

**ENHANCING OUR RELATIONS
THROUGH BUSINESS
OPPORTUNITIES**

**Address to the
Edmonton Chamber of Commerce
April 4th, 2008**

Check Against Delivery

- Thank you for that kind introduction Patrick and the invitation to speak here today.
- Special guests, members of the Edmonton Chamber of Commerce, ladies and gentlemen, it is my great pleasure to be in Edmonton today.
- I am very pleased with the interest Yukon Expo 2008 has generated and would like to thank the Chamber of Commerce and their staff and all those involved for the support and commitment that is essential for the success of this event.
- Today, I am going to talk about;
 - ❖ Why a Yukon Expo in Edmonton
 - ❖ Yukon's Competitive Advantage
 - ❖ Investment and Business Opportunities in Yukon

And how this all fits together for the mutual benefit of Yukon and Alberta.

- **Why a Yukon Expo in Edmonton?**
- Well, I can tell you, Yukon has much in common with Edmonton and Albertans. First and foremost, we are neighbours.
- We are connected through the national road system.
- We are connected by air.
- We are connected with a wealth of world class natural resources.
- And we are connected through business, our people and our northern climates.
- Like Alberta, the Yukon government has no debt.
- Like Alberta, the Yukon has no territorial sales tax.
- Edmonton has long been the gateway to the north, a hub for services and supplies and a major connection to southern Canada.
- As a northern territory, Yukon has matured into a jurisdiction that has much to offer in terms of goods and services, as many of you have seen over the last three weeks.

- The Yukon has come into its own and is a vibrant and exciting place to do business.
- The timing is right to take full advantage of economic forces, both inside and outside Yukon.
- Our presence here today and the interest garnered at our displays and activities at Yukon Expo over the last 2 1/2 weeks, are strong indicators that Yukon and Alberta both benefit and prosper in enhancing their relationships at all levels.
- Contacts have been made and deals are being finalized.
- All in all, Yukon Expo has presented Albertans with even more reasons to consider Yukon for their next business venture, be it for purchasing new products, for partnership opportunities or for an entirely new initiative.

Competitive Advantage

- Yukon has purposefully established a solid investment climate that provides certainty to the business community.
- Since April 1, 2003, through the devolution of federal authority, decisions about Yukon resources are made by Yukoners. Our government has worked to establish regulatory certainty for our resource sector investors.
- With the implementation of a single assessment process called the Yukon Environmental and Socio-Economic Assessment Act (YESAA), we now have a streamlined and improved permitting process.
- YESAA provides Yukon with a single assessment process that applies to all lands in Yukon – be they federal, territorial or First Nations.
- This single assessment process has provided the certainty necessary for investor confidence.
- We have worked to create a balance between the economy and the environment by using an integrated approach to resource management.
- As an example, through a cooperative and coordinated effort, we have developed an integrated regime that will regulate placer mining in the Yukon.
- We have also implemented an Integrated Resource Management approach across government departments, which has streamlined the decision-making process.
- Yukon's financial health is also being carefully managed.

- The Yukon government has no debt, no territorial sales tax and we have a highly competitive taxation regime. In fact, we have some of the lowest personal and corporate tax rates in Canada.
- In addition, the Yukon government spends a higher percentage of its annual budget on capital projects than any other Canadian jurisdiction. These projects have established modern infrastructure across the territory that supports our growing economy.
- Yukon is home to an international airport with direct jet service to Vancouver, Calgary and Edmonton; scheduled service to the Northwest Territories and Alaska; and twice weekly service to Frankfurt Germany from April to October.
- Similar to the pride many Albertans take in *Westjet* – Yukon boasts its own airline, Air North, which has been carrying people and cargo to destinations in the Yukon, British Columbia, Alberta, Northwest Territories and Alaska for over 30 years.
- 98% of communities, homes and Yukon businesses have access to broadband internet.
- Because of this connectivity, our educated workforce, our air access, and a proactive government combined with our clear lifestyle advantages, Yukon has attracted an impressive amount of business activity.
- As many businesses in Edmonton know, Yukon has thousands of kilometers of all weather roads connecting it to Alberta, British Columbia and Alaska and the Northwest Territories.
- Access to an ice-free port is just a two hour drive from Whitehorse, Yukon's capital.
- Yukon College in Whitehorse offers a large selection of courses for working professionals looking to upgrade their skills, and full-time students wanting to establish a career.
- Yukon boasts world-class health services and recreational opportunities. Whitehorse has a new hospital facility with up-to-date equipment and highly trained staff.
- In addition, there are health centres and nursing stations that provide 24-hour care in the rural communities.
- Many people choose Yukon to enjoy a healthy lifestyle. We have outstanding facilities and in October 2005 we opened the Canada Games Centre. It

includes a 25 meter pool, NHL & Olympic size ice rinks, a fieldhouse, flexihall, wellness centre, and an indoor running, walking track. We have a cross-country ski club just minutes from the downtown core as well as a downhill ski hill 15 minutes from downtown Whitehorse.

