

# City of Yellowknife

## Economic Development Strategy, 2020-2024

**PREPARED FOR**

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# 1. Introduction

## 1.1. Background

Situated on the northern shore of Great Slave Lake, Yellowknife is the capital of the Northwest Territories (NWT). The city is located in the traditional territory of the Yellowknives Dene First Nation. It is a dynamic, inclusive community that combines modern amenities with a small-town feel and serves as the NWT's primary hub for economic activity.

With a population of 20,607 (2017), Yellowknife is the largest community in the NWT and makes up 46% of the territorial population. In recent years, it has benefited from a healthy economy: as of December 2019, Yellowknife posted a three-month rolling seasonally adjusted unemployment rate of 3.9% – markedly lower than the national rate of 5.6% and the rate of 13.8% for the remainder of the NWT. The city is home to a high proportion of well-educated families who earn some of Canada's highest average household incomes (the average family income in 2015 was \$160,394). Household expenditures are nearly 50% higher than the national household average.

## 1.2. Project Objectives

This project involves the development of a five-year Economic Development Strategy (2020 to 2024) for the City of Yellowknife. The purpose of the strategy is to strengthen the economic base of the City and contribute to sustainable prosperity for residents and businesses. The decision to prepare an economic development strategy reflected two key considerations: the need to update the City's previous economic development strategy, which covered the period of 2014 to 2019; and increasing concerns about the medium- and longer-term economic outlook for Yellowknife.

The Strategy will detail:

- Goals for economic development;
- Specific strategies through which those goals will be realized;
- Performance measurements for assessing the progress made;
- An implementation plan which prioritizes the actions that will be taken in the short-term and long-term to implement the strategy. The strategy will define, for each action, the anticipated cost, the funding source and the lead or 'champion.'

Implementation of the strategy will help to create an environment that is conducive to attracting and retaining investment that will create employment, diversify the City's tax base and generate wealth throughout the City.

## 1.3. Work Completed to Date

In preparing the economic development strategy, we are working closely with the Mayor's Task Force on Economic Development which was established to provide input into the development of the City of Yellowknife's 2020-2024 Economic Development Strategy (the "Strategy") and ongoing advice in the implementation of the Strategy. We met with the Task Force four times:



- Once to discuss their expectations for the strategy and review the methodology through which it would be developed;
- A second time to discuss key opportunities and issues on which the strategy should focus as well as priority actions that the City should take to pursue these opportunities and address these issues; and
- A third time to review the draft strategy, including the goals for economic development and specific strategies through which those goals will be realized. Based on the results, we then refined the goals and strategies and then developed a performance measurement strategy for assessing the progress made as well as an implementation plan which prioritizes the actions to be taken in the short-term and long-term.
- A final time to review the implementation plan

In preparing the draft strategy, we have conducted:

- A review of research reports, plans, strategies, profiles, reports and other documents relevant to the City of Yellowknife and more generally the NWT. A list of some of the documents reviewed is provided in Appendix I.
- 35 interviews with a cross-section of 38 key informants who can comment on existing economic conditions, opportunities for development, major challenges, and potential actions that could be taken to promote further development. The key informants included 8 government representatives from the City of Yellowknife, the Government of the Northwest Territories (GNWT) and the Federal Government; 5 representatives from economic development organizations and chambers; 4 representatives of Indigenous organizations; and 21 representatives from industry. A breakdown of the number of key informants by sector is provided in the following table.

### Key Informants Interviewed by Sector

Summary of Key Informants Interviewed by Sector	Key Informants	
	#	%
<b>Number of Key Informants Interviewed</b>	<b>38</b>	<b>100%</b>
<b>Number by Sector (key informants may be involved in multiple sectors)</b>		
Mineral and mining industry	13	34%
Government	8	21%
Construction	6	16%
Tourism	5	13%
Economic development agency	5	13%
Indigenous development corporation/business	4	11%
Consulting	3	8%
Education	3	8%
Aviation, transportation, and logistics	3	8%
Real estate	2	5%
Film and television industry	2	5%
Retail	2	5%
Agriculture and fisheries	1	3%

The key informants who were interviewed are listed in Appendix II. The results have been incorporated into the main report and a review of key economic sectors and opportunities is provided in Appendix IV. A high-level summary of key findings is provided in Appendix V.

- A survey of 195 businesses licensed in the City of Yellowknife. Most surveys were completed online, although a few were completed by telephone. After adjusting for duplicates (the same contact email for multiple licenses), invalid emails (e.g. bounce-backs) and emails that were never opened, we estimate that 736 business operators received email invitations and reminders, of whom 26% completed the survey. Taken together, these businesses employ almost 4,500 people. Some other major employers participated in the key informant interviews but not the survey. Of the businesses surveyed, 165 are small employers (defined as those employing 20 or fewer employees in the NWT), 20 are medium-sized (those who employ 20 to 80 employees), and 10 are large employers (employ more than 80 employees in the NWT). The results of the survey with businesses are summarized in Appendix V.

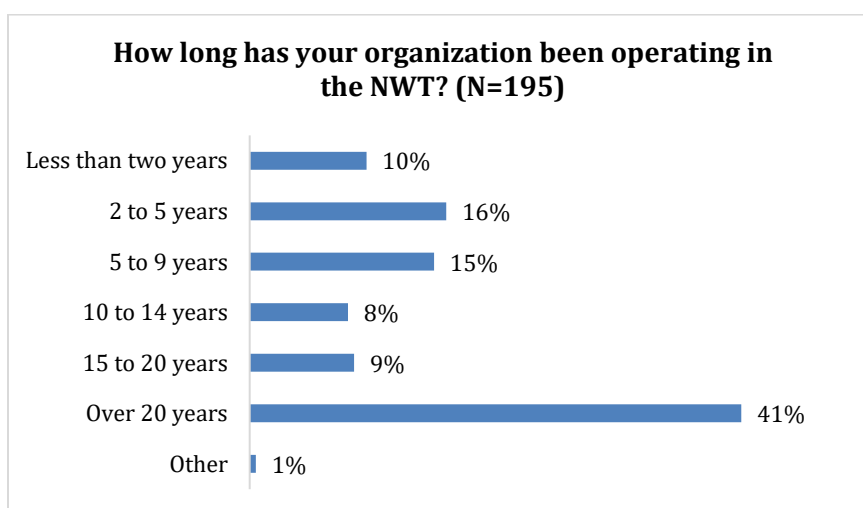
**Number of Businesses Surveyed by Size of Firm**  
(Number of Employees in the NWT)

Firm Size	Businesses	%	Employees	%
<b>Small</b> (20 or less employees)	165	85%	791	18%
<b>Med</b> (20-80 employees)	20	10%	846	19%
<b>Large</b> (80+ employees)	10	5%	2,805	63%
<b>Total</b>	<b>195</b>	<b>100%</b>	<b>4,442</b>	<b>100%</b>

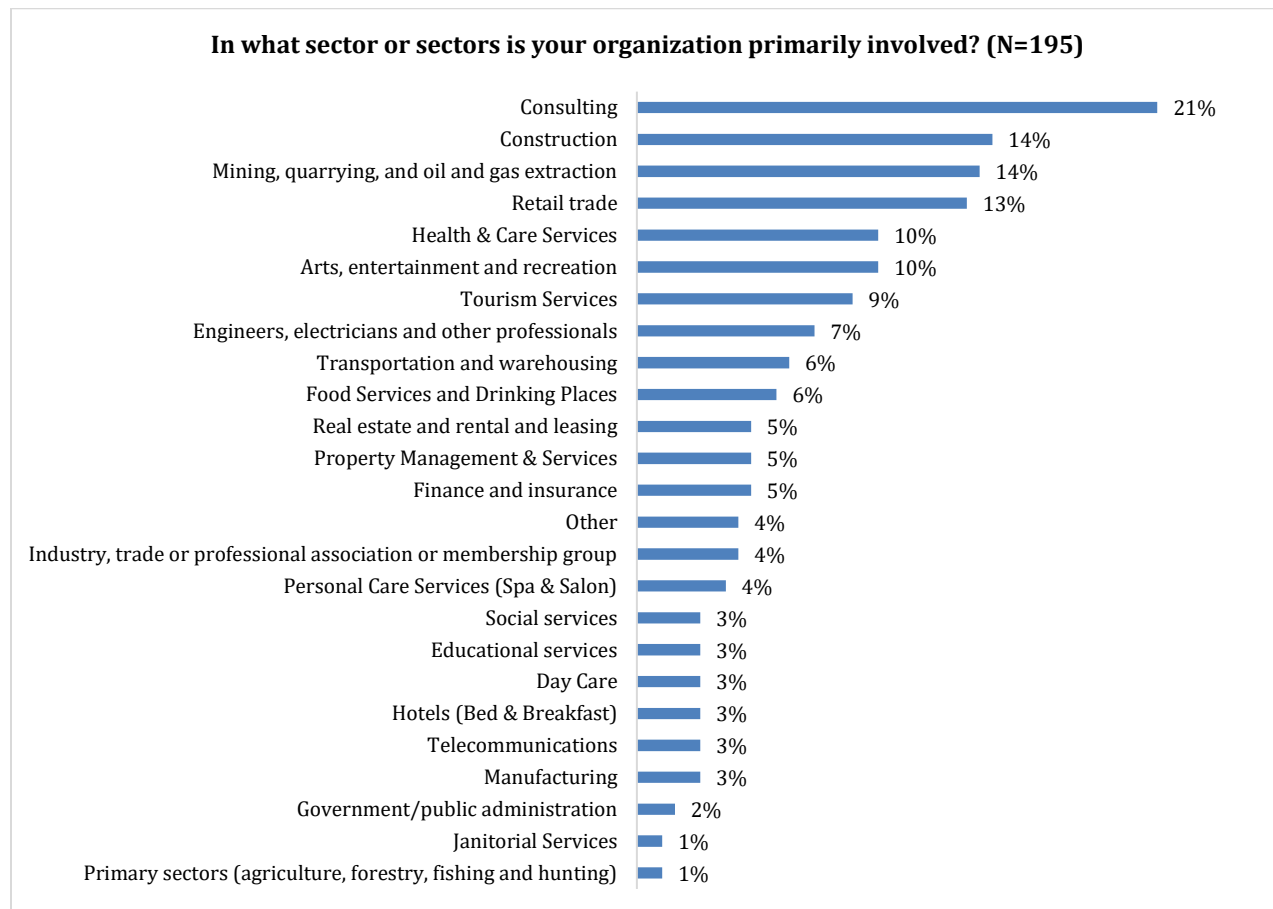
The small firms employ an average of 5 employees, medium-size firms an average of 42 employees, and large firms an average of 281 employees in the NWT. Amongst those employers who were able to provide a breakdown:

