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Outlook summary

- Strong metal prices and higher placer gold production will support modest growth over the outlook.
- Tariff uncertainty persists, though the Yukon has fared better than most jurisdictions.
- Potential sale of the Eagle Gold Mine represents upside risk to the forecast.
- Tourism outperformed expectations, with record border crossings and air arrivals.
- Shelter-related expenses continue to drive inflation.

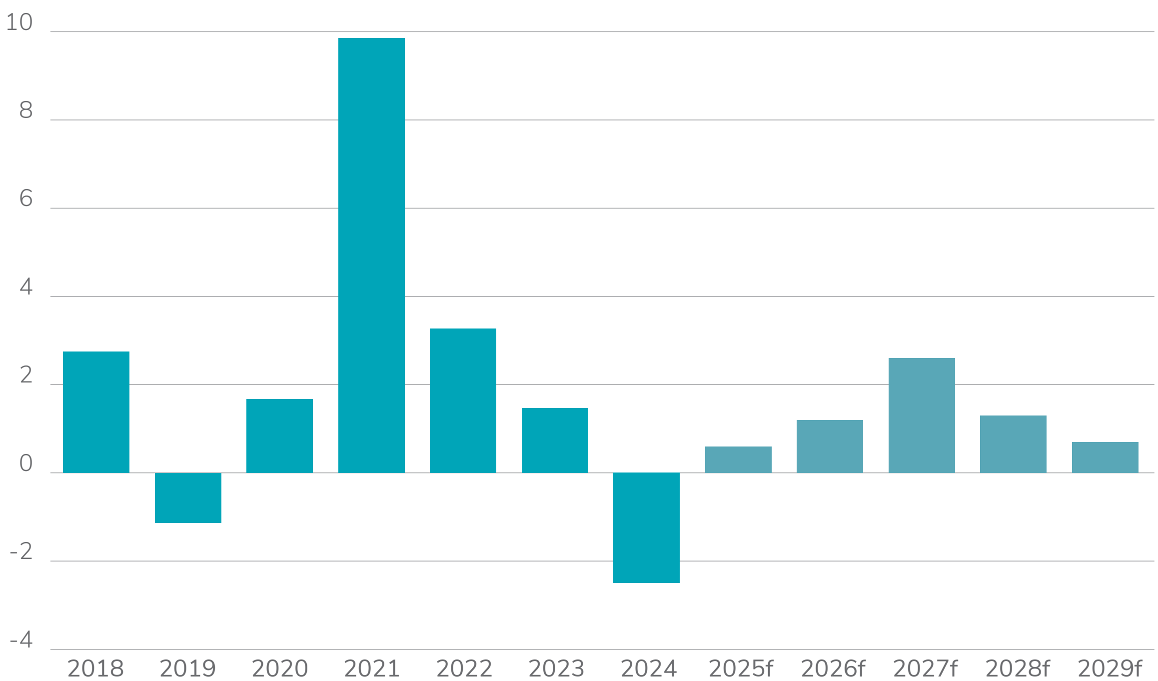
Improved mining outlook helps offset the impact of Eagle Gold Mine suspension

The Yukon's economy has remained resilient despite heightened uncertainty following the shuttering of the Eagle Gold Mine and ongoing trade upheaval with the United States. The economy has been aided by a surge in gold and silver prices that has improved the outlook for the Keno Hill Mine and placer gold production. The positive outlook is also supported by expectations of further tourism sector growth following record visitation in 2025.

Real GDP is projected to improve in 2026, followed by gains in every year of the forecast. Growth is expected to remain modest, averaging 1.3 per cent from 2025 to 2029. Several factors are limiting growth including labour market rebalancing after years of tightness and slowing population growth stemming from changes to federal immigration policy.

Chart 1. Growth is forecast to resume, but modest gains expected in most years

Real GDP (per cent change)



Source: Statistics Canada, Department of Finance (Yukon) f = forecast

Trade impacts have been limited thus far, though significant uncertainty remains

U.S. trade policy continues to fuel global economic uncertainty. This has reduced investment in Canada and weighed on exports, especially in targeted sectors such as steel and aluminum.

The U.S. Supreme Court struck down the 35 per cent across the board tariffs on Canada issued under the International Emergency Economic Powers Act (IEEPA), but these were almost immediately replaced by 10 per cent tariffs under Section 122 of the Trade Act. Either way, the future of Canadian trade will be determined by upcoming discussions surrounding the Canada–United States–Mexico Agreement (CUSMA). Most of Canada's exports remain exempt from Section 122 tariffs if they are CUSMA compliant.[1]

The U.S. review process began with public consultations in September 2025, and a report outlining proposed changes is expected to be submitted to Congress in early 2026. The formal review must begin by July 2026, six years after CUSMA came into force.

The U.S. has indicated a potential withdrawal from CUSMA, possibly in favour of separate bilateral agreements with Canada and Mexico. Such a move could have widespread implications across Canada, particularly for larger, trade-dependent provinces.

The effect of the upheavals in global trade on the Yukon is expected to remain limited, reflecting the relatively small role of international exports in the territorial economy.

Although there has been a noticeable impact of U.S. trade policy on the Yukon's exports, the impact has been dwarfed by the run up in silver prices (Table 1). The Yukon's goods exports were up almost 40 per cent in 2025 almost entirely due to higher prices. Output from the Keno Hill Mine accounts for over 90 per cent of the Yukon's exports. The trade dispute has left a mark on the Yukon's non-Keno exports to the U.S., which were down over 70 per cent to $2.4 million. Some Yukon exports appear to have made their way to alternative markets as the Yukon's exports to non-U.S. countries nearly quadrupled to a record $19.6 million in 2025.

1. The Bank of Canada's Monetary Policy Report from October 2025 noted that according to the U.S. Census Bureau, 90% of the value of Canadian goods exported to the United States entered that country tariff-free in July 2025. If steel, aluminum, motor vehicles and energy are excluded, then 94% of the value of goods entered the United States tariff-free.

Table 1. Yukon merchandise exports ($ millions)

		2024	2025	Change
World	All exports	149.7	205.4	55.7
	Excluding metals	13.3	12.3	-1.0
U.S.	All exports	144.7	185.9	41.2
	Excluding metals	8.7	2.4	-6.3
Non-U.S.	All exports	5.0	19.6	14.6
	Excluding metals	4.6	9.9	5.3

Source: Statistics Canada

The impact of tariffs on prices has been muted, especially since most of Canada's retaliatory tariffs were rescinded in September 2025. Though inflation in the Yukon has been elevated, this is primarily due to local factors. To the extent that uncertainty is weighing on business investment across Canada, it has not shown up in data for the Yukon. Non-residential building investment has been strong this year, as has mineral exploration.

