

Yukon Legislative Assembly

Box 2703, Whitehorse, Yukon Y1A 2C6

February 27, 2019

The Honourable Bill Morneau
Minister of Finance
Government of Canada
House of Commons
Ottawa, ON K1A 0A6

Dear Minister Morneau,

I am writing today to make you aware of the Alaska Highway Shakwak Project, a critical piece of infrastructure connecting Canada and the United States, and to ask that you include long-term infrastructure funding in Budget 2019 to allow for the maintenance and reconstruction of this corridor.

The Shakwak Agreement has been in place since 1977, for the reconstruction and maintenance of the Shakwak portion of the Alaska Highway from Haines Junction, Yukon to the Alaska Border and extending down the Haines Road. As per the agreement, the U.S. agreed to pay the cost of reconstruction, while Canada would manage the reconstruction, provide land and granular resources, and provide maintenance. Unfortunately, the previous U.S. administration stopped including funding for this project in late 2012. This means that the funding available for reconstruction of this corridor is now exhausted.

In 2017, Yukon's Official Opposition wrote to your colleague Minister Freeland to ask that she work with the U.S. to have funding reinstated for the reconstruction of this corridor but it appears that these efforts were unsuccessful.

However, there are still major capital improvements required for this part of the Alaska Highway and the lack of secured funding for reconstruction places the future of the Shakwak corridor, Yukon's largest trade route, in jeopardy. This will have negative effects on remote Yukon communities and the Yukoners that live there.

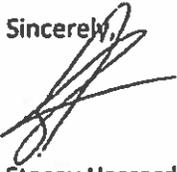
The Shakwak portion of the Alaska Highway is an integral transportation link to the North and a key component to Yukon's economic infrastructure. Additionally the highway serves as a supply route for oil and gas development in Alaska as well as a strategic asset to security and sovereignty in Canada and the

U.S. An improved highway system through the commitment of funds to this project would provide safer travel to the thousands of vehicles that travel the highway daily during the summer months.

By committing long-term infrastructure funding to this trade corridor the Government of Canada will be supporting northern communities by ensuring they have continued reliable and safe road access. Further, such an investment would provide much needed economic benefits to the Yukon while allowing the Government of Yukon to conduct long-term planning on to ensure this road is in acceptable condition.

Thank you for your consideration, and I am hopeful to see this important investment in Budget 2019.

Sincerely,



**Stacey Hassard
Leader of the Official Opposition
Yukon Legislative Assembly**