- 92% of the employees working with the small firms (20 or fewer employees) reside in Yellowknife, 93% physically work in Yellowknife, and 13% are Indigenous.
- 58% of the employees working with the medium-sized firms reside in Yellowknife, 55% physically work in Yellowknife, and 9% are Indigenous.
- 51% of the employees working with larger firms (over 80 employees) reside in Yellowknife, 24% physically work in Yellowknife, and 13% are Indigenous.

The businesses are well-established, with one-half of those responding having been in operation for 15 or more years.



The 195 businesses were drawn from a wide range of sectors (businesses could identify involvement in more than one sector). These sectors that were most commonly identified included consulting (21%); the mining, quarrying, and oil and gas extraction sector (14%); construction (14%); retail (13%); healthcare services (10%); arts, entertainment and recreation (10%) and tourism (9%).



## 1.4. Structure of the Document

Chapter 2 provides an overview of current economic conditions, discusses the economic outlook for Yellowknife, and then highlights the need for action to promote economic development. Chapter 3 first outlines the vision, mission and goals that have been established by City Council, defines a series of key principles on which the strategy is based, and then presents the economic development strategy including the goals and strategic actions. Chapter 4 outlines the implementation plan and a performance measurement strategy for assessing the progress made.

The appendices provide a listing of the documents that were reviewed (Appendix I) and the key informants who were interviewed (Appendix II). The appendices also contain a profile of the City of Yellowknife (Appendix III), an overview of the leading economic sectors (Appendix IV), and a more detailed summary of research results including findings from the survey of businesses (Appendix V) than is contained in the main body of the report. Appendix VI presents the goals and strategies that were recommended in the 2014-2019 Economic Development Strategy.

## 2. Situational Analysis

This chapter first provides an overview of current economic conditions and outlook for Yellowknife and then highlights the need for action to promote economic development.

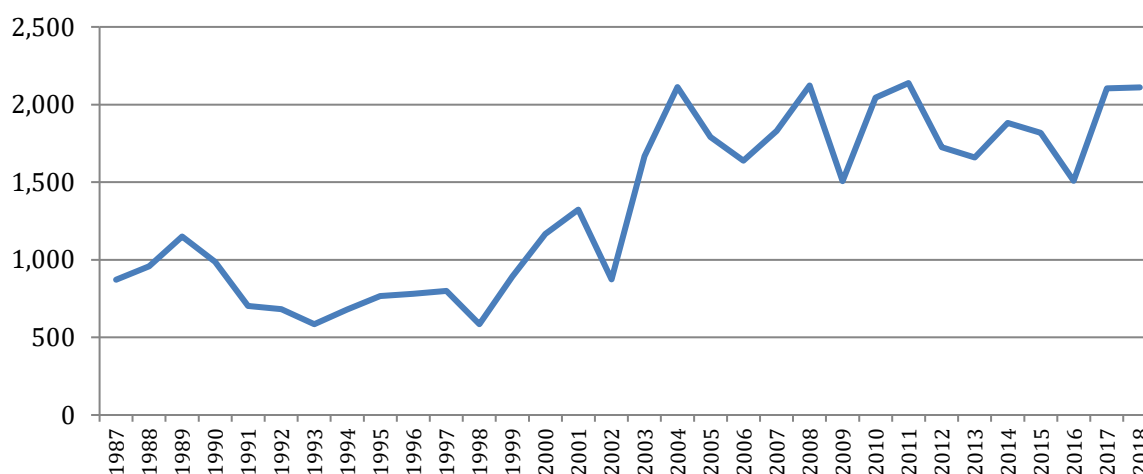
### 2.1. Overview of Current Economic Conditions

- **The resource sector, particularly the mineral sector, has been the primary driver of the Yellowknife economy.**

The economic growth of the NWT in the 20th century was largely based on the development of non-renewable natural resources including minerals, oil, and gas. There continues to be significant mineral potential associated with diamonds, gold, rare earth metals, lead, zinc, uranium, tungsten, rare earths, cobalt, bismuth, silver, nickel, copper, iron, sand, gravel and stone. The territory has an established mining infrastructure and geoscience data resources, although it has no smelters, refineries or pelletizers.

Diamond mining is the largest single economic contributor, accounting for 33% of GDP in 2018. With its three producing diamond mines, the NWT is the world's third-largest producer of diamonds (by value). The value of diamond production in the NWT has averaged about \$1.8 billion annually over the past 16 years and totalled \$2.1 billion in each of 2017 and 2018 (which represents about 4.5% of Canada's total mineral production). The graph below shows the value of non-metals mineral production (mostly diamond production) in the NWT over the last twenty years.

**Value of Non Metals Mineral Production (mostly diamonds) in the NWT  
1987-2018 (\$ million)**



Source: Natural Resources Canada, Annual Statistics of Mineral Production.

Overall, mining, quarrying, and oil and gas extraction accounted for about 35% of territorial GDP in 2018, which is down from 46% in 2007 (primarily because of a decline in oil & gas extraction; the value of oil and natural gas production in the NWT has declined from over \$500 million annually in the early 2000s to about \$20 million in 2018).



Three diamond mines operate in the NWT. The Gahcho Kué mine is located about 170 miles northeast of Yellowknife while the Ekati and Diavik mines are each located about 200 miles north of Yellowknife. Apart from diamond production, the mineral industry also generates significant economic activity related to:

- *Exploration.* Exploration expenditures totalled \$919 million over the past 10 years including \$78 million in 2019. The leading commodities in terms of exploration expenditures included diamonds (\$501 million in expenditures over the past ten years), precious metals (\$210 million) and base metals (\$115 million). Junior companies accounted for \$545 million of the \$919 million (59%) in exploration expenditures over the 10 years.
- *Remediation.* The Giant Mine operated in Yellowknife just outside of the city centre from 1948 to 2004, generating over seven million ounces of gold. The Government of Canada became responsible for the mine site's environmental liabilities when then-owner Royal Oak Mines went bankrupt in 1999. The \$1 billion Giant Mine Remediation Project is funded through the Federal Contaminated Sites Action Plan.
- *Purchase of products and services.* Yellowknife serves as a major distribution hub for the mining sector. According to the Conference Board of Canada, the GDP associated with mining services totalled about \$91 million in 2018. The City of Yellowknife also serves as a major supply, transportation and logistics hub for the mines in the NWT.
- *Construction.* Construction is the third largest sector in the NWT after mining and public administration. Along with commercial, residential and infrastructure development, the mining industry has been a major driver for the construction industry. The size of the construction industry has declined over the past three to four years when development of the Gahcho Kué mine was completed.
- *Accommodation and food services.* Business travel is also a major component of the tourism industry.

Yellowknife also serves as an important bedroom community for workers in the mining industry. According to the GNWT's 2018 Socio-Economic Agreement Report, the NWT's operating mines generated 1,592 jobs for northern residents in 2017, of whom 819 are Indigenous. Since 1996, when the first Socio-Economic Agreement was signed with Ekati Diamond Mine, the operating diamond mines have generated 27,000 person-years of local employment. Cumulative diamond mine employment including construction, operations, and closure from 1996 to 2017 was estimated at 56,642 person-years of employment, with 49% of employees being northern residents and 24% northern Indigenous. Significant additional employment is generated in the north and more specifically through the purchase of goods and services by the mines and expenditures in the community by mine employees.

