



Minister's Office
PO Box 2703 Whitehorse, YT Y1A 2C6

January 20, 2025

Annette King
Yukon Child and Youth Advocate
2070 - 2nd Ave
Whitehorse, YT YTA 1B1

Dear Annette King,

Re: Budgetary Process of Legislative Assembly Officers

Thank you for your letter of January 13th, 2025.

As I indicated in my December 27, 2024, letter to Speaker Harper, following his communication on behalf of Members' Services Board (MSB), I disagree with the assertion that MSB has the final say in respect of amounts to be included in the estimates in respect of the Ombudsman's Office, as well as the other independent offices responsible to the Yukon Legislative Assembly.

To quote from my letter to Speaker Harper, which I have enclosed for your reference:

"As you know, every appropriation of any part of the public revenue must be recommended to the Legislative Assembly by message of the Commissioner, in the session in which the vote, resolution, address or bill is proposed."

"By the operation of s. 4(2) of the *Financial Administration Act*, an act of the Yukon Legislature that has been made a paramount Act, it is Management Board that has been authorized to direct the form of the estimates of revenue and expenditure for the government for each financial year."

While the *Elections Act*, *Ombudsman Act*, *Child and the Youth Advocate Act* authorize the Members' Services Board to consider budgetary requests of the Independent Offices, and they authorize a process for reviewing and eventually submitting those requests to my attention as Minister of Finance, they do not ultimately effect the authority of Management Board to determine the amounts that the Government of Yukon will place before the Legislative Assembly as its main estimates."

This summary aligns with a legal opinion originally provided to the Yukon Legislative Assembly in 2008 when the Yukon Party was in government.

According to the *Financial Administration Act*, it is entirely appropriate and within the scope of the Management Board Secretariat to review estimates submitted by all departments, agencies, corporations, offices, or any other entity which is funded via the territorial government's budget. This has been the case and the approach for the entirety of my time as Minister of Finance, and given the legal opinion presented to the Legislative Assembly by the former Yukon Party government, I understand that this was the case for the 14 years prior.

At this time, the Yukon Government is still undertaking the budget-building process for 2025/2026. Management Board – of which I am Chair, but still only one member – has not yet fully examined, let alone authorized any items for the budget. It is therefore inappropriate to provide a commitment to any department or office receiving funds from the upcoming 2025-2026 budget.

To be clear, during the budget process, each government department or office submits its budget requests for the upcoming fiscal year to the Department of Finance's Management Board Secretariat. As part of this process, all departmental budget requests are thoroughly reviewed by officials to ensure they align with broader government priorities and fiscal parameters. Discussions and review with departments and offices form the basis of recommendations by Management Board Secretariat, which are sent to Management Board, a cabinet committee chaired by the Minister of Finance.

Once Management Board has finalized the budget, it will proceed to the next stages, including drafting, approval, and preparation for introduction to the Yukon Legislative Assembly as the Main Estimates Bill. At that point, the proposed budget becomes public and subject to scrutiny and debate by Members of the Legislative Assembly (MLAs). I trust that all MLAs are eager to passionately debate this budget once the Spring Session has begun, and to review it to ensure fiscal prudence on behalf of all Yukoners. As the process is ongoing, no final decisions have yet been made.

We will continue to prepare budgets utilizing this process, in order to maintain proper stewardship of Yukoners' finances as was the precedent set since before we formed government.

It is clear to the Government of Yukon that the *Financial Administration Act* is the paramount Act. I would also note that this approach ensures that the risk of a Members Services Board - with a majority composition of opposition MLAs - is not able to recommend to the Management Board a budget of nil to these relevant offices, without any changes prior to tabling.

As I communicated to Speaker Harper last month, the plan is for this government's budget to focus on providing health care that meets the needs of Yukoners, protecting our environment and ensuring we are able to respond to wildfires and floods. Any budgets submitted to the Management Board Secretariat, and by extension cabinet, are being examined in that light, for the benefit of Yukoners.

I assure you that I will continue the important work to finalize a fiscally responsible budget that delivers programs and services to support Yukoners. I also look forward to tabling the 2025-26 Budget in the Yukon Legislative Assembly this spring.

Sincerely,



Honourable Sandy Silver
Minister of Finance

CC: Jason Pedlar, Ombudsman, Information and Privacy Commissioner and Public Interest
Disclosure Commissioner
Maxwell Harvey, Chief Electoral Officer
Ranj Pillai, Premier, Yukon Government
Jeremy Harper, Speaker, Yukon Legislative Assembly

Encl: December 27, 2024, letter from Minister Silver to Speaker Harper