

Maintaining the Shakwak Agreement

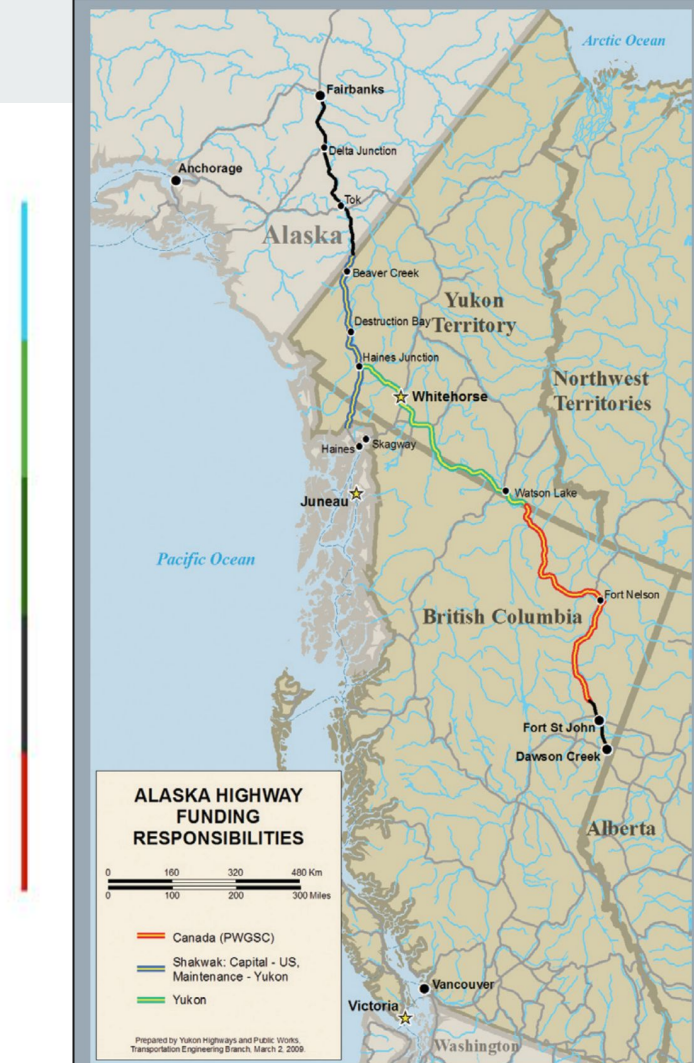
Canada and the United States



Shakwak Highway funding

The Shakwak Highway links the Alaska panhandle to the Alaska interior and is also part of the Alaska Highway System which is the only land link to Alaska from the lower 48 states.

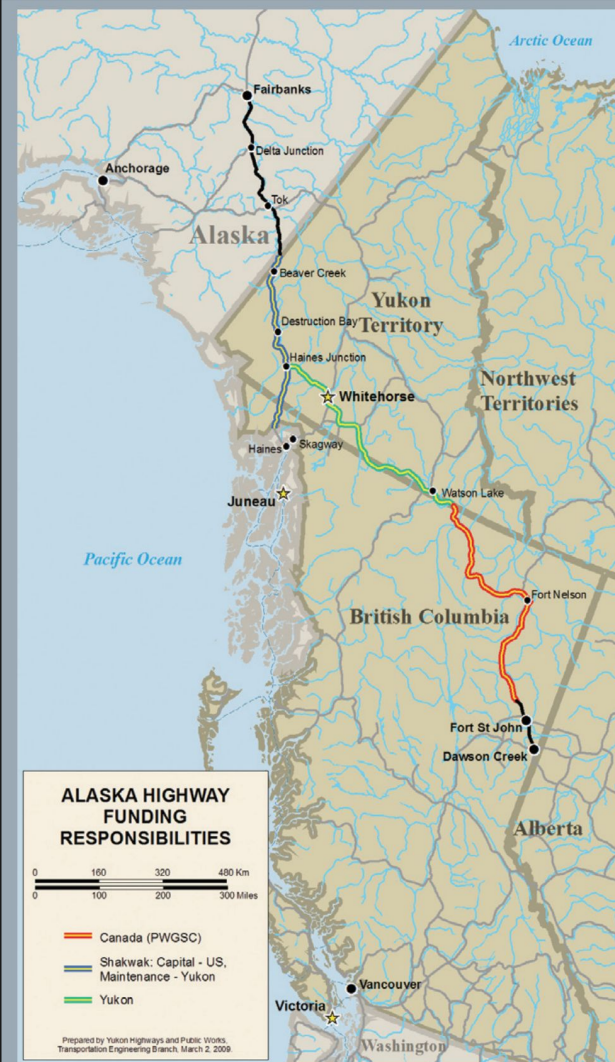
The Shakwak Highway is located predominantly in Canada.