- **Public administration is also a major contributor to the local economy.**

According to the NWT Bureau of Statistics, the public administration sector accounted for about 14% of GDP in the NWT in 2018, 25% of direct employment in the NWT and 26% of employment in Yellowknife. People in the NWT are more than four times as likely to work in public



administration than those in other parts of Canada, where public administration accounts for only about 6.0% of employment. Including government-funded positions associated with other economic sectors (e.g. healthcare and education), nearly half (46%) of those employed in the NWT work (9,300 of the 21,400 people employed) for a public sector employer.

The GNWT is the leading single employer. According to the GNWT Public Service Annual Report 2018/2019, the GNWT employed 5,289 people as of March 2019, of whom 2,782 (53%) were located in Yellowknife and Dettah. This employment is funded largely through transfers from the Government of Canada. The budget for the GNWT totalled \$1.9 billion for 2019-20, of which 68% came from the Government of Canada Territorial Formula Financing (TFF) grant, 12% from transfer payments from the Government of Canada (e.g. related to the Canada Health Transfer, the Canada Social Transfer, and Equalization), 13% from tax revenues (e.g. income, payroll, property, etc.), 2% from non-renewable resource revenues and 4% from general revenues. Under the funding arrangement between Canada and the GNWT, the budget is affected in part by the population of the GNWT; resource revenues are shared with the Government of Canada and Indigenous governments and have not been a major source of revenues for the territorial government. As such, the public administration sector serves as somewhat of a steadying force for the economy, to the extent that any economic downturn does not result in a decline in population.

- **As the largest population centre in the NWT, Yellowknife’s economy is inextricably linked with that of the territory as a whole.**

As such, the economy of Yellowknife is strongly affected by decisions made by other levels of government, particularly the GNWT. The previous economic development strategy, which covered the years 2014 through 2019, emphasized that the City should “consider its economic development responsibilities beyond the municipal boundaries and become a strong voice in the territorial economy.” In turn, as the major population centre, the seat of government, the major supply hub, and the primary centre for key services including healthcare, the economic health of Yellowknife can directly impact on the quality of life in other communities in the NWT. Yellowknife benefits from a strong NWT economy; the NWT benefits from a healthy Yellowknife.

- **The economy in Yellowknife and NWT has been strong relative to other regions in Canada.**

Yellowknife has had significantly lower unemployment rates and significantly higher labour market participation rates, household incomes (the average family income in 2015 was \$160,394), and household expenditures (nearly 50% higher than the national average). A further discussion of economic conditions in Yellowknife and the NWT is provided in Appendix III.

- **Partly because the economy has been strong, the City of Yellowknife (and to a lesser extent the GNWT) has not been very aggressive in terms of promoting economic development or diversification.**

A wide variety of plans, studies and strategies have been developed by both levels of government. While notable progress has been made in some areas (e.g. tourism marketing), many of the proposed actions have not been implemented or are still in an early stage of implementation. For example, few of the 38 recommendations which were outlined in the City of Yellowknife’s 2014-19 Economic Development Strategy were fully acted upon in that, to the extent that they would still be considered a high priority, most of the recommendations would still be valid today as the

underlying issues still exist (a list of the recommended strategies is provided in Appendix VI). However, the City of Yellowknife has recognized the importance of placing greater emphasis on economic development; after a recent hiring and a change in title, the City now employs three FTEs in the Economic Development and Strategy division: a Director of Economic Development and Strategy, a Manager of Economic Development and Strategy and an Economic Development Officer.

## 2.2. Economic Outlook

- **Upcoming closures of the diamond mines will have a significant negative impact on the economy in Yellowknife.**

The three diamond mines have reached peak production and, according to estimates provided by Conference Board of Canada, production will begin declining in 2021. According to the Conference Board's 2019 Territorial Outlook Economic Forecast, Diavik's operating life is scheduled to end in 2025, Gahcho Kué's in 2028, and Ekati well into the 2030s (contingent on developing the Jay pipe). The Conference Board projects that GDP associated with non-metal mining (i.e. diamond mining) in the NWT will decline from \$1.8 billion in 2018 to \$1.0 billion in 2025, which will also impact on other economic sectors including government. There is considerable uncertainty regarding timing of the economic shocks.

- **Largely as a result of the anticipated closures, most of the businesses surveyed and key informants interviewed express significant concern about the economic outlook for Yellowknife.**

Almost two-thirds (65%) of the businesses surveyed view the economic outlook for Yellowknife to be negative over the next five years. Only 22% of the businesses view the economic outlook for Yellowknife to be positive over next 5 years, including only 3% who view it as very positive. Some of those who view the next five years as positive noted they anticipate the medium term (i.e. 5 to 10 years out) outlook to be negative, expecting that the impact of the mine closures will not be felt in the next five years. The survey results understate the level of pessimism to the extent that the medium and larger employers tend to hold a more negative view regarding the economic outlook than do small employers. Those involved in healthcare tended to have the most favourable outlook regarding the future economy (although 56% still view the outlook as negative), while those involved in mining, tourism, consulting, retail, and construction tended to view the outlook more negatively.

Amongst those who view the economic outlook as negative, 93% of businesses attributed that to the closure of the diamond mines and anticipated downturn in the mining sector. Some of the other factors that were identified related to issues that impact on the competitiveness of the region (e.g. high costs of living and business operating costs, regulatory issues, on-going delays in resolving land claims) and a lack of government action, support and funding to address ongoing issues.

The businesses who view the economic outlook as positive over the next 5 years expressed some confidence that government recognizes the issue and will take action to promote development, that diamond mines will continue to be active beyond the five-year period and new mines may be developed, and that remediation activities (particularly related to the Giant Mine) will be an important economic driver over the next five years.

Amongst the 36 key informants who were asked about the economic outlook, 24 viewed the economic outlook of Yellowknife as negative over the next five years while only 3 viewed it as positive. The remaining key informants did not express an opinion. Those who expressed a negative outlook attributed this to upcoming closures of the diamond mines, the impact that the closure will have on the broader economy, and a sense that the competitive position of Yellowknife and more generally the NWT has been eroding (e.g. other regions, including Yukon and Nunavut, have become attractive targets for exploration and investment). Those who viewed the outlook as more positive anticipated new development in some sectors (from tourism to education) and expect that the impact of closure would be offset by the extension of at least one mine and the impact of remediation activities.

- **The health of the mineral sector is viewed as having a significant impact on the economic health of most existing and emerging economic sectors.**

The businesses were first asked as to whether the economic health of their organization is significantly linked to the health of other particular economic sectors and then specifically about whether a downturn in the mineral and mining industry would have an impact on their organization. With respect to the first question, a majority of the survey participants (72%) agreed that the economic health of their organization is strongly linked to the health of other economic sectors. The sectors that were most commonly identified were the mining sector (identified by 57% of these businesses) and government (46%).

Most of the businesses (84%) expect that a downturn in the mineral sector will have at least somewhat of an impact on their organization. The survey results understate the potential impact of the downturn in the mineral and mining industry to the extent that the medium and larger employers tend to view the potential impact as much more significant. On a scale 1 to 5, where 1 is no impact at all, 3 is somewhat of an impact and 5 is a major impact, the average rating was 4.7 and 4.5 respectively amongst medium-sized and larger businesses. Although less significant, smaller firms also reported more than somewhat of an impact, providing an average rating of 3.4. When asked how they would respond to a downturn in the mineral sector, the most commonly identified strategies or approaches would be to lobby government to support and promote the mineral sector, help develop other sectors including tourism, support local businesses, address land claims and land-related issues, and streamline regulations. In term of how the business itself would react, the most commonly identified strategy was to lay off employees and/or relocate some or all of their operations outside of Yellowknife.

Overall, the aggregate employment of the 180 employers who provided estimates is expected to decrease by about 10%, most of which relates to positions outside of the City of Yellowknife although the affected workers may reside in Yellowknife. When asked about the factors that will most directly impact on the number of people employed in Yellowknife by their business over the next few years, the most common responses related to the state of the mining industry (22%), market conditions (14%), availability of skilled workers (13%), the economic outlook at that time (12%) and the extent to which government is actively involved in promoting development.

- **The Yellowknife economy has some significant strengths on which we can build.**

The strategy can build on key strengths associated with City of Yellowknife such as the unique culture and heritage of the Indigenous peoples of Yellowknife and the surrounding areas; the



history of the city itself; the position of Yellowknife as the seat of government, a major hub for products and services, and strategic gateway to the north; its quality of life as a community-oriented, family-friendly city; and the young, well-educated population.