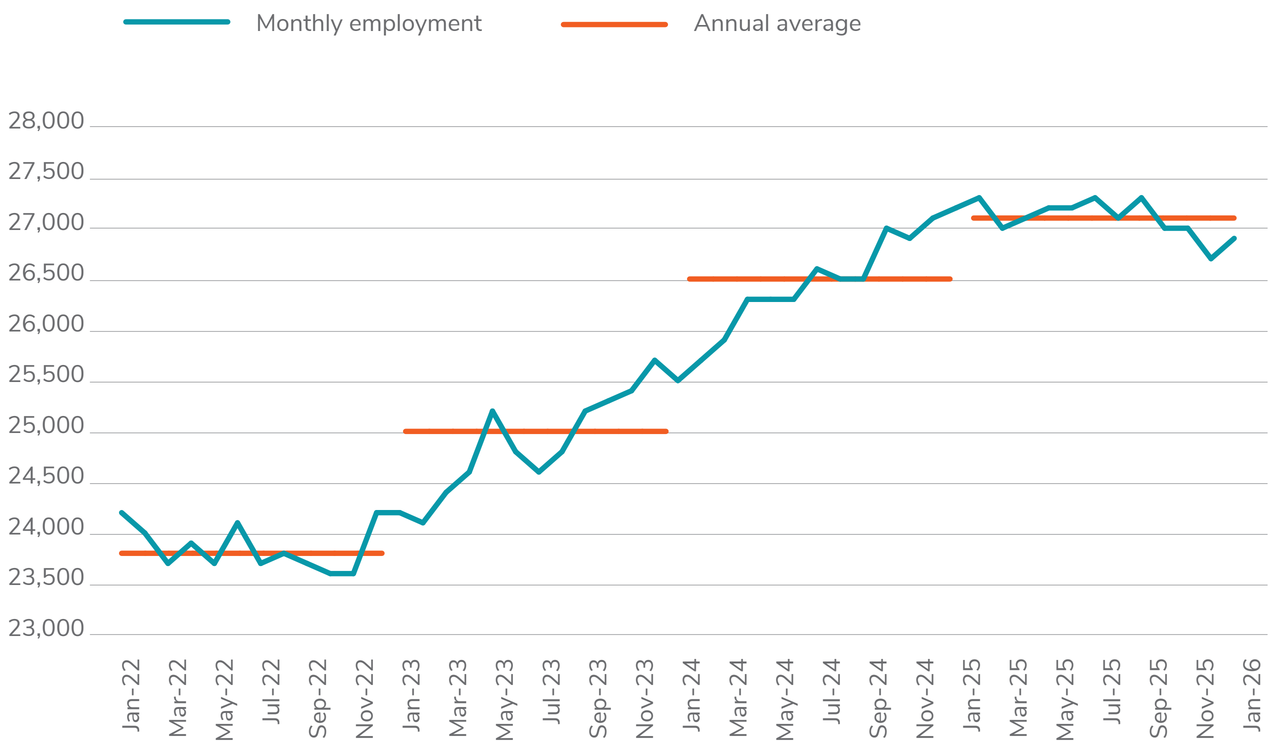
Employment growth continues, but a tight labour market is showing signs of easing

The Yukon labour market continued to expand in 2025, with both the labour force and employment reaching record levels. The unemployment rate averaged 4.2 per cent, the lowest in the country for a third consecutive year.

Though the annual numbers show employment growth in 2025, other indicators suggest a modest easing of labour market conditions following several years of tightness. On a monthly basis, employment plateaued starting in early 2025 and began 2026 slightly below January 2025 levels. Job losses in the goods-producing industries have kept overall employment flat despite gains in the service sector.

Chart 2. Annual job gains hide monthly plateau in employment

Employment (persons)

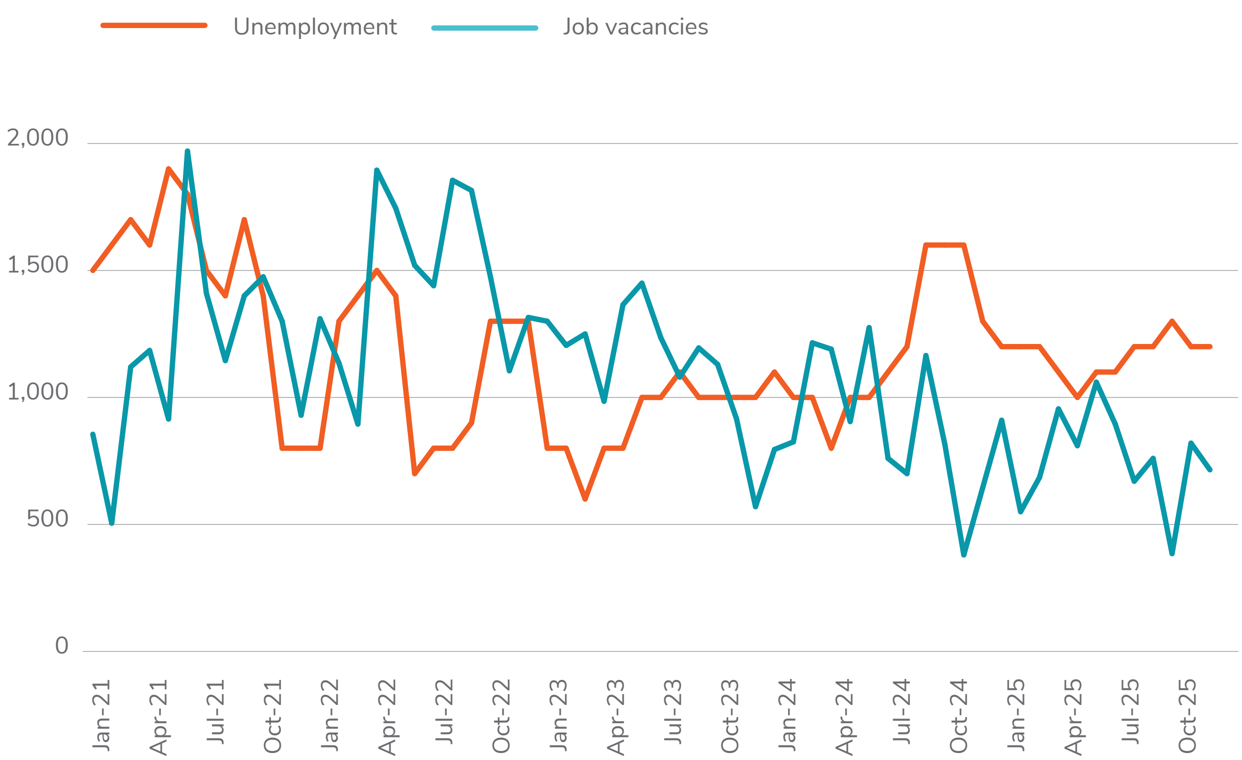


Source: Statistics Canada

Recent labour market easing has been marked by a decline in the number of job vacancies rather than an increase in unemployment. This suggests a normalization from previously unsustainable levels rather than a sharp deterioration. The job vacancy rate in 2025 was still the highest in Canada, but at 3.7 per cent it was the lowest annual reading for the Yukon since 2017.

