initiatives.
- use the unique heritage, history, and Indian culture of the Yukon to develop museums, cultural attractions and events, interpretive facilities, and entertainment.

Consultation

- maintain an open dialogue with all sectors of the industry to address common needs and problems, to identify common objectives, and to react to changing needs and circumstances.



Tourists: Develop new attractions and maintain existing markets

TRADE AND SERVICES

More and more jobs in the future will be provided by small businesses, largely in the trade and services sector. There is a growing demand for goods and services. Established local companies can effectively compete to provide them.

The health of this industry depends on the health of primary industries like mining and tourism. The spending of other businesses and their employees provides the income of the trade and services businesses. Their future prosperity will depend on the stability growing out of economic diversification.

The trade and services industry encompasses a large number of very different businesses, from airlines to corner stores. It is not possible in the scope of this Strategy to address each type of business. The business support measures outlined earlier will help these industries directly and the Strategy as a whole will strengthen the economy on which this industry is dependent.

In keeping with these principles, the Yukon government will act to:

Immediately

Essential services in rural areas

- increase banking services in rural areas by striving to provide cheque cashing and deposit taking services in all communities.

Programs and policies

- continue to advertise tenders for goods and services only in the Yukon as long as services here meet required standards at reasonable costs.



Information: Trade fairs and seminars foster discussion in the industry

- consult with business and household service firms on ways to improve government contracting.
- continue to inform contractors and consultants each fall about municipal and high-ways engineering prospects, in advance of spring tenders.
- consult with local professional organizations regarding the inclusion of consultant services in the Business Incentive Policy.
- encourage southern-based contractors, through the value-added policy, to use local people, businesses, and services when doing government contracts.
- continue to help businesses cover the expense of the Yukon Trade Show.

To meet the goals of the Strategy the Yukon government will:

Encourage greater local purchasing by fostering information exchange between wholesalers, retailers, and manufacturers.

Encourage the household and business services industry through government contracting and administrative procedures.

Improve access to local and government information.

Into the 1990s

Support services

- work to improve the information services available in the Yukon, following consultation with the industry.
- foster discussion between Yukon retailers, wholesalers, manufacturers, and distributors, and their potential customers, through events like trade fairs and seminars.

VOLUNTEERISM AND HOUSEWORK

The non-wage economy is made up of managers and workers with skills more varied and diverse than any one industry. That's because people who have worked around the home or volunteered for a group, end up doing many things that other people get salaries to do.

We can't pay wages for volunteer and house work. But we can ensure people have the skills and incentives to do non-wage work. By investing in training for non-wage work, we invest in the community spirit, helping each other out. In the process, we draw together a skilled group of people who can compete in the wage market.

To meet the goals of the Strategy the Yukon government will:

Ensure training is available to make volunteer organizations as effective as possible.

Ensure that experience gained in volunteer and homemaking activities is given full recognition in hiring for paid employment.

Promote flexible working arrangements to permit family and other responsibilities to be met.

The Yukon government values non-wage work. The full range of housework and volunteers' skills will be recognized when a person decides to move from the non-wage sector and earn a living wage with the Yukon government. The government hopes the private sector will follow this lead.

The government will encourage flexible working arrangements so wage earners can participate in volunteer and household activities.

The government believes these commitments will mean a stronger and more stable society in the years to come.

In keeping with these principles, the Yukon government will act to:

Immediately

Development of the non-wage economy

- open its training courses to volunteers, where space permits.
- consider loaning its workers to organizations and agencies to train volunteers in basic skills.
- consult with the public about childcare. The government recognizes the importance of childcare to all areas of the economy, but, given the diversity of needs in our community, it must find agreement on which options to pursue. Funding, accessibility, and quality of childcare will be reviewed.

Programs and policies

- appoint people to volunteer boards, as vacancies appear, to make the boards more representative of Yukon society. This will enable the boards better to serve their clientele and advise the government. Transportation and accommodation costs will be covered for out-of-town members. Childcare costs will be covered for all Yukon government board and committee meetings.
- ask for volunteer and homemaking skills, such as time management, planning, and decision-making, on application forms and in job interviews. Departmental personnel

manuals will be amended to include this practice, and interviewers will be trained to carry it out.

- conduct workshops on starting and operating a small business in the home and help women explore options for obtaining capital.



Training: Make sure people have skills and incentives to do volunteer work

- review the Matrimonial Property Act with a view to making pension benefits a family asset in the case of divorce.

Into the 1990s

Development of the non-wage economy.