There continues to be significant mineral potential associated with diamonds, gold, rare earth metals, lead, zinc, uranium, tungsten, rare earths, cobalt, bismuth, silver, nickel, copper, iron, sand, gravel and stone. Several potential new mines are at various stages of in the development process such as Prairie Creek zinc mine development, TerraX Yellowknife City Gold, and Avalon Advanced Materials Inc.'s Nechalacho REE project.

The tourism industry has been experiencing consistent growth. Over the last five years, visitor numbers have increased by 42% in total, including a 58% increase in total leisure visitation. The latest statistics indicate that over 120,000 visitors travelled to the NWT in 2018-2019, spending just over \$210 million. In particular, the leisure segment has grown sharply with visitors attracted by the opportunities for Aurora viewing, the scenic beauty of the region, and ample outdoor adventure and recreational opportunities for all seasons.

Yellowknife features a strong base of business operations and entrepreneurs. When asked to identify some of the advantages associated with being located in Yellowknife, businesses most identified existing networks; being able to serve customers in Yellowknife, other parts of the NWT and western Nunavut; and holding competitive advantages associated with being close to the market and having developed expertise specifically relevant to local conditions.

Opportunities for further development have also been identified across a range of other sectors and opportunities. When asked to rate the relative priority that should be placed on particular sectors and opportunities, businesses and key informants rated the mineral and tourism sectors highest but also identified important opportunities in other areas such as post-secondary education; establishing Yellowknife as a research centre for northern or arctic research as well as a centre for cold-weather testing; revitalization of the downtown area; further developing Yellowknife as a supply, transportation and logistics hub; and agriculture and fisheries.

- **However, realizing this potential will require addressing a range of factors that serve to constrain development.**

When asked about factors that constrain economic development in Yellowknife, businesses and key informants most commonly identified regulations, high operating and living costs, access to land for development, infrastructure (renewable energy, transportation and communications), and access to skilled workers. Some of these factors are largely beyond the control of the City, while others can be more directly influenced or addressed.

In a follow-up question, when asked what the City and others should prioritize when promoting economic development, businesses and key informants identified a wide range of areas including promoting further development of the mineral industry, tourism, and businesses in general; addressing issues related to regulations and land claims; working to revitalize the downtown area; marketing Yellowknife to potential investors, businesses, visitors, and workers; advocating for infrastructure development (particularly access to renewable energy and all-season roads); and increasing access to land for development.

### 2.3. Implications for Economic Development Strategy

- **Working with its key partners, the City of Yellowknife needs to take an aggressive approach to promoting economic development.**

The full impact of the mine closures is unlikely to be felt within the next five years, which provides the City and others with a window of time in which to promote development. However, some key informants and businesses worry that there is still not a sense of urgency and the available window will not be used effectively.

In absence of strong action, there is real concern that the local economy will experience a sharp and lasting economic downturn, similar to what might have happened in the 1990s had the diamond mining industry not soon emerged with the closure of the gold mine. Both key informants and businesses expressed concern that, with the closure of the mines, there will be an associated decline in employment for Yellowknife residents, construction, sales of products and services and business travel. Some have suggested that the mine closures could also precipitate a decline in the local population and housing prices (similar to what happened in the 1990s), less access to education and training, a reduced tax base for the City, and an erosion in the donor base.

- **As a municipal government, the City of Yellowknife has access to an important but limited range of levers it can employ to encourage investment and development.**

Some of the actions that a city such as Yellowknife can take include:

- *Provide leadership, direction and program support.* Local governments work closely with their communities to develop strategic visions and develop strategies and action plans to bring life to these visions. There are many examples of cities taking active roles in areas such as economic development, entrepreneurship and small business development, the development of social enterprises, workforce development, public health, public safety, education and environmental sustainability. Cities champion particular goals and initiatives, provide regulatory or developmental frameworks as well as resources, and bring key partners and groups together to take action.
- *Develop close partnerships with other key players such as other levels of government, neighbouring communities, project champions, key economic players, business improvement areas, and other stakeholders.* There are limits to the resources that the City of Yellowknife itself can dedicate to economic development. This places a premium on establishing clear economic development priorities to best use their available resources and leveraging partnerships and resources contributed by or accessible to other parties. The key is finding areas of common interest and leveraging resources to coordinate and enhance the impact of development efforts.
- *Advocate on behalf of key sectors and potential developments.* Cities often play a key role in advocating for economic development opportunities with other levels of government, community residents, and other stakeholders.

- *Work to improve the regulatory frameworks.* This can include, for example, streamlining regulations, filling gaps and addressing anomalies or overlaps in existing bylaws, improving coordination with other levels of government, and reducing the times required to process permits and applications.
  - *Promote awareness of the potential development opportunities,* amongst business, entrepreneurs and residents within the community and potential investors located outside of the community.
  - *Implement investment attraction initiatives as well as talent and tourist attraction initiatives.* Investment attraction commonly involves working with partner organizations, defining target groups and sectors, developing or updating websites and promotional materials, implementing campaigns to generate prospects and leads, responding to inquiries, working prospects through the funnel and tracking the results.
  - *Provide incentives for development.* Property taxes are commonly used as an instrument to incentivize certain types of businesses and developments within the municipal boundaries. Strategies such as density bonuses, business improvement zones and easing of development requirements (e.g. regarding parking spaces) are also commonly used to help attract development activity.
  - *Support development through strategic investments in infrastructure* (e.g. waste management, water supply management, drainage, roads and sidewalks, recreational amenities).
- **There is no one single development that will offset the impact of the mine closures. Rather, an integrated approach will be needed which promotes development across a range of sectors and opportunities.**

While there are several mines in various stages of the development process, the associated level of employment is significantly lower than that of the existing mines. While various other sectors offer important opportunities for development, each of these sectors is small relative to the size of the mineral industry.

## 3. The Economic Development Strategy

This chapter presents the economic development strategy for the City of Yellowknife. This chapter first provides an overview of the overall vision, mission, goals and objectives established by the City of Yellowknife towards which the economic development activities are expected to contribute. It then outlines:

- A series of guiding principles for the strategy;
- Specific goals for economic development; and
- Specific strategies through which those goals will be realized.

### 3.1. Vision, Mission, Goals and Objectives for the City of Yellowknife

The City of Yellowknife adopted a community vision statement, mission, and a series of goals and objectives at its regular City Council meeting on May 27, 2019.<sup>1</sup> The vision for the City of Yellowknife is:

*Yellowknife is a welcoming, inclusive, and prosperous community with a strong sense of pride in our unique history, culture, and natural beauty.*

The mission established for the City Council is that:

*Council will provide leadership, vision, and direction in responding to the needs and aspirations of the community by working cooperatively with staff and residents to provide municipal infrastructure, programs, and services that are environmentally, socially, and fiscally responsible.*

Council also established the series of goals and objectives outlined in the following table.

#### Council's Goals and Objectives 2019-22

Goals	Objectives
Growing and diversifying our economy	<ol style="list-style-type: none"> <li>1. Foster a robust and diversified tourism sector</li> <li>2. Maximize benefits from an expanded post-secondary institution</li> <li>3. Refresh and implement a Yellowknife economic development strategy</li> </ol>
Delivering efficient and accountable government	<ol style="list-style-type: none"> <li>4. Enhance long-term financial and asset management planning</li> <li>5. Integrate a culture of continuous improvement into corporate culture</li> <li>6. Confirm clear service level standards for key City programs and services</li> </ol>
Ensuring a high quality of life for all, including future generations	<ol style="list-style-type: none"> <li>7. Prioritize adaption to, and mitigation of, climate change</li> <li>8. Redefine public transit</li> <li>9. Work with partners to address pressing social issues</li> <li>10. Develop a City of Yellowknife Arts and Culture Master Plan</li> </ol>

<sup>1</sup> City of Yellowknife, Council's Goals and Objectives 2019 - 2022



Goals	Objectives
Driving strategic land development and growth opportunities	11. Diversify development options 12. Promote development across the City

The vision, goals and objectives established by Council provide some guidance with respect to economic development but are written in such a way so as not to limit the range of goals and strategies that can be considered. This strategy itself fits into objective #3 of the first goal: Growing and Diversifying Our Economy. However, as outlined in the following sections, implementation of the economic development strategy will also contribute to most of the other goals and objectives.

### 3.2. Key Principles Underlying the Economic Development Strategy

Implicit in the proposed economic development strategy are several key principles which are important to formally recognize. These include:

- The City of Yellowknife will act with a sense of urgency in promoting economic development.** The City recognizes the widespread concern documented in this strategy regarding the future economic outlook for Yellowknife. Although the full impact of declining diamond mine production will not be felt within the next five-year period, concerted action will be needed during this time period to enable Yellowknife to achieve its vision of remaining a prosperous community going forward. The risks associated with not acting aggressively are significant.
- Recognizing that many of the levers for promoting economic development lie beyond its direct control, the City will place a high priority on working with key partners.** These partners include Indigenous governments, leaders and development corporations, the GNWT, the federal government, industry, associations and others. Strong leadership from the City is required to develop effective partnerships and relationships, contribute loudly to the voices promoting investment and further development, and promote the interests of Yellowknife. The City will actively support the implementation of agreed-upon development strategies that have been developed for key sectors.