Chart 3. Number of unemployed now exceeds job vacancies

Unemployment (persons), Job vacancies (number)



Source: Statistics Canada

This moderation in the labour market has slowed earnings growth, which is now broadly in line with the national pace. Average weekly earnings rose 3.5 per cent in 2025, a tick higher than national growth of 3.4 per cent. Average weekly earnings in 2025 were nearly $1,500 and remained the third highest in the country, behind only the other two territories.

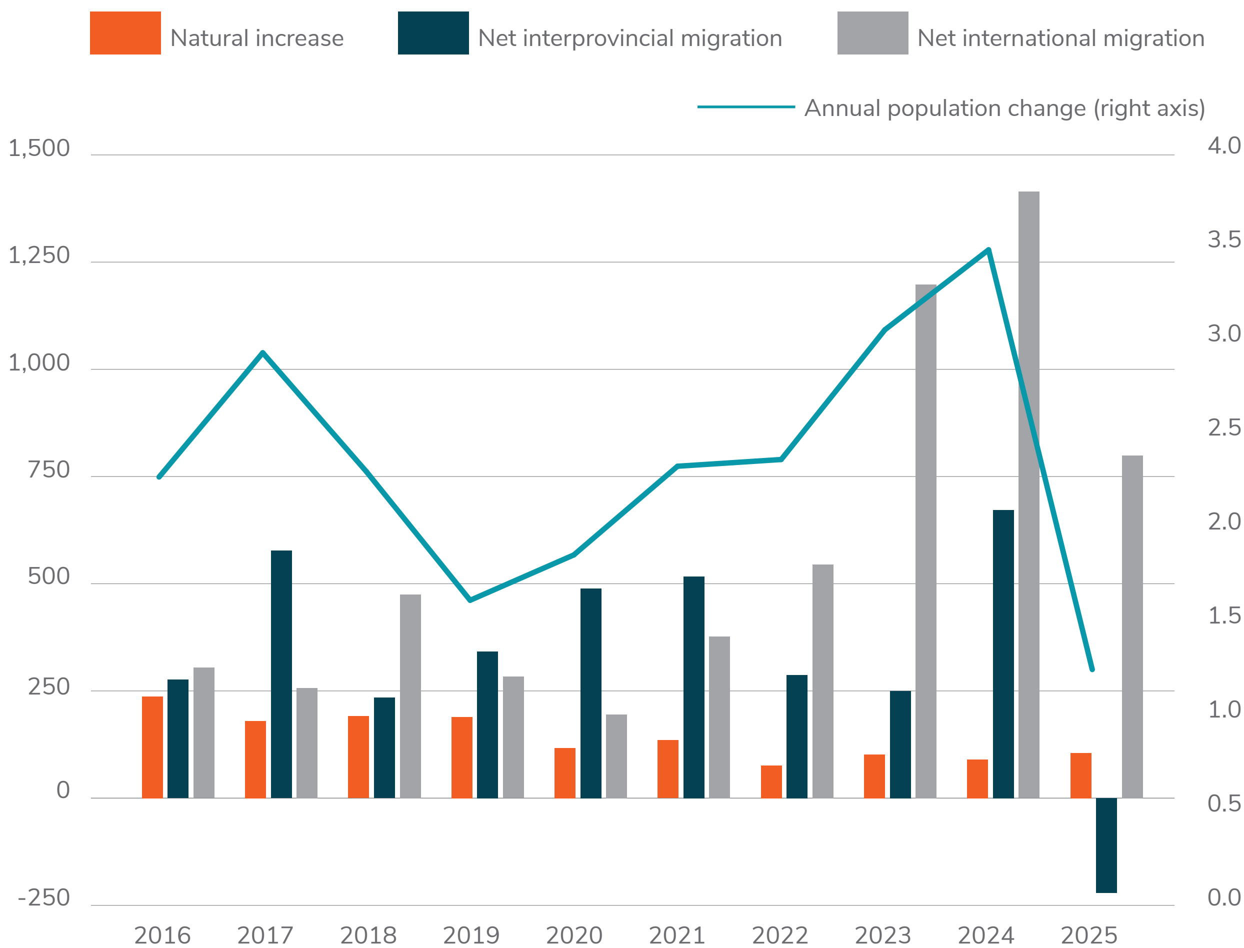
Modest employment growth is expected over the forecast, averaging 0.6 per cent per year, with the unemployment rate rising to an average of 4.8 per cent. This relatively modest growth reflects continued normalization after exceptional tightness, a moderation in government capital spending, and slowed population growth.

Federal immigration changes are expected to slow medium-term population growth

Changes to federal government immigration policy continue to dampen population growth. The policy changes aim to reduce the non-permanent resident population to below 5 per cent nationally by 2027, and include lower allocations under provincial and territorial nominee programs, including the Yukon Nominee Program.

Chart 4. Fall in international immigration reflects changes to federal targets

Annual change (persons), annual population change (per cent)



Source: Statistics Canada, Yukon Bureau of Statistics

These changes have had a pronounced dampening effect on immigration. Net international migration fell to 799 in 2025, down from 1,414 the previous year.[2] The drop was largely due to fewer non-permanent residents, while permanent immigration fell only slightly.