- Yukon is also a very artistic community and I know you have seen some of their work during this trade expo. Yukon also boasts a world class Art Centre which hosts international and local artists. The Arts Centre is working with our local Chamber of Commerce to promote Arts & Culture on our historic waterfront.
- Last fall we opened the first Arts accredited Arts School in Dawson City Yukon. This is the first school of its kind north of 60 where students can transfer their first year studies to a number of outstanding arts schools across southern Canada including Emily Carr.
- 11 of 14 Yukon First Nation Final Agreements are now signed; which means that Yukon provides business certainty and transparency in land and environmental regulations.
- Yukon First Nations are partners and key players in the development of the Yukon economy.
- We have established cooperative governance with Yukon First nations with the Yukon forum and the Intergovernmental Forum.
- The Yukon Forum enables the Government of Yukon to sit down with the Yukon First Nation governments to deal with matters of mutual interest and of significant benefit to the territory.
- We have established a broader Intergovernmental Forum that includes the federal government's Department of Indian and Northern Affairs Canada.
- With effective governance, active Development Corporations and entrepreneurs, Yukon First Nations are well positioned to generate opportunities and wealth for their citizens and communities.
- We are a modern people; adaptive, entrepreneurial and creative, who choose to live in a place that affords us an extraordinary quality of life. Innovation is in our nature; finding unique solutions to northern challenges in a variety of sectors.

Investment Opportunities in Yukon

- Our territory is one of the last great frontiers with an abundance of untapped business potential.

- Our rich cultural legacy, geography, natural resources, proximity to major economic centres, advanced telecommunications network, and positive investment climate are fueling growth.
- Yukon First Nation development corporations are actively seeking partnerships to work on projects that range from building community infrastructure to developing lands.
- Our technology and media based companies are leaders in multimedia animation, web design, software design, and telecommunications.
- The Yukon government has undertaken some expansive projects that are impressive in both their scope and their vision to make Yukon and Alberta strong partners in the global economy.
- The Alaska Canada Rail Link Pre-Feasibility study is a recent initiative led jointly by the Government of Yukon and our neighbors, the State of Alaska, to examine the long term multi-modal rail transportation development potential of Yukon and Alaska.
- The Yukon government has made a commitment to secure tidewater access for Yukon. The completion of the Yukon Ports Access Strategy and the participation of the Yukon government on the Skagway Port Development Committee, are very important first steps towards meeting this commitment.
- Strategically situated, with shipping access to Asian markets and providing a land link between Alaska and the rest of North America, Yukon is positioned to leverage its advantages of world class mineral and oil and gas deposits, breathtaking scenery, and skilled and adaptable people.
- Increasingly, global interest is turning towards Yukon as explosive growth in demand for minerals, oil and gas, and other resources has propelled commodity prices to historic highs.
- Yukon is blessed with defined deposits of high-quality gold, copper, and lead, with world scale deposits of tungsten, silver, zinc and iron.
- Demonstrating the demand for Yukon's resources, mining exploration activity in the territory has increased more than tenfold since 2000 – from \$8 million in 2000 – to an estimated \$140 million in 2007.
- Yukon has recently seen the re-opening of a copper mine and 4 to 5 more are moving towards production.
- We also have untapped natural gas potential estimated at 20 trillion cubic feet, and oil potential estimated at 900 million barrels.

- Other key infrastructure developments are the Mackenzie Valley and the Alaska Highway pipeline projects.
- Industry has determined that both pipelines will be needed to meet the energy demands of the south.
- Yukon wants to encourage exploration of this potential and development of pipeline infrastructure to get our natural gas to market.
- Both projects offer enormous business opportunities for the North, and will inject billions of dollars into the North American economy.
- Yukon's economy is growing with many active sectors – resource, tourism, information technology, film and sound, arts and culture.
- IT firms, graphic designers, artists, animators and internet companies involved with new media technologies are proving Yukon to be a prime location for the knowledge-based sector.
- An emerging sector that not only has huge growth potential, but is extremely important to our government and all Yukoners is in the area of climate change, research and the development of adaptation measures.
- As the Yukon government maps out its strategic Climate Change Action Plan, two very key initiatives stand out; the establishment of a Yukon Research Centre of Excellence and a Yukon Cold Climate Innovation Centre with an affiliation with Yukon College and its Northern Research Institute.
- The Yukon Research Centre of Excellence will focus on Climate Change adaptation, attracting research to Yukon, build on the existing body of knowledge, ensuring Yukoners benefit from the results of northern research, increased economic and institutional benefits of research and become a leader in climate change research and development.
- The Yukon Cold Climate Innovation Centre involves developing a research, development and commercialization centre for the export of new, innovative products and services.
- The mandate of the Innovation Centre will focus on cold region technologies, including building construction and maintenance, municipal infrastructure (including water, sewage, heat & power, waste and road), geo-technical works – construction and infrastructure specialties that may be applied also to mine reclamation, transportation, permafrost, pipeline, and other fields that may present themselves).

- Collaborative and partnering initiatives through MOU's between Yukon College and University of Alberta exist now.
- Initiatives such as the Yukon Research Centre of Excellence and the Yukon Cold Climate Innovation Centre are perfect examples where collaboration and cooperation between Yukon and Alberta can further move these projects forward and create new opportunities.

Conclusion

- Yukon is at the beginning of a long and promising new era.
- The Yukon government's financial health is among the best of all jurisdictions in Canada, providing stability and certainty for private sector investors.
- Our projections indicate that Yukon's population will continue to grow to record levels, contributing to an ever expanding labour force.
- We will meet the future with a skilled labour force, rewarding career opportunities, and strong First nation participation in the domestic and global economy.
- Looking ahead, our government believes the opportunities between Yukon and Alberta will be second to none, as we move forward with the expansion and diversification of our territory's economy.
- I invite all of you to take part in these prosperous times, and join us in building Yukon's and Alberta's future together.
- Thank you.