There are many opportunities for the City of Yellowknife to work actively with other parties on areas of common interest. For example, the interests of Yellowknife align closely with many of the 22 priorities that have been established by the GNWT (e.g. settling and implementing treaty, land, resources, and self-government agreements; creating a Polytechnic University; increasing access to affordable homes; making strategic infrastructure investments such as the Slave Province Geological Corridor and the Taltson Hydro Project that connect communities, expanding the economy or reducing the cost of living; reducing the cost of power and increasing the use of alternative and renewable energy; increasing resource exploration and development as well as supporting growth in non-extractive sectors; ensuring that government procurement and contracting maximizes benefits to residents and businesses; adopting a benefit-retention approach to economic development; and increasing food security through locally produced, harvested, and affordable food). There are also opportunities to build on existing relationships and MOUs in order to further coordinate and jointly pursue economic development activities with Indigenous governments and development corporations, including Yellowknives Dene First

Nations (YKDFN) which shares boundaries with the City, as well as others which share common interests.

- **The economic strategy needs to be focused, with a clear set of priorities regarding the actions to be implemented.** The strategy should not be a shopping list of potential actions that could be taken. Rather, it is important that we prioritize the key actions most needed to promote development of available opportunities and address the constraints which have been identified.
- **The economic development strategy will be actively supported by the City Council, the senior management of the City of Yellowknife and the Mayor’s Task Force.**
- **The strategy will be dynamic with the results monitored on an ongoing basis.**

### 3.3. Objectives, Goals and Strategies

#### *Short-term Versus Longer-term Objectives*

**The short-term focus on the strategy is on mitigating the impact of the anticipated mine closures.** The economic strength of Yellowknife will be significantly impacted by upcoming closures of diamond mines. The strategy recognizes the historical and ongoing importance of the resource sectors, particularly the mineral industry, to the prosperity of Yellowknife. It is recognized that attracting further investment related to the resource sector will be an important contributor to offsetting some of the anticipated job losses.

**The longer-term vision is to create a more diversified and integrated economy in Yellowknife.** The options of Yellowknife promoting the mineral sector and promoting economic diversification are sometimes positioned as an either/or. They are not mutually exclusive. The City needs to pursue and support both options. The strategy recognizes the potential to significantly grow the tourism and cultural sectors, establish Yellowknife as centre for post-secondary education and research, further develop the city as a supply hub for a wide range of products and services, and build a stronger downtown core.

The strategy also recognizes the importance of an integrated approach, where the further development of one sector contributes to the development of others. For example, establishing a strong post-secondary institution can help to revitalize the downtown area which, in turn, can leverage further expenditures by tourists. Developments in the mineral sector can support and be supported by post-secondary education programs and contribute to further development of the construction industry, the position of Yellowknife as a supply hub, and business tourism.

#### *Economic Development Goals*

Five goals have been established for economic development. The first four are horizontal in nature in that the strategies associated with these goals are designed to promote development across a range of economic sectors and opportunities. The fifth goal is vertical in nature in that it incorporates a series of strategies relevant to specific sectors. These goals are as follows:

##### **1. Yellowknife is a strong leader and advocate for economic development**



2. **Yellowknife features a positive climate for business**
3. **Yellowknife is recognized as a great place to live, visit, and invest**
4. **The rate of business establishment and development is accelerating**
5. **Our key economic sectors are growing and further integrating**

### ***Economic Development Strategies***

The goals and strategies are summarized in the table on the following page and detailed in paragraphs below.

#### **1. Yellowknife is a strong leader and advocate for economic development.**

Towards that end, Yellowknife should:

- **Implement an effective governance structure for refining and implementing the strategy on an ongoing basis and tracking and reporting on the results.** Key actions will include:
  - City Council reviews, endorses and supports the economic development strategy.
  - The Mayor’s Task Force remains actively involved, meeting approximately three times per year to provide advice on economic development strategy implementation, advise and contribute to strategy updates and the development of annual plans, and serve as a body that helps to coordinate and solicit support for implementation from key elements across the participating organizations. The terms of reference will be updated to reflect the renewed role of the task force.
  - The Manager of Economic Development and Strategy prepares an annual implementation plan which is presented to the City Council and the Mayor’s Task Force. Municipal funding is made available, as warranted, to support implementation of key elements of the strategy.
  - The performance measurement strategy is implemented on an annual basis, with the results reported back to City Council, the Task Force, and the general public.
- **Work with key partners in strongly advocating for major developments and, where possible, supporting implementation of associated development strategies.** The City of Yellowknife will benefit significantly from the development of major infrastructure projects such as all-season roads across the region; the further development of hydropower and construction of power transmission lines that will provide for lower energy costs and increase access to renewable energy; the development of the Slave Geological Province Corridor which will provide road access, hydro transmission lines and communications infrastructure into areas of significant mineral potential; and upgrades to the Yellowknife Airport. The City will also benefit from settling and implementing treaty, land, resources, and self-government agreements.

### Overview of the Draft Goals and Strategy – City of Yellowknife Economic Development Strategy 2020-24

Goal	Strategies				
<b>#1. Yellowknife is a strong leader and advocate for economic development</b>	<b>Implement an effective governance structure for economic development</b>		<b>Advocate for developments and initiatives that strengthen the Yellowknife economy</b>		
	<ul style="list-style-type: none"> <li>▪ Council endorses &amp; supports the Economic Development Strategy</li> <li>▪ The Mayor’s Task Force remains active in guiding &amp; supporting implementation</li> <li>▪ The Manager of Economic Development and Strategy prepares annual implementation plans for economic development</li> <li>▪ Results are reported back to the Council, Task Force and public</li> </ul>		<ul style="list-style-type: none"> <li>▪ The City works with key partners in supporting implementation of major initiatives, strategies and developments</li> <li>▪ The City actively supports the interests of Yellowknife in various forums</li> </ul>		
<b>#2. Yellowknife features a positive climate for business</b>	<b>Implement a business retention and expansion program (BRE)</b>	<b>Improve the regulatory environment impacting the development of Yellowknife businesses</b>		<b>Increase access to lands for development</b>	
	<ul style="list-style-type: none"> <li>▪ Conduct biennial business climate surveys</li> <li>▪ Implement BRE activities in response to issues identified</li> <li>▪ Develop and implement a retention strategy to mitigate the impact of upcoming mine closures</li> </ul>	<ul style="list-style-type: none"> <li>▪ Work with GNWT, the federal government and industry to streamline processes, reduce overlap, better delegate authority, and make greater use of online tools and forms</li> <li>▪ Apply an economic lens to any proposed bylaws, policies or plans</li> <li>▪ Establish clear service standards and timelines/report on results</li> <li>▪ Establish a shared pathfinding function with the GNWT</li> <li>▪ Strategically apply business incentives and policies</li> </ul>		<ul style="list-style-type: none"> <li>▪ Lobby the GNWT to transfer control of lands for residential, commercial and industrial development to the City</li> <li>▪ Advocate for the settlement of land claims</li> </ul>	
<b>#3. Yellowknife is recognized as a great place to live, visit, and invest</b>	<b>Develop marketing and communications strategy</b>		<b>Recruit tourists, investors, workers and prospective residents</b>		
	<ul style="list-style-type: none"> <li>▪ Incorporate elements of common branding and positioning into the strategy</li> <li>▪ Define key targets, branding and positioning strategy</li> <li>▪ Pursue opportunities to leverage campaigns, promotional activities and tools</li> </ul>		<ul style="list-style-type: none"> <li>▪ Develop an integrated, optimized website and marketing collateral</li> <li>▪ Attend major events and host inbound visits</li> <li>▪ Implement direct marketing, social media and earned media campaigns</li> <li>▪ Recruit champions and ambassadors</li> <li>▪ Follow up with prospects and leads</li> <li>▪ Undertake co-marketing</li> <li>▪ Work with government and industry to enhance immigration programs</li> </ul>		
<b>#4. The rate of business establishment and development is accelerating</b>	<b>Work to establish an incubator/accelerator</b>		<b>Support business development initiatives</b>		<b>Support the development of local suppliers</b>
	<ul style="list-style-type: none"> <li>▪ Examine feasibility of establishing an incubator, accelerator, makerspace or innovation centre</li> <li>▪ Work with the GNWT, federal government and other partners to establish incubator/accelerator</li> </ul>		<ul style="list-style-type: none"> <li>▪ Encourage development of a regional angel investor network and/or local investment fund.</li> <li>▪ Support the development of social enterprises</li> </ul>		<ul style="list-style-type: none"> <li>▪ Work to strengthen northern preference policies</li> <li>▪ Facilitate connections between purchasers and local suppliers</li> </ul>