- increase opportunities for job sharing, part-time work, working at home, and flexible work, without loss of employment benefits.
- collect data on non-wage activities to improve policy development in this area.
- fund, at the request of volunteer organizations, a volunteer action centre to coordinate volunteer activities, provide information on volunteering, and provide training for volunteers.

Programs and policies

- develop a family policy with the Health and Social Services Board that addresses, among other things, parental and family leave policies, childcare and elderly care policies, alternative work patterns, and support services. The government will invite the public, volunteer organizations, and the federal government to work together to identify and meet parenting needs.
- consult with volunteer organizations to review the distribution of public funds to volunteer groups in order to ensure that public priorities are being met.

SUMMARY

The Yukon Economic Strategy comes from two years of talks between the government and the people of the Yukon. The Strategy sets out a program to help Yukoners achieve the goals they agreed upon. The four broad goals of the Strategy are: the option to stay in the Yukon, local control of the economy, an acceptable quality of life, and equality.

Several factors will affect implementation of the Strategy. Help will be required from the federal government, economic organizations, and other groups that play a major role in the economy. Involvement by the various communities that make up the Yukon will be vital; in fact, the government's next focus is strategies for community development. Settlement of the Yukon aboriginal land claim will have a profound effect on the Strategy, as will devolution of responsibility from the federal to the territorial government. The Canada/U.S. free trade agreement will also affect it.

Recognizing that economic and social conditions change, the government plans regular review and updating of the Strategy. The Cabinet will monitor its implementation by government departments. The Yukon Economic Council will review the Strategy on behalf of the public and report progress annually to the Minister of Economic Development.

The Economic Environment

The Yukon economy currently depends on three major sectors: mining, tourism, and government. Each will remain important; however, each is subject to influences beyond the control of Yukoners. Developing other industries that now play a relatively minor role will strengthen the economy and make it less vulnerable to boom-and-bust swings.

A fully developed Indian economy will make a major contribution to the growth and prosperity of the Yukon economy as a whole. The Yukon government will involve aboriginal people in planning the territory's economic future and in playing a greater role in economic activity.

The Yukon has a mixed economy, combining economic activity by both the public and private sector. Both sectors need to understand each other's roles. The government recognizes that the private sector must lead in business development and will support private sector efforts that offer new economic activity, employment, and greater equality of economic opportunity. Business leaders recognize the role the public sector can play in stabilizing the economy and in providing necessary services which are not profitable.

Natural Resources

The Yukon's waters, land and resources hold enormous potential. Our natural resources have historically been the basis of most of the territory's economic activity. They have also been the reason why people chose to stay in the territory, even in times of economic hardship. Resource development must therefore balance the need for economic stability with the equally important goal of achieving an acceptable quality of life. The Strategy emphasizes wise planning of future resource development, diversifying resource-based economic activity, and consultation with resource users.

The government will:

- support development of both renewable and non-renewable natural resources;
- increase the economic return to the Yukon from its resources;
- develop renewable resources at a sustainable rate;
- develop non-renewable resources at a rate that assures the territory more stable economic growth;
- maintain the resources that support subsistence lifestyles;
- guard the Yukon's natural environment and historical and archaeological heritage;
- establish greater Yukon control over the territory's natural resources; and
- accommodate the needs and values of Yukoners in the management of natural resources.

Financial and Business Services

Lack of financial institutions and business services could limit the Yukon's economic growth. The government is determined to improve these services throughout the territory. As far as possible, business development will be financed by the private sector. New government programs will be started or changed only after consultation with the groups affected. Occasionally the government might invest directly in major projects of strategic importance to the Yukon.

The government will:

- encourage entrepreneurship in all sectors;
- improve access to financial services in rural areas;
- improve access to capital for Indians and women;
- encourage community-based enterprises to develop;
- maintain the private financial sector's leading role in providing capital and financial services; and
- use government functions to complement private financial institutions.

Human Resources

The Yukon's human resources, its people, are both a vital component in economic development and its ultimate beneficiaries. The government wants to improve the economic condition of all Yukoners and give all Yukoners an equal chance in the economy. The government particularly wants to help the disadvantaged to improve their economic prospects. It supports the desire of Yukoners to live and work in their own communities. It also supports the development of the Indian economy and encourages greater economic participation by Indian people.