2. Reflects a comparison of migration levels from July 1, 2023 to July 1, 2024 to July 1, 2024 to July 1, 2025.

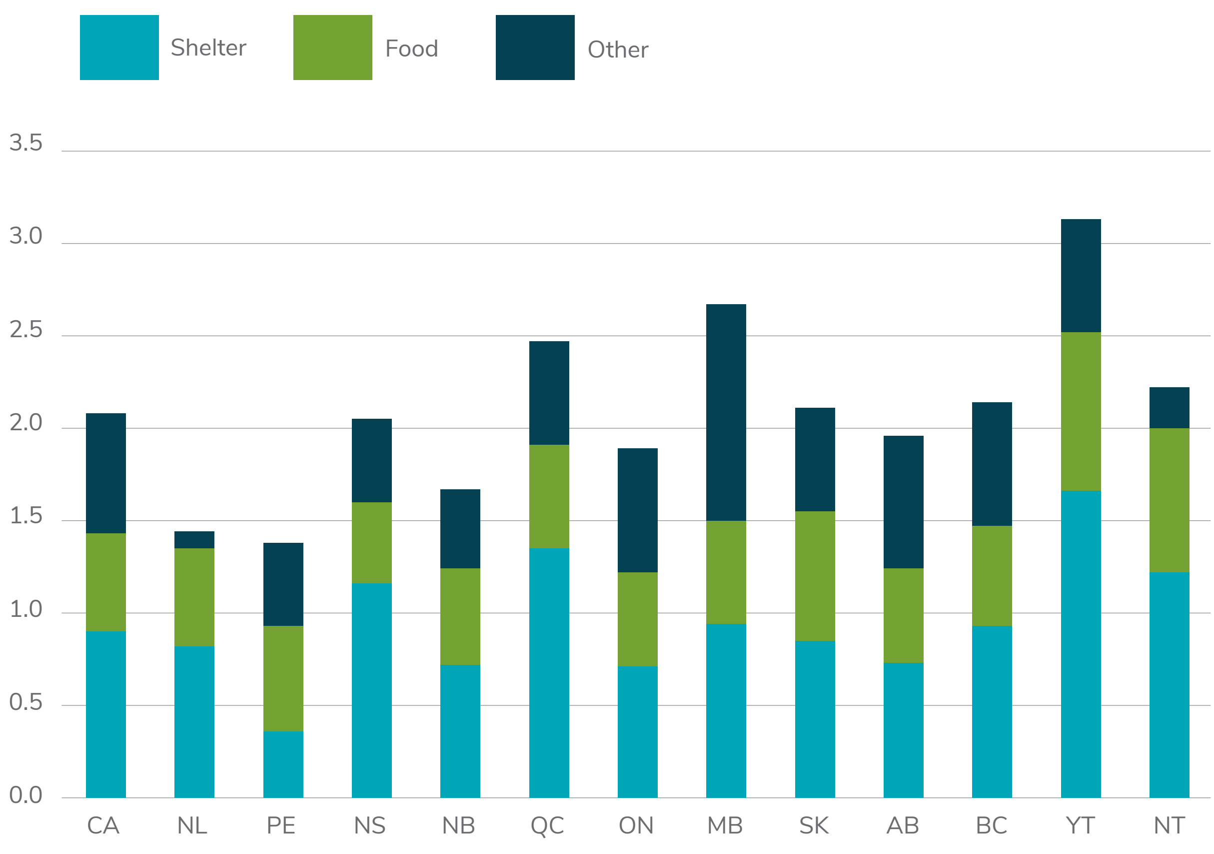
Weaker net international migration saw the Yukon's population growth fall to 1.1 per cent in 2025, down from 3.6 per cent in 2024.[3] Federal efforts to reduce the non-permanent resident share are expected to continue to constrain the Yukon's population growth. Over the current forecast, growth is projected in every year through 2029, but the average growth of 1.5 per cent is a moderation from recent stronger gains.

Rising shelter and food costs continue to drive local inflation

While still below recent peaks, inflation picked up in 2025.[4] Local inflation was largely driven by higher shelter and food costs. Shelter-related prices grew 5.7 per cent and food prices rose 4.4 per cent, both well ahead of overall price growth of 3.2 per cent. Shelter and food were key contributors to inflation across the country in 2025.[5]

Chart 5. Shelter and food fuelled inflation nationwide, with stronger effects locally

CPI 2025, year-over-year contribution to per cent change (percentage points)



Source: Statistics Canada

3. June 30 estimates represent the annual figure.

4. With no territory-wide measure available changes in the Whitehorse CPI are considered a proxy for inflation for the Yukon.

5. With no territory-wide measure changes in the Yellowknife CPI are used as a proxy for inflation for the Northwest Territories. Data for contribution to CPI growth are not available for Nunavut, or the capital city, Iqaluit.

Electricity prices were up nearly 21 per cent in 2025 and were a key driver of local shelter costs. This was the largest increase in the country, and well above national growth of only 1.5 per cent.

Shelter and food are expected to remain key drivers of inflation in 2026 with annual inflation expected to be generally in line with 2025 at 3 per cent. Beyond 2026, inflation is expected to be closer to historical norms and average 2 per cent, although price uncertainty remains elevated largely due to trade uncertainty and the breakout of conflict in the Middle East.

Weaker retail sales growth in 2025 driven almost entirely by lower gasoline prices

Lower gasoline prices largely explain the 2025 slowdown in retail sales. Sales at gasoline stations and fuel vendors fell 6.8 per cent in 2025, reflecting a near 10 per cent decline in gasoline prices. Total retail sales saw modest growth of 1.1 per cent last year, but if gas stations are excluded, retail sales rose 3.5 per cent.

Chart 6. Lower gas prices reflected in weaker retail sales growth

Retail sales ($ millions), year-over-year change (per cent)

Source: Statistics Canada

As most of the impacts from the end of the consumer carbon price were realized last year, gasoline prices should be less of a drag on sales in 2026. Over the forecast period, retail sales are projected to grow at an average pace of 3 per cent.

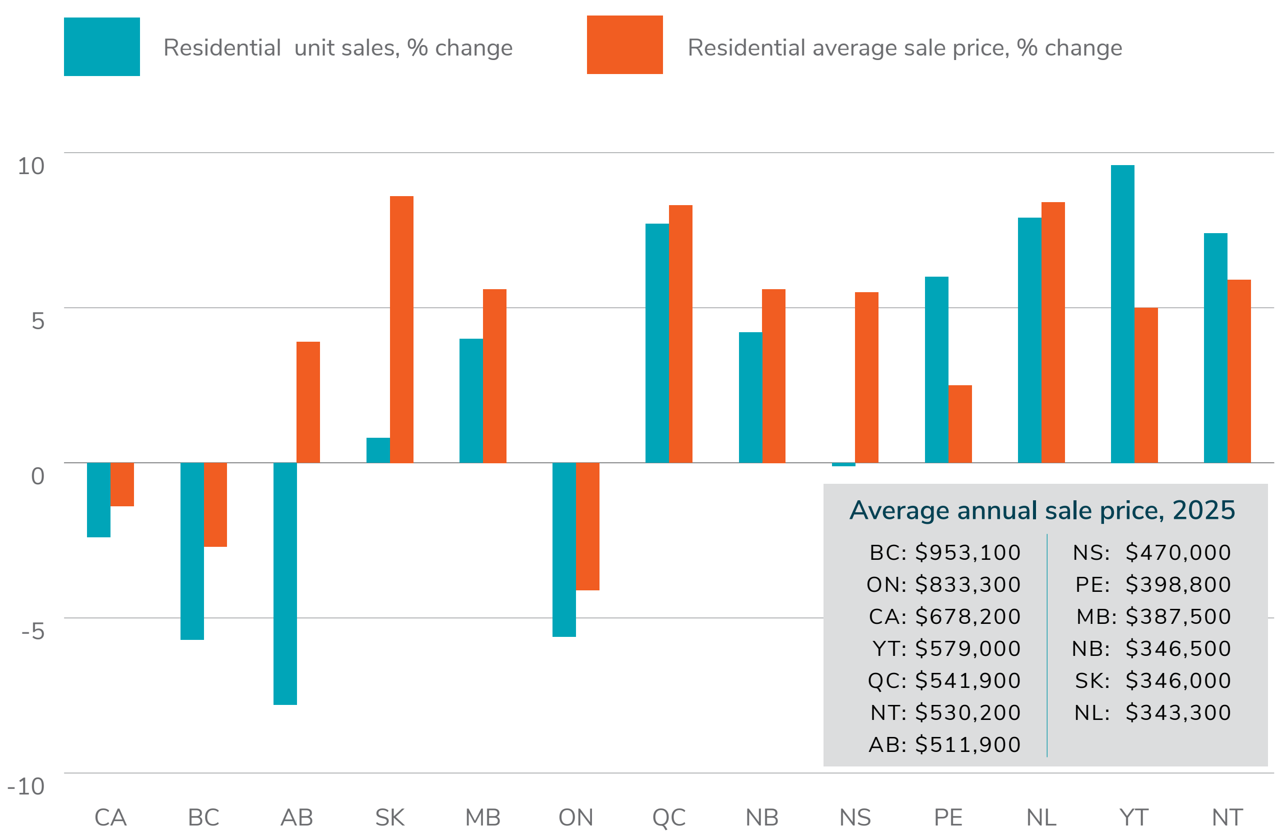
Oil prices spiked in early March following the outbreak of conflict in the Middle East. Iran has closed off a key corridor for transporting oil throughout the region and several refineries have been targeted by missile and drone attacks. The run up in oil prices contributed to a 10 per cent increase in gasoline prices in Whitehorse in early March. This will add to both inflation and retail sales, especially if the conflict is prolonged.