**Overview of the Draft Goals and Strategy (continued)**

Goal	Strategies		
<p><b>#5. Our key economic sectors are growing and becoming further integrated</b></p>	<p><b>Mineral Industry</b></p>	<p><b>Tourism Sector</b></p>	<p><b>Polytechnic/University</b></p>
	<ul style="list-style-type: none"> <li>▪ Recognize the importance of the industry to the economy of the GNWT and Yellowknife</li> <li>▪ Feature the mineral industry as a key sector in investment attraction activities</li> <li>▪ Work to capture for Yellowknife more of the benefits associated with the mineral industry in the NWT and Nunavut</li> <li>▪ Advocate for improvements in the investment climate for mineral exploration and development in the NWT</li> </ul>	<ul style="list-style-type: none"> <li>▪ Pass bylaws required to implement hotel levy and regulate short-term rentals</li> <li>▪ Implement a governance structure for the DMO and visitor services centre</li> <li>▪ Attract investment and promote development of additional tourism products, attractions and capacity</li> <li>▪ Prepare an Arts &amp; Culture Master Plan and update the Tourism Strategy</li> <li>▪ Implement wayfinding strategy and signage improvements</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to champion development of a university/polytechnic in Yellowknife</li> <li>▪ Support the development of a campus in the downtown area</li> </ul>
	<p><b>Downtown Revitalization</b></p>	<p><b>Cold Weather Testing</b></p>	<p><b>Agriculture and Food</b></p>
	<ul style="list-style-type: none"> <li>▪ Work with partners to help address the social issues</li> <li>▪ Work to attract key tenants to the region and increasing number of residents living in the area</li> <li>▪ Support initiatives that draw more residents into the area</li> <li>▪ Encourage establishment of a local Business Improvement Area</li> </ul>	<ul style="list-style-type: none"> <li>▪ Support efforts of the working group to further develop Yellowknife as a cold-weather testing destination</li> <li>▪ Support further development of the Yellowknife airport</li> </ul>	<ul style="list-style-type: none"> <li>▪ Amend or create new bylaws to facilitate urban agriculture, as part of the broader review of existing regulatory regimes</li> <li>▪ Work with local agriculture and fishing groups to promote stewardship, training, and the development of local markets and commercial producers</li> </ul>



- **Actively support the interests of the City of Yellowknife by participating in key committees, boards, and other key forums.** In addition to the Mayor’s Task Force, the City currently participates in a series of committees and boards such as the University Post-Secondary Advisory Committee, the Community Energy Planning Committee, the Community Advisory Board on Homelessness, and the Heritage Committee. It was also suggested that the City should be active in supporting development projects (e.g. through filing letters of support) being reviewed by the Mackenzie Valley Land and Water Board and the Mackenzie Valley Environmental Impact Review Board

## 2. Yellowknife features a positive climate for business.

Towards that end, Yellowknife should:

- **Implement a business retention and expansion (BRE) program.** An effective BRE program may have reduced the likelihood that some businesses would have moved out of Yellowknife. In recent years, several regional/corporate head offices have left Yellowknife (e.g. offices associated with the diamond mines and Northwestel). Under a BRE program, the priority is to identify businesses at risk of leaving and work with them to address key issues and better enable them to stay in the community. Given upcoming mine closures, it will be very important for the City to work with industry groups and the GNWT in identifying potentially at-risk businesses and skilled workers and work to develop strategies to mitigate the situation. An important component of the BRE will be a biennial business climate survey which will capture feedback from a cross-section of businesses by sector and size of operation. In implementing the strategy, the City will be mindful of the GNWT ‘s territorial-wide BRE program already in place.
- **Work with the GNWT and the business community, including developers, to review and revise, as needed, the municipal and territorial regulatory, licensing and permitting regimes.** Many of those surveyed and interviewed identified issues associated with regulatory, licensing and permitting at both the municipal and territorial levels, citing numerous examples where issues delayed investments, increased costs, and resulted in businesses, investments or developments not going ahead.

Some particular areas of concern which have been identified as constraining investment include building permit processes, business licensing, fire regulations and liquor laws as well as regulations and processes affecting resource development (e.g. mineral exploration and mine development) and tourism operator licenses. Several years ago, implementation of BizPal by the GNWT failed due to the large number of permits involved. This suggests an urgency to streamline processes.

Task Force members have also noted the importance of working to improve the usefulness of immigration programs for local employers, particularly strengthening the NWT Nominee Program with respect to the requirement for work permits prior to approval.

- **Establish clear service standards and timelines** with respect to permit applications and development processes, track performance against those standards, and report on

the results. The need to establish clear standards has also been identified in Council's Goals and Objectives 2019-22.

- **Establish a pathfinding function** within the City of Yellowknife that will assist existing and proposed new businesses in navigating the complex regulatory environment including regulations at the municipal, territorial and national levels that impact on proposed development and investments. Some municipalities have effectively addressed regulatory and licensing issues through establishing a business hub within the municipal office, a welcoming and collaborative first point of contact for business start-ups, relocations, expansions, investors, property owners, leasing agents, and others. The pathfinding function, which could be delivered in association with the GNWT, can provide a roadmap and guidance not only at the municipal level but at the territorial level as well. The GNWT has recently established a pathfinding function targeted primarily at the mineral industry.
- **Conduct a review of any proposed new bylaws, policies or plans** by applying an economic lens to assess how the changes are likely to impact on the local business climate. New bylaws, policies and plans often have unexpected or unintended consequences which serve to constrain economic development. By involving the economic development group in a review of planned changes, many of these unintended consequences can be addressed prior to implementation.
- **Make greater and more strategic use of business incentives and policies** to promote the development or redevelopment of properties, particularly those in the downtown area. Examples of available incentives including tax reductions or subsidies, density bonuses, permissive zoning for parking, access to support for workforce training, networking, and infrastructure development. The City of Yellowknife has made some use of various incentives including a Downtown Patio Incentive (which provides up to \$10,000 per establishment to downtown businesses for their approved sidewalk patio's first-year construction and installation), a Public Washroom Incentive (which provided signage and annual funding of \$500 for opening washrooms for public use during business hours), and the Development Incentive Bylaw which provides development and redevelopment incentives to promote the smart growth development and revitalization of Yellowknife's built-up areas through residential intensification, industrial relocation, brownfield redevelopment, LEED developments, heritage preservation, and integrated parking structures.
- **Work to increase access to land for residential, commercial and industrial development.** There are 13,660 hectares located within the municipal boundaries.<sup>2</sup> After adjusting for lands covered by water, properties already developed, lands not available to the City for development due to existing land rights (e.g. the Akaitcho Interim Land Withdrawal; the airport; federal government, GNWT, and privately owned lands; contaminated former mine sites; and parklands), there are only 118 hectares of either private or City-tenured vacant land within the City. Many of the municipal 'vacant' lands have restrictions upon their use or are already valued by the public for recreational use.

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<sup>2</sup> Draft Community Plan By-law No. 5007. By-law No. 5007 received Second Reading at Special Council Meeting on December 19, 2019.



In order to increase access to developable land, the City will need to work with the GNWT to facilitate the transfer of untenured Commissioner’s Land (totalling 4,295 hectares) which is currently under the administrative control of the territorial government. Settlement of the Akaitcho Dene First Nations’ (ADFN) land claim will also help to increase access to land that can be used for development. The ADFN is hoping for an agreement-in-principle by June 2020.

### 3. Yellowknife is recognized as a great place to visit, invest, work and live.

The focus is on developing and implementing a coordinated and integrated marketing program targeted at attracting tourists, businesses, investment, skilled and unskilled workers and residents to the City of Yellowknife.

- **Develop a marketing and communications strategy targeted at tourists, investors, workers and prospective residents.** Rather than developing distinct tourist, investment, and worker attraction strategies, it makes more sense for Yellowknife to develop an integrated strategy that includes separate components but incorporates some elements of common branding and positioning (perhaps building off the Extraordinary Yellowknife brand) and takes advantage of opportunities to leverage campaigns, coordinate promotional activities and share tools. The strategy should define the targets including key economic sectors (e.g. the mineral industry and tourism), the branding and positioning strategy, and the planned marketing tools and collateral.
- **Develop an integrated, optimized website and supporting marketing collateral that promotes Yellowknife as a great place to visit, invest, work and live (and eventually to study as the polytechnic develops).** The website layout will change somewhat depending on the focus (visit, invest, work, or live). The investment section, for example, should include detailed statistical and narrative profiles of Yellowknife, a profile of business, investment and development opportunities, and an investor’s toolkit. Local businesses can be encouraged to list their businesses when they are looking to sell or attract investment. The work section can include information on employers, job postings, and employment resources.
- **Implement the strategy.** Subject to the recommendations of the marketing strategy, it is anticipated that key elements of the strategy will include:
  - Participating in events. Examples of potential events where Yellowknife should have a presence include sector-specific events such as Roundup and the Geoscience Forum, trade shows, and job fairs.
  - Direct marketing campaigns targeted at lists of prospects which can be generated through referrals, online research, and events. Investment targets can include businesses, developers, consultants and site selection professionals.
  - Social media and earned media strategies.
  - Media and social media advertising.
  - Following up with prospects and leads, which are tracked using a CRM database.
  - Hosting in-bound visits to Yellowknife.
  - Recruiting champions and ambassadors who will help to promote Yellowknife.
  - Undertaking co-marketing activities in association with the GNWT, industry, associations and others.



