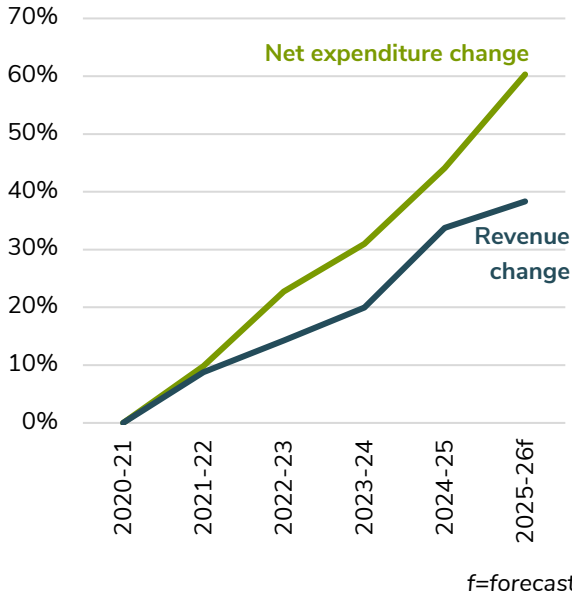


Fiscal picture

Government of Yukon,
2020–21 to 2025–26

Net expenditures vs. revenue



There is a growing gap between Government of Yukon revenues and expenditures.

Between fiscal years 2020–21 and 2025–26:

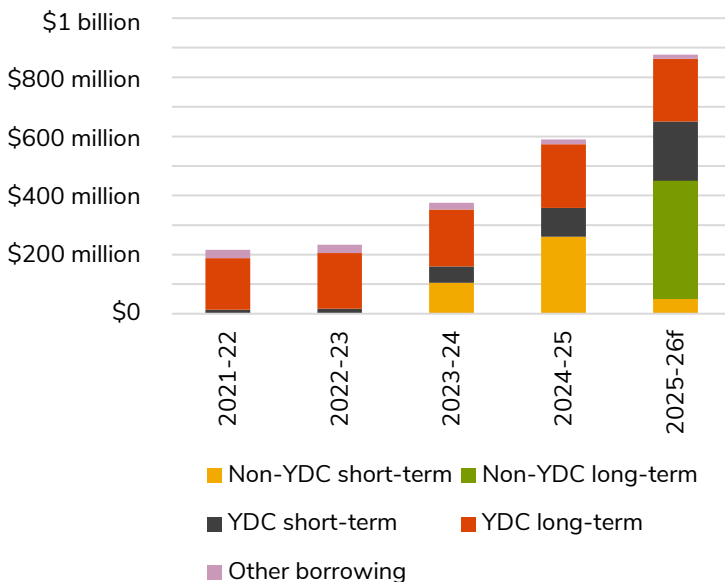
Revenue was lower than net expenditures by 9% (average)	Net expenditures increased by 60%	But revenue only increased by 38%
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By comparison, the consumer price index (CPI) and population grew **34%**

This has led to a challenging fiscal situation where the Government of Yukon has relied on borrowing more than in the past.

Government borrowing

Components of Government of Yukon consolidated debt under the borrowing limit



YDC = Yukon Development Corporation f=forecast

The Government of Yukon is currently approaching its \$1.2 billion borrowing limit, with approximately \$300 million left in additional borrowing capacity. The limit encompasses borrowing for the government and its corporations.

Therefore, the Government of Yukon needs to focus investments on critical priorities and, in time, balance spending.

Surpluses, deficits and borrowing

For the past few years, the Government of Yukon has consistently recorded surpluses in our budgets. These surpluses measure revenues and expenses when they are earned and incurred, even if they are not paid or collected within that fiscal year, as well as the value of capital assets and the cost of future liabilities.

However, consolidated debt has been rising since 2022. The government may borrow if the cost of services exceeds the amount of cash on hand and to build long-term assets that increase in net worth over time. Past borrowing also adds to the amount of debt. This is how a government can record an annual surplus and debt at the same time. The key is managing pressures within the debt limit.