Housing market remains tight

Record sale prices across most housing types and rising rents amid low vacancy rates point to a housing market that remains tight. As shown in Chart 7, the Yukon reported gains in both residential sales and the average sale price, signalling strong housing demand.[6]

Chart 7. The Yukon saw growth in both sales and prices in 2025[7]

Residential sales, residential average sale price, Year-over-year change (per cent)



Source: The Canadian Real Estate Association

6. Data for Nunavut is unavailable.

7. Average sales price is rounded to the nearest $100.

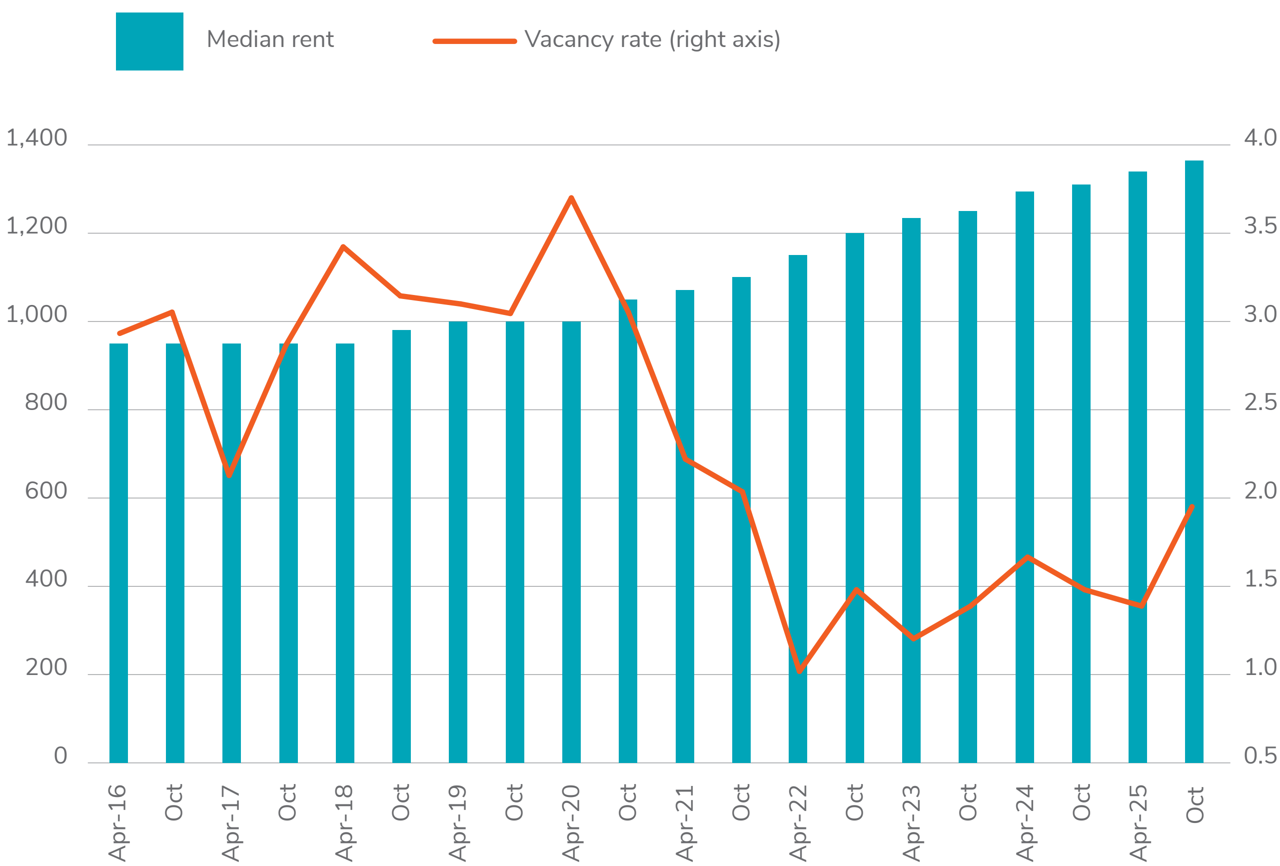
Data for Whitehorse also suggest a tight housing market. The value of residential sales rose 42 per cent to a record $482.8 million in 2025. This growth was driven largely by sales of single-detached homes, which accounted for 46 per cent of total sales value and 40 per cent of all real estate transactions.[8] The average price of a single-detached home reached a record $743,800, up nearly 11 per cent from the previous year.[9]

Lower mortgage rates and expectations of further declines drew buyers into the housing market in 2025. With the Bank of Canada signalling limited further interest rate easing in the near-term, rates are likely to remain above pre-2022 levels.

Rental market conditions remain tight. In October 2025, the vacancy rate was 1.9 per cent, well below the pre-pandemic norm of 3.0 per cent. Median rents for units in buildings with three or more units rose 1.8 per cent to a record $1,364.[10]

Chart 8. Vacancy rates remain low even as rent continues to increase

Whitehorse median rent ($), vacancy rate (per cent), units in buildings with 3+ rental units



Source: Yukon Bureau of Statistics

8. 2025 data for mobile homes is incomplete due to suppression of figures for the first quarter because of poor data quality and/or confidentiality.