Issue

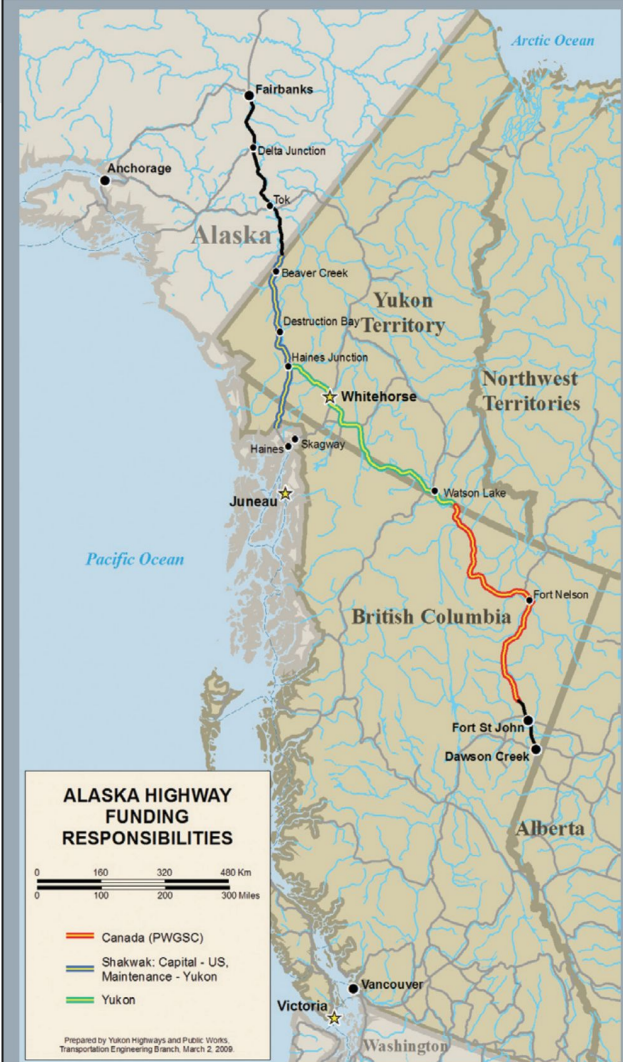
Since 1977, road improvements on the Shakwak segment of the Alaska Highway have been funded through the United States - Canada Shakwak agreement.

The funds provided through this agreement will be exhausted this year and the United States have not provided for any future long-term funding.