The government will:

- increase the opportunities for Yukoners to participate in the economy;
- recognize Yukoners' desire to stay in their communities and increase the participation of rural Yukoners in the economy;
- recognize the Indian economy and create opportunities for Indian people in both it and the dominant economy;
- encourage the economic advancement of women and recognize the value of their work in both wage and non-wage economies;
- improve the prospects for young people;
- increase the participation of Yukoners with disabilities and improve their income level; and
- increase the participation of the elderly in the economy and recognize their skills as community assets.

Infrastructure

Infrastructure is the framework of facilities and services — airports, roads, power, telephone lines — that makes modern life possible in the Yukon. Without adequate infrastructure, economic development is limited and community growth stunted. To improve the territory's infrastructure, the government will work to cut energy costs and reduce dependence on outside energy sources. It will improve transportation services and housing. And it will encourage the development of community recreation programs and facilities.

The government will:

- provide access for all Yukoners to good, affordable housing;
- devolve responsibility for running housing programs;
- substitute local energy resources for imported energy forms, where beneficial;
- improve the cost-effectiveness of existing energy sources;
- use infrastructure and housing development to promote local training, employment, and business development;
- devolve the planning and running of local facilities;
- build community infrastructure suited to local conditions;
- assess the cost and benefits of transportation projects to local interests;
- integrate the Yukon's transportation system internally and with those of other areas; and
- include recreation planning in community and territorial economic development strategies.

Information and Technology

Technological development offers a bright economic future, but it can also damage the environment, eliminate jobs, and alter society. Yukoners will need information to deal successfully with technological change. The government believes science and technology should be used as tools for economic development and should serve social goals, including specifically northern goals. Also, any adverse effects of technology must be eased.

The government will:

- use science and technology as tools for development;
- improve understanding of the natural and social environment and improve access to information;
- support original scientific research in the North;
- reinforce the traditional Indian and rural lifestyles by using appropriate technology and by adapting traditional technology to modern use;
- use technology to expand the scope of resource industries;
- promote the use of science and technology by small business;
- improve public infrastructure through science and technology;
- ensure a satisfactory level of broadcasting and telecommunication services for all Yukoners; and
- use new communications technology in the most appropriate manner for individuals, businesses, and communities in the Yukon.

Industries

The Yukon has a number of strong industries, like mining and tourism. Other industries are in their infancy. The Yukon government hopes to encourage development of a diversity of healthy industries that will give the territorial economy strength and stability. The

Yukon Economic Strategy is designed to help each of the territory's industries stand on its own.

Agriculture

The Yukon has among the highest food prices in the country, largely because most food is imported. In some crops and products we could compete with imports and even begin exporting.

The government will:

- promote economically viable agriculture;
- increase the availability of lands suitable for agriculture;
- help the industry develop markets and provide the infrastructure necessary for the industry to grow; and
- support research and innovative development.

Construction

Construction is one of the Yukon's largest industries during booms. Construction activity depends on demand, from the private sector as well as the different levels of government.

The government will:

- support the development of Yukon construction as employers and entrepreneurs;
- use government-funded construction as a tool for developing and stabilizing community economic activity; and
- increase the use of Yukon products in the construction industry.

Cultural Industries

The Yukon's cultural industries offer Yukoners the chance to earn or supplement their primary earnings. However, the government also recognizes that these activities are part of the quality of Yukon life and will therefore support the broader aspects of culture as well.

The government will:

- recognize cultural industries as economically important and aid their development;
- support development of the aboriginal cultural industry according to the desires and needs of the Indian community; and
- encourage improved communication between different levels of government and business to assist in further development of cultural industries.

Fishing

The future of our fishing industry lies in local control of the resource. The Yukon government is discussing devolution of control with the federal government.

The government will:

- develop a comprehensive management plan in consultation with the Indian people and other resource users;
- conduct research to ensure the long-term viability of the fisheries and to encourage the development of new fish products; and
- support public education programs about the fisheries.

Forestry

The Yukon's forest industry will prosper if we can get as much from each tree as possible, and process it in the territory. But harvesting without respect for the limitations of our forests must be avoided, and a commitment to reforestation is necessary.

The government will:

- ensure that the maximum income is derived from forestry through more Yukon processing and better use of waste products;
- develop systems in consultation with the industry and public to manage forestry upon devolution; and
- work with the industry to improve productivity.

Manufacturing

Our future in manufacturing lies in two areas: high-quality export items unique to the Yukon and products made here to replace imports. The government will offer short-term help where long-term prospects look good.

The government will:

- encourage the development of unique Yukon exports and products that can replace imports economically;
- use and encourage the use of locally manufactured products; and
- encourage greater use of locally available resources and provide training to assist the industry.