9. Yukon Real Estate Report Fourth Quarter, 2025. Yukon Bureau of Statistics. (March 2026).

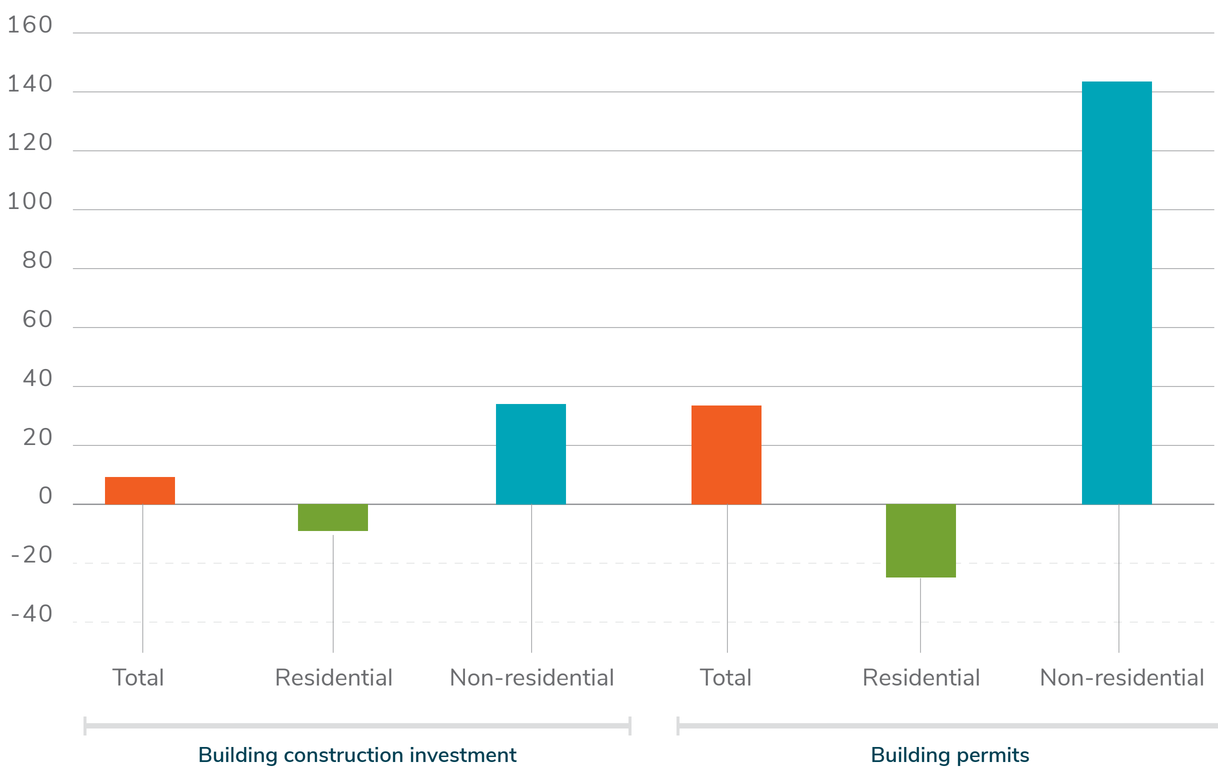
10. Yukon Rent Survey, October 2025. Yukon Bureau of Statistics. (February 2026).

Recent construction gains driven by non-residential activity

Investment in building construction expanded in 2025 as a surge in non-residential building helped to offset lower residential investment (Chart 9). According to building permit data, last year's growth was driven by five major projects worth about $120 million, including office complexes in Dawson and Teslin, groundwork for Yukon University's new Polaris Project, and the installation of prefabricated buildings at the Faro Mine site. These projects helped offset a near 25 per cent decline in residential permits, which largely reflected strong spending in 2024 on three large multi-residential projects.

Chart 9. Non-residential investment drove construction activity in 2025

Year-over-year change (per cent)



Source: Statistics Canada, Yukon Bureau of Statistics

Government investment continues to drive local construction. The Government of Yukon's latest capital plan outlines almost $1.1 billion in spending over the next three fiscal years, with prominent projects including a new school in Burwash Landing, Yukon University's Polaris Project, and investments in community infrastructure, including the new Dawson recreation centre, the Teslin Tlingit Council Community Services Building, and energy upgrades at Whitehorse City Hall.

The City of Whitehorse's 2026–2029 capital program proposes $381 million in spending, with over $41 million approved and another $340 million pending external funding. Over half of all this proposed spending is for engineering services, including $57 million for potential landslide mitigation on Robert Service Way.

Improved outlook for the Yukon's mining sector

Gold and silver prices reached record annual highs in 2025, which saw placer gold production increase to a nearly 30-year high and helped the territory's only currently operating quartz mine turn a profit for the first time.[11] Stronger metal prices also boosted exploration spending, which reached its highest level in over a decade. Gold prices hit an all-time high of US$5,600 per ounce in late January 2026, before falling back to an average of just over US$5,000 per ounce in February. This is over 70 per cent higher than in February 2025. Silver prices have seen an even stronger rally, more than doubling since the start of last year to just over $90 per ounce by the end of February, after peaking at US$122 per ounce in January.

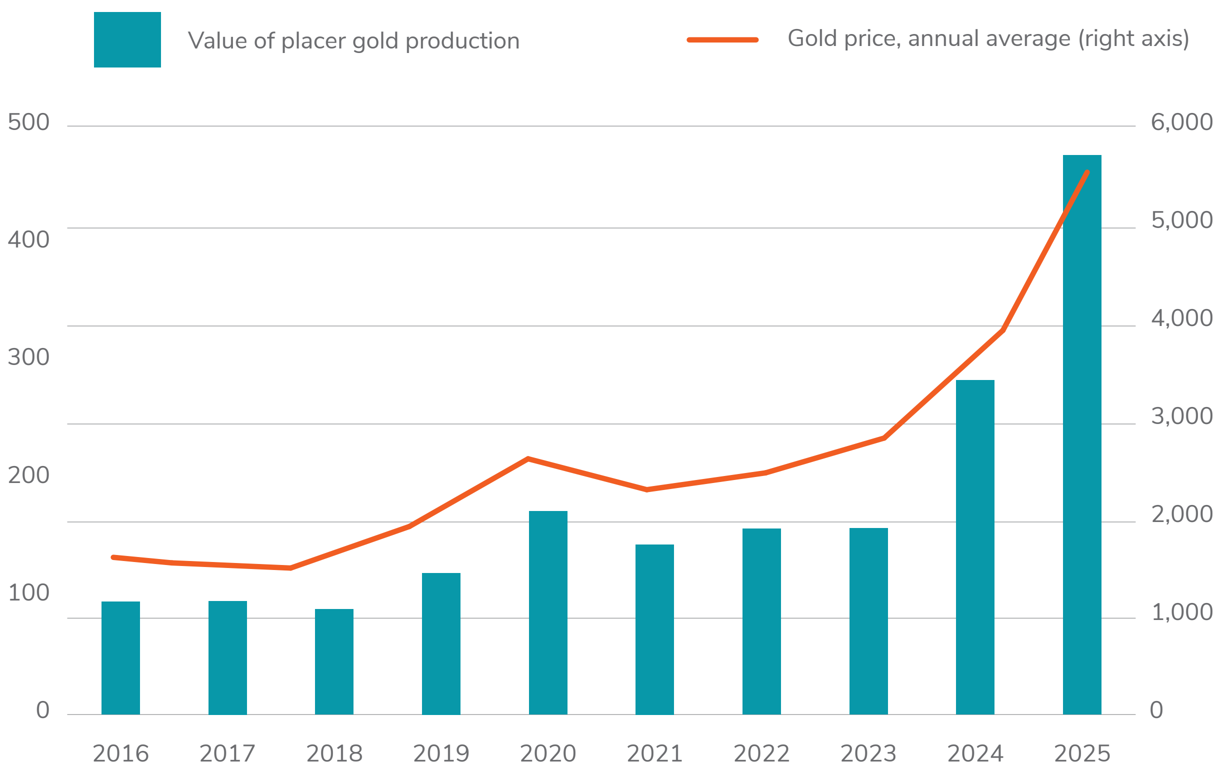
Placer gold producers took advantage of high prices with production of just over 111,500 crude ounces (89,200 fine ounces) in 2025, up 13 per cent from 2024, as operators expanded output amid record gold prices. Stronger prices drove placer gold production value up 67 per cent to a record $475 million in 2025.[12]

11. In the Yukon, quartz mining (often called hardrock mining) refers to the exploration and extraction of minerals locked within bedrock veins, as opposed to loose, surface-level placer deposits.