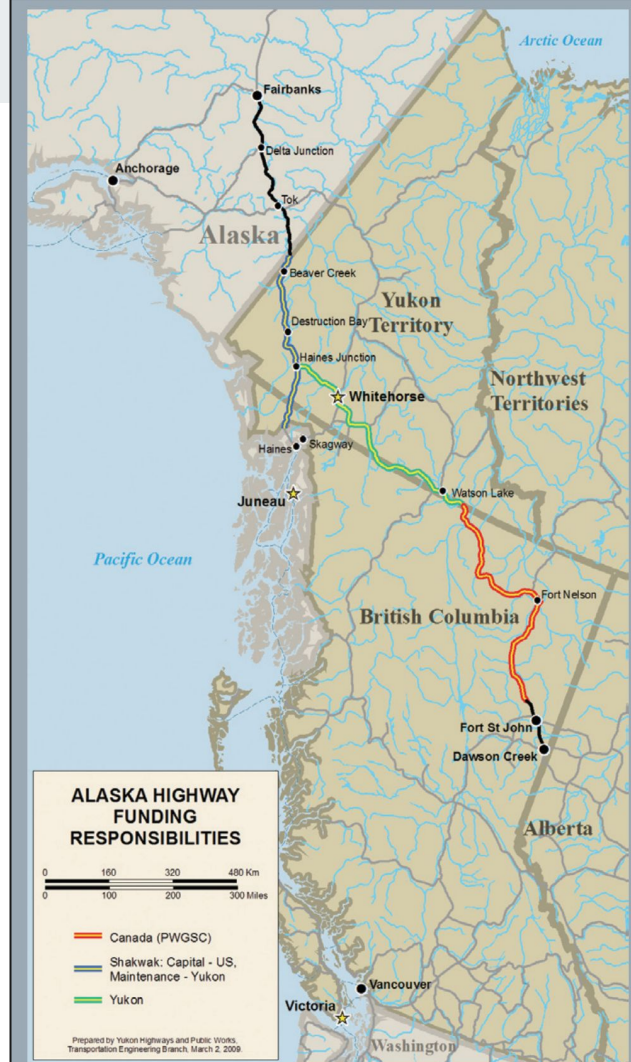
Current Situation

- Current funding lasts until 2020
- U.S. Department Of Transport, 2018.
 - 136,163 land border crossing from Yukon to Alaska (Beaver Creek)
 - 42,295 land border crossing from Yukon to Alaska. From Haines, AK, up 7.7%, 2017.
 - Up to 85% of annual traffic along route is American.



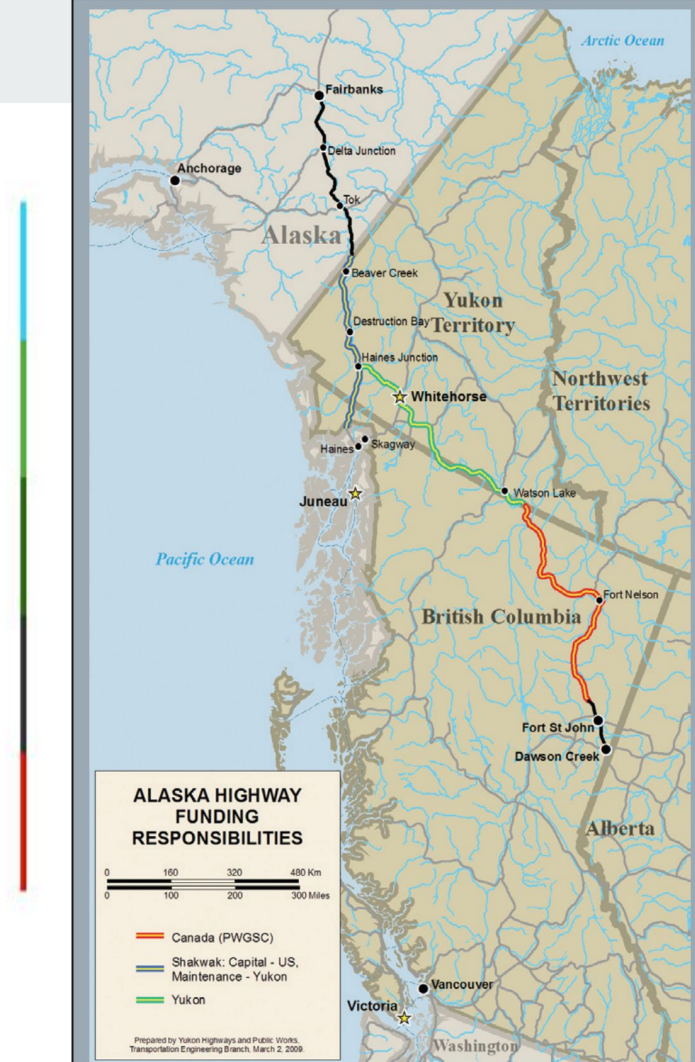
Background - Transport

- These highways in Yukon are secure, established trade routes.
- Haines, AK is an essential shipping port, with 574 container vans report in 2014.
- Ferry access is limited so majority of goods are transported to Alaska by road.



Background - Agreement

- Cost sharing agreement in place for 36 years between Canada and the U.S.
- Goal is to upgrade the 520km stretch of road to modern, all-weather two-lane hwy.