#### 4. The rate of business establishment and development is accelerating

Various resources and programs exist in the NWT to assist in the establishment and growth of small- and medium-sized businesses. The Akaitcho Business Development Corporation serves as the local Community Futures office, providing loans to businesses in Yellowknife, N'dilo, and Dettah. The BDIC operates the Canada Business NWT (a business service centre) and provides loans and contributions. The SEED programs offered by the GNWT provide funding in six categories, including funding for entrepreneurs, micro-businesses, and strategic investments.

The businesses surveyed and key informants who were interviewed identified the need to augment these resources. Towards that end, the City of Yellowknife should:

- **Examine the feasibility of establishing a business accelerator and/or incubator in Yellowknife.** Similar facilities have proven effective in communities across Canada in facilitating early-stage development (incubation) of new businesses and accelerating the growth of existing businesses. The incubator component would offer space in a co-working environment, access to some shared services, mentoring support (e.g. assistance in developing a business plan, strategic plan, or documents for raising financing) and access to other resources and networks. The facility could be used by small businesses or single entrepreneurs as well as by other small operations who may benefit from shared space and access to other resources (e.g. junior exploration companies).

Incubators are sometimes combined with makerspaces, which provide access to tools and technology that can be used to develop product prototypes or personal projects and share tools and expertise. Equipment may vary from 3D printers, laser cutters, and CNC machines to sewing and woodworking machines. A makerspace known as YuKonstruct was established in Whitehorse in 2014. In 2018, funding was provided by CanNor (\$1.5 million) and the Government of Yukon (\$1.9 million) to create an innovation hub in Whitehorse which merged the YuKonstruct Makerspace with an incubator to provide a shared workspace and collaborative environment for Yukon's entrepreneurs and innovators.

A business accelerator operates as a more structured program with a finite timeline (often about two months for seed programs and up to six months for second-stage programs that focus on more mature start-ups), during which participating companies commonly work directly with a group of mentors who assist them in planning and building their business. Many of the programs include a seed capital component; participating companies develop a pitch deck which is presented to potential investors who may provide some early-stage equity capital. The mentors commonly include a broad section of mentors including those with start-up and relevant sector experience as well as angel investors and venture capitalists.

- **Encourage the development of a regional angel investor network and/or local investment fund.** Limited access to equity capital has been identified as a constraint associated for small and medium-sized businesses in the region. The City could work with the business community, the GNWT and the federal government to encourage the development of a local angel investor network and/or a community investment fund. Various models are available. For example, federal government funding has been used to

- incentivize the further development of angel investor networks in southern Ontario and help to improve their operations and results. Similarly, government funding has been used to mobilize the formation of rural investment capital funds in various provinces in Canada.
- **Supporting the development of social enterprises.** Social enterprises are businesses that pursue a social mission through an entrepreneurial approach. They have proven very successful in addressing various social issues, such as those affecting the downtown area, through creating employment and delivering needed services. They may operate under a variety of legal structures including as a non-profit, cooperative, incorporated business, proprietorship, partnership or a specialized legal structure such as a Community Contribution Company or a Benefit Company. Over the past few years, the federal government and numerous municipal governments across Canada have introduced social procurement frameworks, policies and programs designed to support social entrepreneurship by developing social enterprise policies, providing grants and contributions, offering business development support services, promoting the use of community benefit agreements, and incorporating social clauses and associated requirements into procurement and development permits.
  - **Support local supplier development programs and policies** as a means to increase the market share held by Yellowknife businesses related to the purchase of goods and services by the City of Yellowknife, the GNWT, the Government of Canada (e.g. related to the remediation of Giant Mine) and major businesses, including mines in the NWT and western Nunavut. Potential actions include:
    - Facilitating greater interaction between purchasers and local suppliers (e.g. through trade shows including reverse trade shows).
    - Developing an online registry of products and services.
    - Conducting a retail leakage and/or an import substitution study.
    - Working to strengthen northern supplier preference policies. The Business Incentive Policy (BIP) aims to give preference on territorial government procurement (i.e. the over \$260 million that the GNWT spends annually on products and services to businesses that are owned and operated within the NWT). The City has a Local Procurement Policy that sets a target of 85% of the City's purchasing to be made locally.

## 5. Our key economic sectors are growing and integrating

Appendix IV provides an overview of the key sectors and opportunities for development which were identified in preparing the economic development strategy. This section outlines specific strategies for promoting their further development.

### *Mineral Industry*

Diamond mining is the largest single contributor to the NWT economy, accounting for 33% of GDP in 2018. The mineral industry also generates significant economic activity related to exploration, remediation, purchase of products and services, construction, and employee spending. As such, closing of the diamond mines will have a significant impact on the local economy.

Fortunately, the NWT contains a vast array of mineral deposits and mineral occurrences and several potential new mines are at various stages of development. However, past research combined with the results of the key informant interviews and business survey have highlighted a variety of constraints to development facing the sector. To help address these issues and promote further development of the mineral industry, the City of Yellowknife should work with the mineral industry and other key stakeholders to:

- **Develop a mineral strategy for the City of Yellowknife**, that will identify actions the City could undertake to promote further mining industry development and mitigate the negative economic and socio-economic impacts of upcoming mine closures.
- **Recognize the importance of the sector to the economy of the GNWT and Yellowknife**. The City of Yellowknife can play an important role in supporting the sector through endorsing the economic development strategy, issuing a letter of support for the mineral industry as requested by Chamber of Mines, and communicating with various stakeholders.
- **Feature the mineral industry as a key sector in its investment attraction activities**.
- **Capture for Yellowknife more of the benefits associated with the mineral industry in the NWT**. Opportunities have been identified to increase the participation of Yellowknife suppliers in remediation activities, strengthen the position of Yellowknife as a supplier of products and services throughout the NWT and western Nunavut, and increase the percentage of mineworkers who reside in Yellowknife.
- **Advocate for improvements in the investment climate for mineral exploration and development in the NWT**. The industry has highlighted the need for government, particularly the GNWT as well as the Government of Canada, to streamline regulatory processes, further incentivize exploration and development activities, and develop needed renewable energy, transportation, and communication infrastructure.

### *Tourism*

Although small relative to the mineral industry, the tourism sector has shown consistent growth in recent years. The latest statistics, released in November 2019, report that over 120,000 visitors travelled to the NWT in 2018-2019<sup>3</sup>, spending just over \$210 million. Leisure visitation spending (especially Aurora viewing) has overtaken business travel as the primary source of revenue. The sector remains highly seasonal, which is reflected in the wide variation in average monthly hotel occupancy rates.

To promote further development of the tourism sector, the City of Yellowknife should work with the tourism partners and other key stakeholders to:

- **Develop and pass bylaws required to implement the hotel levy and regulate short-term rentals**. In 2018, the GNWT passed Bill 18 allowing for the collection of a short-

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<sup>3</sup> Tourism Visitation and Expenditures (2018-2019), [https://www.iti.gov.nt.ca/en/tourism-research](https://www iti.gov nt.ca/en/tourism-research).



term accommodation levy of up to 4% on tourist accommodations in order to fund a Destination Marketing Organization (DMO). The City of Yellowknife is in the process of working with the industry to develop a bylaw to collect the accommodation levy. In addition, the City is also working on a bylaw that will clarify the regulation of short-term rental properties and their responsibilities with respect to collecting the levy.