12. Placer gold production is generally reported on a fiscal year basis, April 1 to March 31.

Chart 10. High prices drove consecutive records for placer production value

Value of placer gold production (C$ millions), gold price, annual average (C$/oz.)



Source: Department of Energy, Mines and Resources

Strong gold prices are also helping to drive interest in the Eagle Gold Mine, shuttered since a catastrophic heap leach failure in June 2024. PricewaterhouseCoopers Inc. was appointed the Receiver for Victoria Gold Corp. in August and is overseeing site reclamation and the ongoing sale process.[13] While several parties have shown interest, the mine is excluded from the current forecast. A restart would offer significant upside, as production had been expected to continue well into the next decade.

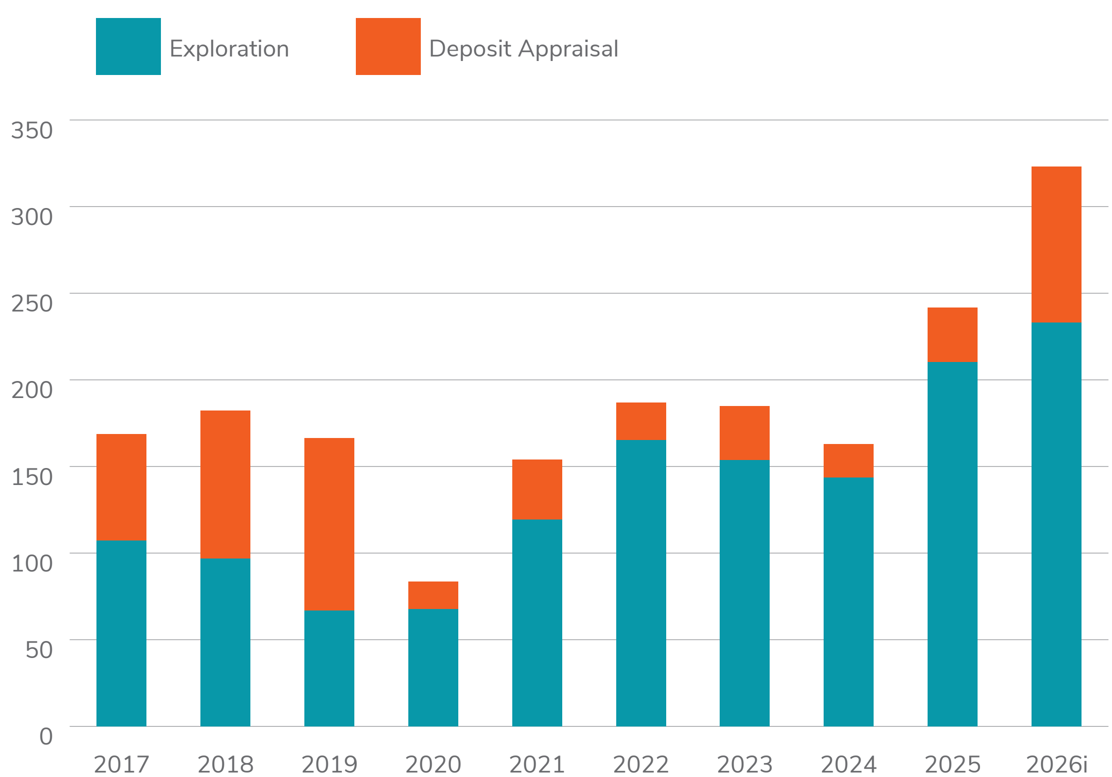
13. Following requests from qualified bidders for additional time, the original timeline for the Eagle Gold Mine sale was revised, with the closing date extended beyond December 31, 2025. Some Phase 2 milestone dates have yet to be finalized. The Seventh Report of the Receiver, released on November 20, 2025, notes that further timeline updates will be posted on the receiver's website.

Higher silver prices are good news for the Keno Hill Mine, where silver is the main product. Strong prices supported profitability and helped production rise almost 9 per cent to over 3 million ounces, and the mine operator, Hecla Mining Company, is expecting a modest increase in production in 2026.[14] The outlook for the Keno Hill mine is positive, as a desire to invest in "growth initiatives at our core silver assets," including the ramp-up of Keno Hill, was cited as a reason for Hecla Mining's recent sale of a producing mine in Quebec.[15]

Higher metal prices have also supported increased exploration activity. Mineral exploration spending is estimated to have risen to over $240 million in 2025, its highest level since 2011. Estimates of spending intentions reported by Natural Resources Canada (NRCAN) suggest that 2026 exploration activity will be even stronger, with total expenditures on exploration and deposit appraisal at over $320 million.[16]

Chart 11. Exploration spending is estimated at its highest level in over a decade

Expenditures ($ millions)



Source: Natural Resources Canada   i = spending intentions

14. News release – Hecla Announces Full Year Production and 2026 Guidance. Hecla Mining Company. (January 26, 2026)

15. News release – Hecla Mining Company Announces Sale of Casa Berardi for up to $593 million. Hecla Mining Company. (January 26, 2026)

16. Latest figures are current as of February 2026 and are reported by NRCAN. These figures are from the federal-provincial/territorial Survey of Mineral Exploration, Deposit Appraisal and Mine Complex Development Expenditures.

Potential positive news for the near-term outlook for mining came with the March announcement that Fuerte Metals had awarded the contract for construction of the Northern Access Route, which will connect its Coffee Gold project to Dawson and the Yukon highway network. This project is noted as the first stage of early infrastructure development in support of making a final construction decision, which the proponent anticipates coming in early 2027 following the release of an updated feasibility study and receipt of final permits for the mine.[17]

Tourism sector looking to build on positive performance in 2025

By October, border crossings in 2025 had already surpassed the annual record of 505,027 set in 2019, and total crossings reached 514,070, up 6.8 per cent from 2024. U.S. visitation, the largest contributor, rose 11.9 per cent to nearly 391,000, though many of these visitors represent day trippers from cruise ships visiting Alaska. International visitors also grew in 2025, up by more than 11 per cent. Canadian residents returning from the U.S. were down in 2025, falling 18 per cent to the lowest level outside pandemic years since 2009.