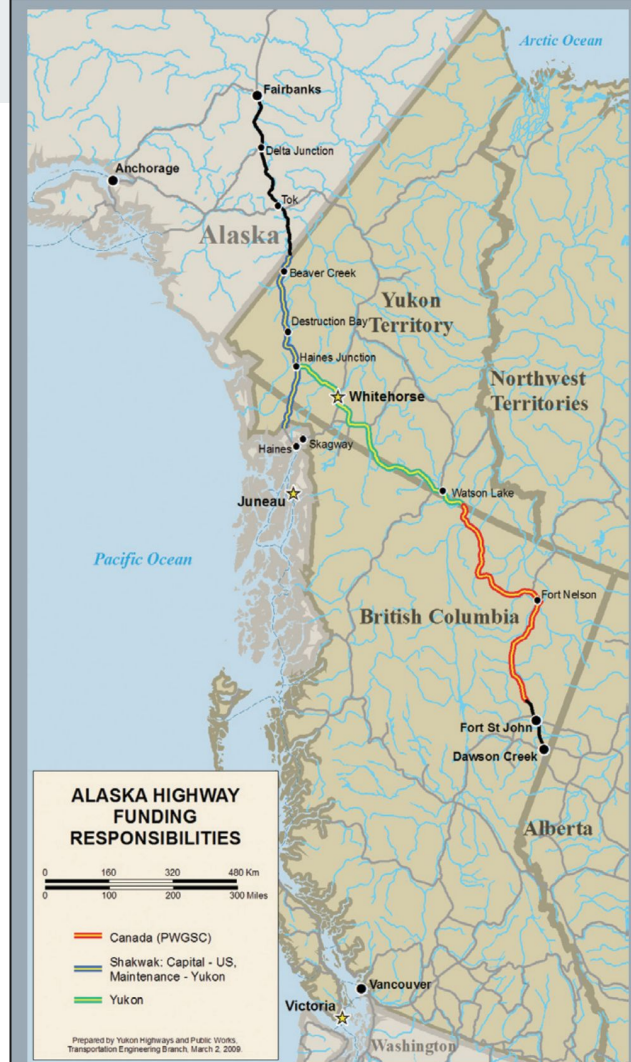
Background - Contributions

- U.S. provided \$447M usd 1978-2011
- Canada provided \$1.2B usd 1987-2011
- Estimated costs to complete project
 - \$250-\$350M usd
- Outstanding work:
 - Paving remainder of hwy. and stabilizing permafrost degradation



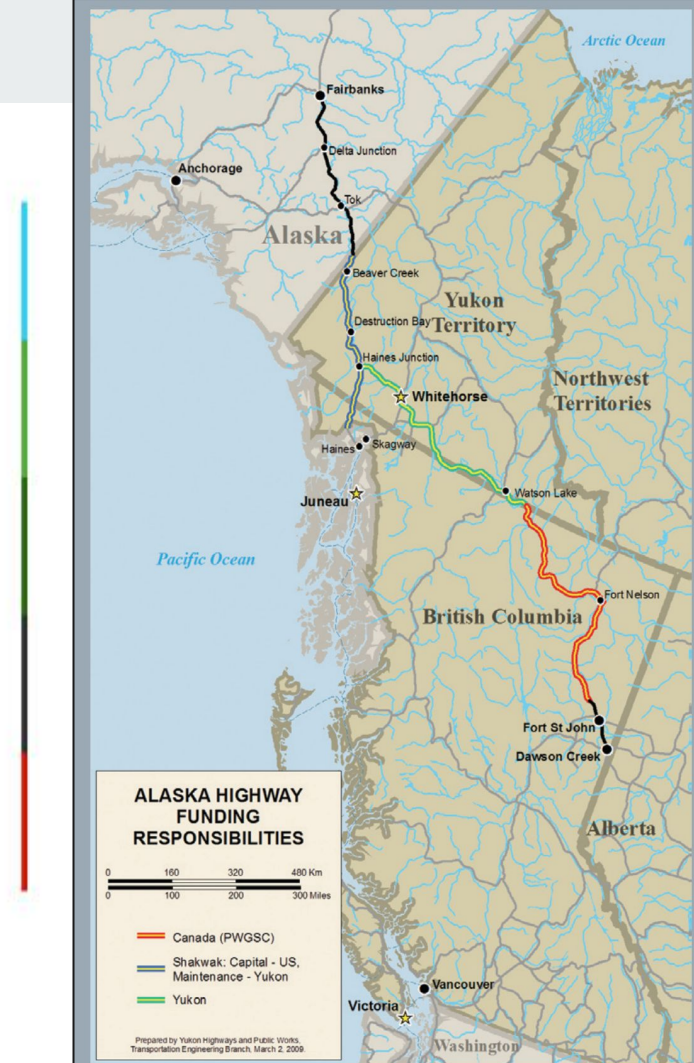
Background - Work being done

- October, 2018 Yukon's Premier met with the Alaskan Congressional Delegation of the United States Highway Administration to request \$25M usd as a temporary measure.
- Without these contributions, it's unlikely upgrade work will continue.