Mining

Mining is a cornerstone of the Yukon economy, providing much of our employment and income. The Yukon government will encourage exploration and development of mineral resources, both through specific programs and by creating a stable investment climate for the industry.

The government will:

- create a climate of resource and investment certainty to promote the mining industry;
- develop policies, in consultation with the industry, to support both small and large mining firms; and
- speed decision-making by working with the industry, other levels of government, and other resource users.

Outfitting, Trapping and Guiding

The government supports economic activities dependent on the Yukon's wildlife, but recognizes the need for careful planning to sustain the resource for the future. Research and training will help us make wildlife profitable and sustainable.

The government will:

- manage wildlife for sustained use or harvest;
- develop the commercial use of wildlife; and
- study the feasibility of new commercial ventures using wildlife.

Subsistence

In the Yukon, many people rely on subsistence to survive, and the government looks upon it as an important economic activity. It is also a valued aspect of rural and Indian lifestyles.

The government will:

- research the subsistence economy and harvest;
- develop policies and programs to support the subsistence economy; and
- ensure people working in subsistence can move to the wage economy, by recognizing the experience gained in subsistence work and by developing flexible work arrangements.

Tourism

The Yukon government supports expansion of the tourism industry in a way that gives greater control and benefits from tourism to Yukoners. The government will soon release and implement its Tourism Strategy.

The government will:

- focus development and marketing efforts on high-return markets while continuing to maintain existing markets;
- develop attractions and promote tourism to benefit more Yukon communities;
- encourage greater Indian participation in tourism; and
- increase training for the tourism industry.

Trade and Services

More and more jobs in the future will be provided by small businesses, largely in the trade and services sector. The health of this industry depends on the health of the primary industries it serves and on the stability of the territorial economy as a whole.

The government will:

- encourage local purchasing by fostering information exchange between wholesalers, retailers, and manufacturers;
- encourage the household and business services industry through government contracting and administrative procedures; and
- improve access to local and government information.

Volunteerism and Housework

Volunteer work and housework are part of the glue that holds the community together. The Yukon government values non-wage work and will recognize the skills learned through housework or volunteer work in its hiring practices.

The government will:

- make training available to volunteer organizations;
- ensure that experience gained in volunteer and homemaking activities is recognized in hiring for paid employment; and
- promote flexible working arrangements to let workers meet family and other responsibilities.

APPENDIX

Chronology of Major Events

YUKON 2000 Consultation Process

1986

Summer	Faro Workshop
Fall	Industry Meetings (1st Series) Community Consultations (1st Series) Whitehorse Fall Conference
Winter (1986-1987)	Community Consultations (2nd Series)

1987

Spring	Industry Meetings (2nd Series) Community Consultations (3rd Series)
Summer	Women's Workshop Youth Workshop Whitehorse Open Houses
Fall	Dawson Conference

1988

Spring	Yukon Economic Strategy
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YUKON 2000 PUBLICATIONS

A Public Discussion Paper, "Building the Future" (Fall 1986)

Initial Background Papers (Fall 1986)

- Broadcasting and Telecommunications
- Yukon Diversification
- Report on Energy
- Financial Institutions
- Government as an Economic Force
- Housing Infrastructure
- Indian Participation
- Leisure and Recreation
- Municipal Infrastructure
- Research and Development
- Resource Management in the Yukon
- Small Business
- Training Strategy
- Transportation
- Women in the Economy
- Youth, Seniors and Disabled

Fall Conference Report (Fall 1986)

Economic Environment Background Papers (Spring 1987)

- Financial Resources
- Human Resources
- Information Resources
- Infrastructure
- Natural Resources
- Structural Characteristics

Industry Background Papers (Spring 1987)

- Agriculture and Food
- Construction and Housing
- Cultural Industries
- Forestry
- Fishing
- Hunting, Trapping, Guiding
- Manufacturing
- Mining
- Non-Wage Economy
- Tourism
- Trade and Services

YUKON ECONOMIC STRATEGY

Yukon 2000 Publications (continued)

Women in the Economy Conference (April 1987)

Youth Workshop (June 1987)

The Inclusion of People with Disabilities in the Yukon Community (Summer 1987)

A Labour Position Paper (Summer 1987)

Sustainable Development in the Yukon (Summer 1987)

The Things That Matter: A Report of Yukoners' Views on the Future of their Economy and their Society (Fall 1987)

Dawson Conference Report (Fall 1987)

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