Chart 12. Border crossings and air arrivals reached new heights in 2025

International land border crossings (thousands), air arrivals at Erik Nielsen Whitehorse International Airport (thousands)

Source: Department of Economic Development, Tourism and Culture; Statistics Canada

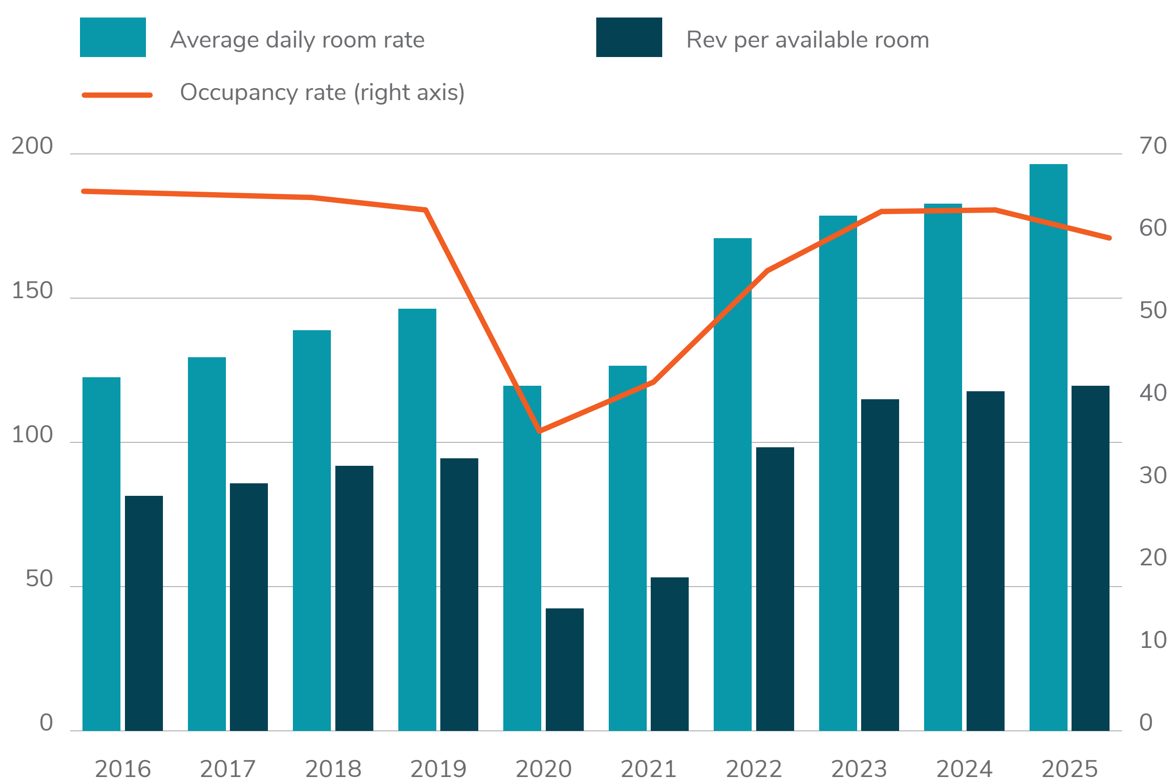
17. News release – Fuerte Metals Awards Contract for the Coffee Gold Project's Northern Access Route Construction. Fuerte Metals. (March 4, 2026).

Air arrivals at Erik Nielsen Whitehorse International Airport also reached record levels in 2025. Total arrivals of 244,300 exceeded the previous year's high, representing growth of 8.2 per cent, and was well above 2019's pre-pandemic level of just over 206,000.

Data suggests 2025 was a positive year for hotel operators. The average hotel daily room rate rose in all but one month, and on average grew 7.4 per cent to $196. Revenue per available room, which measures how effectively hotels fill rooms at a given price, also grew to almost $120.

Chart 13. Key metrics point to a healthy recovery in the hotel industry

Average daily room rate ($), revenue per available room ($), occupancy rate (per cent)



Source: Department of Tourism and Culture, CBRE Hotels

Hotel occupancy fell in 2025, in part reflecting the addition of supply with the August opening of a new hotel in downtown Whitehorse. Occupancy rates for short-term rentals were also down in 2025, driven in part by an increase in supply as the number of available listings were up 7.3 per cent.

An uncertain near-term outlook for the U.S. economy, continued concerns about the cost of living and heightened Canada–U.S. tensions are factors that could temper U.S. visitor numbers, but overall growth is still anticipated over the medium term. Growth in overseas visitation is expected to continue over the next five years as international tourists substitute the U.S. for Canada. Signal49 Research, formally the Conference Board of Canada, projects steady growth for Yukon tourism, with overnight visitation and associated spending expected to rise in every year to the end of the decade.

Appendix: Key economic indicators

	2024	2025	2026f	2027f	2028f	2029f
Real GDP (2017 $ millions)	3,300	3,321 (e)	3,361	3,449	3,492	3,515
Per cent change	-2.5	0.6	1.2	2.6	1.3	0.7
Nominal GDP ($ millions)	4,349	4,526 (e)	4,723	4,931	5,085	5,214
Per cent change	4.0	4.1	4.4	4.4	3.1	2.5
Metal production ($ millions)	640	610	710	760	790	820
Labour market						
Labour force	27,700	28,300	28,600	28,800	29,100	29,300
Employment	26,500	27,100	27,300	27,600	27,600	27,800
Unemployment rate (per cent)	4.3	4.2	4.5	4.4	5.0	5.4
Participation rate (per cent)	76.3	76.1	75.9	75.3	74.5	73.9
Household income ($ millions)	2,926	3,167	3,331	3,511	3,623	3,719
Per cent change	6.4	8.2	5.2	5.4	3.2	2.7
Consumers						
Consumer price inflation (per cent)^	2.0	3.2	3.0	2.0	2.0	2.0
Retail sales ($ millions)*	1,178	1,191	1,220	1,270	1,310	1,340
Population						
Population*	46,967	47,505	48,200	49,000	49,800	50,500
Per cent change	3.6	1.1	1.4	1.8	1.6	1.5
Key assumptions						
Gold (USD/t oz)	2,387	3,431	4,265	4,025	4,000	4,000
Silver (USD/t oz)	28.25	39.53	53.00	50.00	50.00	50.00
Copper (USD/lb.)	4.15	4.49	5.00	4.90	4.90	4.90
Zinc (USD/lb.)	1.26	1.30	1.35	1.35	1.35	1.35
Lead (USD/lb.)	0.94	0.89	0.90	0.95	0.95	0.95
CAD/USD exchange rate	0.73	0.72	0.74	0.76	0.76	0.76

e = estimate

f = forecast

^ = CPI available only for Whitehorse, annual average

* = Forecasts rounded. Annual per cent change based on unrounded figures.

Source: Statistics Canada, Bank of Canada, Yukon Bureau of Statistics (YBS)

Population projections are produced by YBS.

Metal prices forecasts are informed by various public forecasts, including Canada's major banks, the World Bank and the International Monetary Fund. All other forecasts are produced by the Department of Finance's Economic Research Branch based on data available as of February 27, 2026.