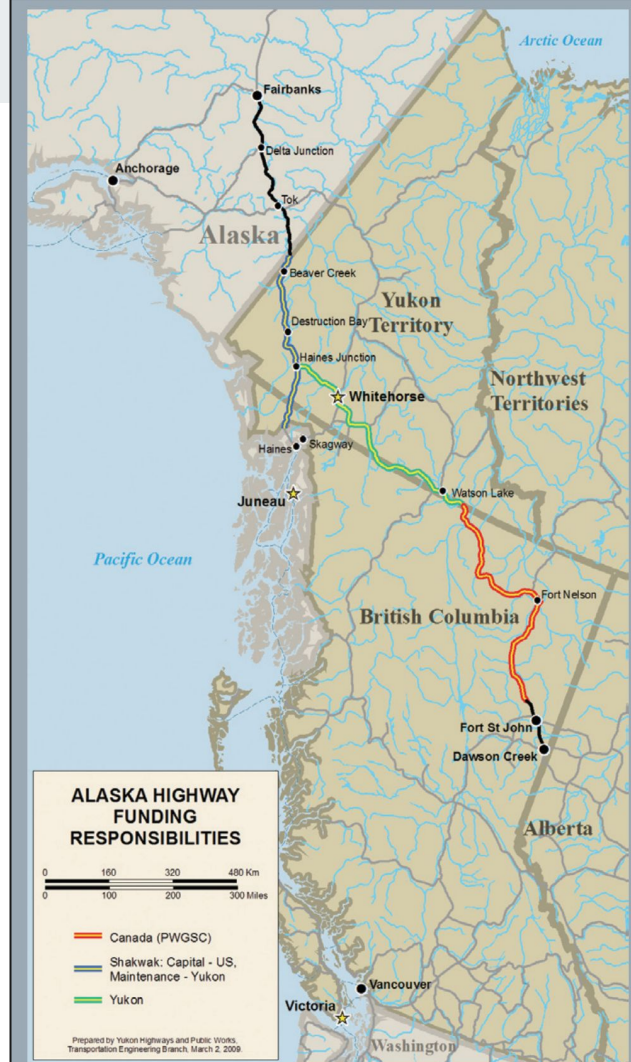
Potential Impacts

- Dramatic impacts to the supply and export of goods.
- A decrease in tourism.
- The movement of U.S. military equipment and personnel.
- The movement of Alaskan government employees between the capital city of Juneau, AK and other major Alaskan centres.



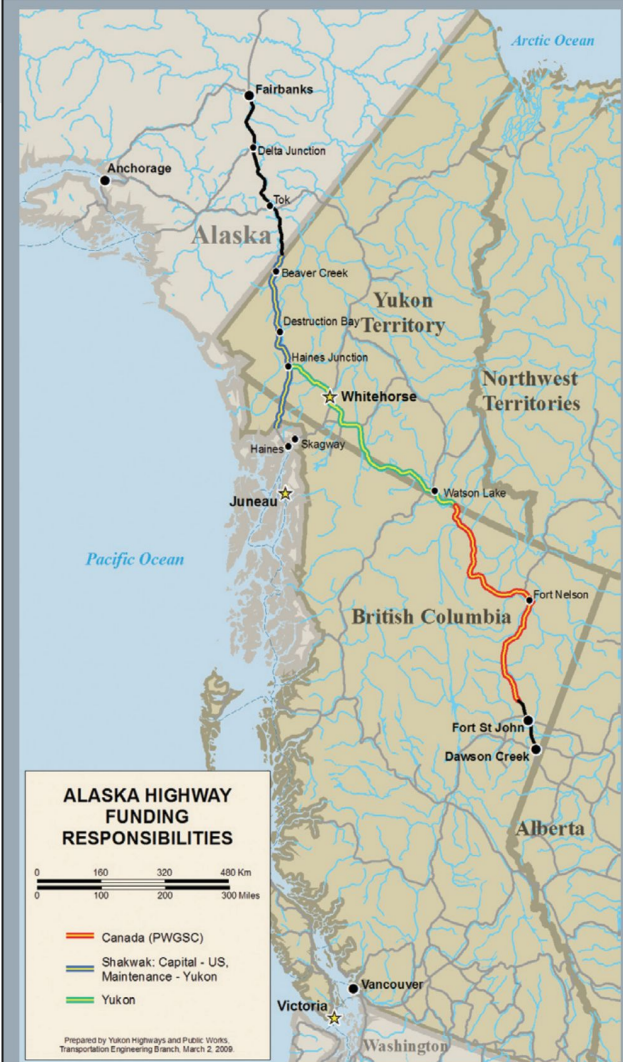
Potential Impacts

- Ability to travel safely and economically between Alaska and the lower 48 states.
- The government of Yukon will evaluate the highway surfacing needs based on Yukon traffic needs to the remote Yukon communities.
- The government of Yukon will maintain safe roads and road conditions.



Next Steps

- Yukon will continue to work with Alaskan state congressional members to advocate for Shakwak funding in future U.S. highway legislation.
- Yukon will access Canadian federal funding, where available, to help offset costs.



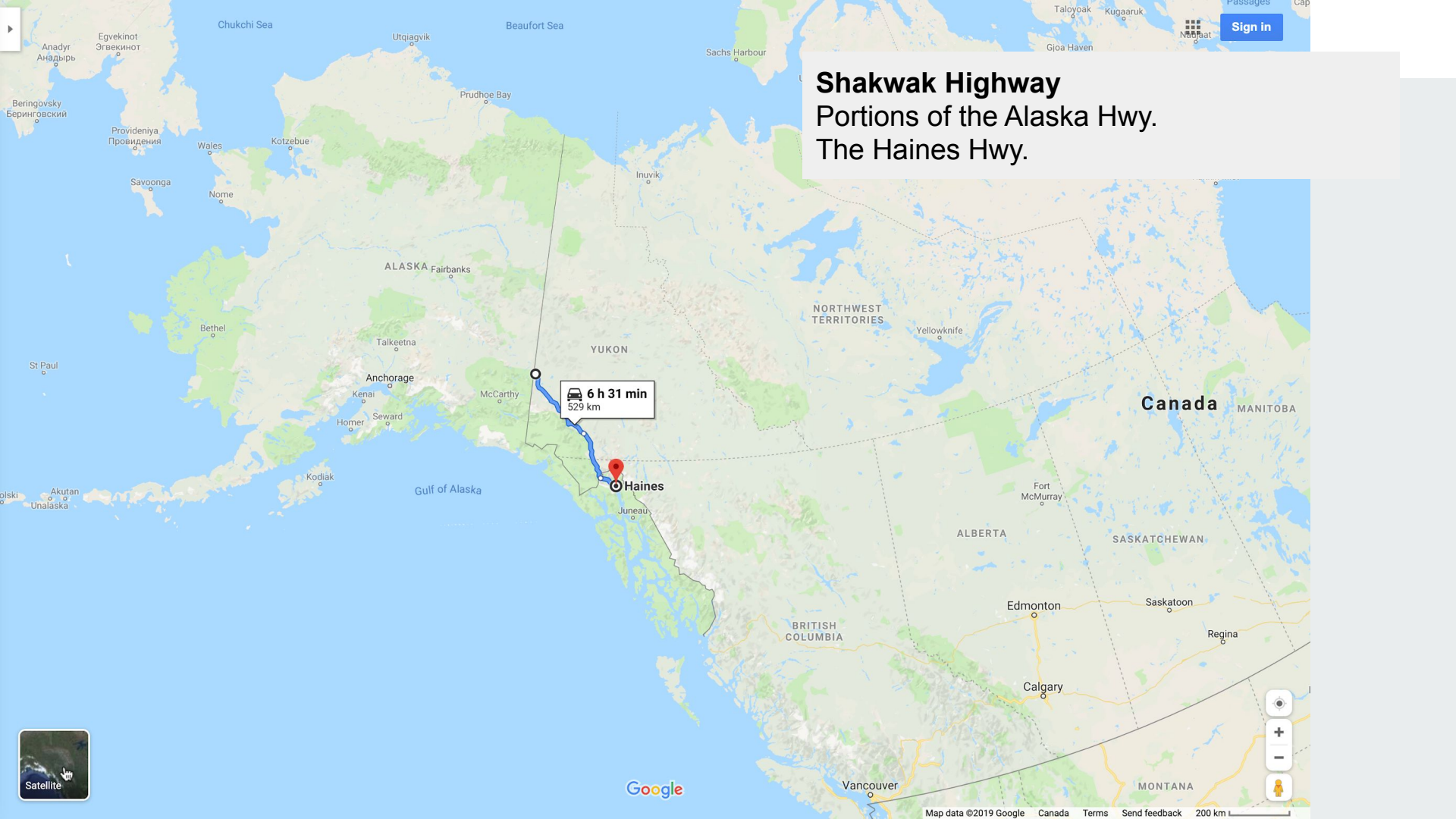



Thank you



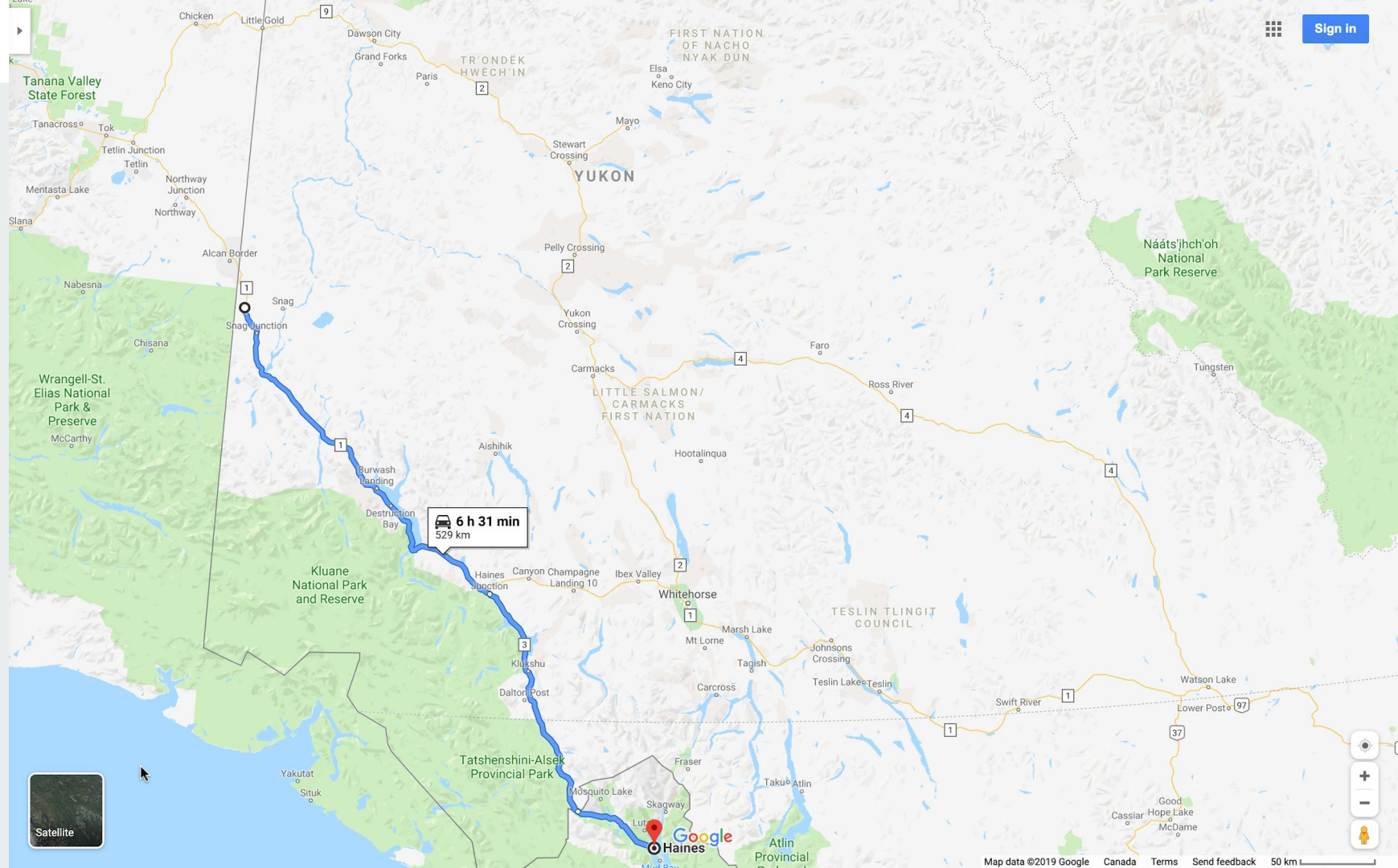
Shakwak Highway

Portions of the Alaska Hwy.
The Haines Hwy.



 6 h 31 min
529 km





Satellite