- **Implement a governance structure for the DMO and visitor services centre that will be effective in attracting, serving and maximizing the economic benefits of tourists.** The Northern Frontier Visitor Center, which operated as a non-profit, closed in October 2017 and the City subsequently established a temporary visitor centre operating from City Hall. At this time, there is uncertainty as to how the DMO will be structured (e.g. will be function be contracted out or managed in-house), where the new visitor centre will be located, and how the visitor centre will be funded. The previous centre received funding from the GNWT and also generated revenues from the sale of various products (e.g. arts and crafts).
- **Encourage the development of additional tourism products as a means to increase visitation during the shoulder and off-peak seasons as well as increased activity levels and expenditures during the peak periods.** Potential opportunities include:
  - Development of tourism products featuring Indigenous culture. The Yellowknives Dene First Nation is currently conducting a feasibility study related to development of an Indigenous cultural centre that “creates a story for Yellowknife” and speaks to the history of the city as the home of a unique Indigenous culture. The NWT Tourism 2020 Strategy incorporates a focus on Aboriginal culture and on adopting the recommendations of the NWT’s Aboriginal Tourism Champions Advisory Council (ATCAC).
  - Development of additional accommodation capacity. Suggestions have included development of additional hotel capacity and expansion of camping and RV facilities.
  - Expanding access to tourism products based on Aurora viewing as well as winter outdoor adventure activities such as dogsledding, snowmobiling, snowshoeing, ice fishing, ice road tours, and cross-country skiing. Other outdoor adventure activities include wildlife viewing, hiking, cycling, kite skiing, boating, canoeing, kayaking, paddle boarding, fishing and hunting.
  - The development of geotourism products, with a particular focus on the mining industry. A mine tour has been developed at the Diavik mine. There is also interest in developing a mining museum which could be situated on the Giant Mine site. Similar attractions (e.g. MacBride Copperbelt Mining Museum in Whitehorse) have been successful in attracting visitors during the summer months. The Giant Mine presents an opportunity to focus on the history of gold and diamond mining in the region, the reclamation process, and advances in mining practices over time.

- Use destination events including conferences, cultural events, sports tourism, culinary tourism and healthcare services (particularly for residents from other regions of the north) to attract additional visitors to the region.
- Promoting the City to RV travellers and creating a supportive environment for RV rentals, stations and facilities to serve this tourist group.
- **Develop a City of Yellowknife Arts & Culture Master Plan to guide long-term decision-making and investments in arts and culture and update the City’s Tourism Strategy (which was last prepared in 2014).** In updating the tourism strategy, the City will be mindful of tourism opportunities stemming from the GNWT’s five-year tourism strategy.
- **Implement the wayfinding strategy and associated improvements to signage,** as outlined in the City of Yellowknife Wayfinding Strategy, September 2019.
- **Feature the tourism industry as a key sector in its investment attraction activities.**
- **Explore the potential to introduce border services at the Yellowknife airport which would allow for direct international flights.**

### *Post-secondary Institution/Polytechnic*

A destination polytechnic university has been proposed for the NWT that is capable of drawing students from elsewhere in Canada and internationally, not just an institution designed to serve the local population. Establishment of a university in Yellowknife would:

- Be a direct economic driver, attracting international students and students from other parts of Canada.
- Enable the development of courses and research targeted specifically at subjects relevant to the local environment (e.g. contributing to the establishment of Yellowknife as a centre for northern or arctic research as well as a Mining Technical Centre of Excellence).
- Increase access to skilled workers, both by helping to retain local youth who may attend university in the south and not return as well as attracting students from outside the region who will stay.

There are numerous examples of northern universities in Scandinavia including the University of Tromsø, Barents Institute, Finnmark University College, Sami University College, Umeå University and Harstad University College. The Yukon Legislature has just passed a bill to make Yukon College a university.

Council established the University/Post-Secondary Advisory Committee (UPAC) in May 2018. The purpose of UPAC is to provide advice and guidance to the City in its efforts to establish a university/post-secondary institution in Yellowknife. To promote the development of a university, the City of Yellowknife should:

- **Continue to champion the development of a university/polytechnic in Yellowknife,** working closely with key partners including the GNWT, UPAC, the Academic Advisory Council, other universities and research organizations and Indigenous governments.

- **Support the development of the campus in the downtown area.** In its Community Plan, the City has identified the downtown area as the preferred location for the university. A downtown location would be an important economic driver for revitalizing the downtown core.

### ***Downtown Revitalization***

For the purposes of downtown revitalization, downtown has been defined as the area within 47th Street to 54th Street and 49th Avenue to 52nd Avenue. Homelessness, poverty, safety, security, cleanliness, addictions and mental health issues in the downtown area have been identified as long-standing concerns of both residents and businesses. Solving these broad social issues in a meaningful way will require cooperation between various levels of government and concerted efforts. Aside from the significant human cost, these issues have a strong negative impact on economic development, discouraging use of the core area by residents and business investment and increasing retail vacancy rates which in turn further discourages foot traffic.

Downtown revitalization has been firmly established as a key priority for the City Council. The City of Yellowknife has established a Vision for Downtown Revitalization and commissioned the Retail Revitalization Strategy for Downtown Yellowknife (September 2019). Every community engagement exercise held in the past few years has shown that Yellowknife residents are extremely concerned about homelessness and poverty in the downtown core. To promote revitalization of the downtown area, the City of Yellowknife should:

- **Continue to work with other levels of government, non-profits, social enterprises, the private sector, community policing initiatives and others to help address the social issues,** building on its current activities in areas such as the Homelessness Employment Program, the Street Outreach Program and the Arctic Indigenous Wellness Camp.
- **Work to attract key tenants to the region and increase the number of people residing in the area.** Currently, there are about 2,700 daytime workers and 1,500 residents located in the area. Towards that end, the City can promote establishment of high-density residential developments, a university, a business incubator and accelerator, a visitors' centre and popups in the neighbourhood as well as development of the 50/50 vacant parcel of land which is zoned for higher mixed-use density.
- **Work to draw more residents into the area** by promoting the development of events, concerts, food markets, patios and other places, improving public transit (providing more ready access to the downtown area), working to change resident perceptions of the area, and improving the attractiveness of the area (incentivizing leasehold improvements, streetscaping, improved lighting, cleaning, and improved wayfinding).
- **Encourage establishment of a local business improvement area (BIA),** which would also help to coordinate and implement revitalization activities. The Revitalization Strategy noted that the City of Yellowknife devotes some municipal staff time and that several private sector organizations organize some downtown activities and events. However, there is no single entity that is officially tasked with guiding or assisting with business or property development or with marketing downtown Yellowknife.

## ***Cold Weather Testing***

Yellowknife is well-positioned to conduct cold-weather testing of technology. Various companies including Bell Helicopters, Porsche Sikorsky, Airbus/Bombardier, and General Motors have tested equipment in Yellowknife. A working group consisting of representatives from the GNWT, Yellowknife Airport, the City of Yellowknife, and NWT Tourism has come together to market the area as a cold-weather testing destination. Other communities in Canada, the US and Europe have been very successful in developing markets for cold-weather testing.

The City of Yellowknife should promote further development of cold weather testing work by:

- **Supporting the efforts of the working group to further develop Yellowknife as a cold-weather testing destination.** Key actions include featuring the cold weather testing capabilities in its marketing activities and on the City's website, advocating for further investments in equipment and infrastructure, and continuing its efforts to establish a university and expand visitor capacity in Yellowknife.
- **Support further development of the Yellowknife airport.** The airport is developing a 20-year Master Plan (2020-2040) which will outline various strategic initiatives that it may pursue. Potential developments include upgrades to the infrastructure (including extending the runways as well as water and sewer), establishing YZF as an international airport (i.e. with border services), and enhancing the ability of the airport to serve as supply depot/logistics hub for communities and mines in the north.

## ***Agriculture and Food***

The high cost of food and a desire to rely on sustainable local food resources while maintaining regional traditions and culture has led to revived interest in the agriculture sector and a greater push on expanding the fishing industry. Historically, the NWT had developed a relatively thriving agricultural industry. There were experimental farms, dairy farms, an abattoir, and large market gardens in most communities. However, this changed with increased accessibility with roads, planes, and cheap fuel. Now, rising food prices and the recognition of the need to reduce dependence on a cyclical resource economy are leading to a new renewed interest in sustainable local agriculture.<sup>4</sup>

In 2019, the City published GROW, an abbreviated name for the Yellowknife Food and Agriculture Strategy.<sup>5</sup> Building on the vision and principles in the Yellowknife Food Charter, it is a long-range plan for increasing community and commercial opportunities in Yellowknife's urban food and agriculture system. In 2017, the GNWT published a Strategy for Revitalizing the Great Slave Lake Commercial Fishery. The strategy outlines 25 recommended actions grouped under four overarching strategic goals: increasing lake production; increasing processing in the NWT; growing the NWT market; and accessing export markets.

Actions that the City of Yellowknife can take to promote further development include:

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<sup>4</sup> V2.0-GROW-Opportunities-Analysis-Updated-April-26-2019.

<sup>5</sup> Yellowknife Food and Agriculture Strategy (GROW), V3.0 Spring 2019.



- **Amending or creating new bylaws to facilitate urban agriculture**, as part of the broader review of existing regulatory regimes.
- **Working with local agriculture and fishing groups** to promote stewardship, training, and the development of local markets and commercial producers.





## 4. Priority Actions and Performance Measurement

This chapter outlines the priorities for action under the Economic Development Strategy and defines the measures that can be used to assess the progress made.

### 4.1. Priority Actions – Plans for Implementation

This section outlines the specific steps that will be taken by the City of Yellowknife in implementing the strategy. More specifically, it outlines actions that will be undertaken to establish the structure overseeing implementation, the key initiatives planned for 2020, activities that will be undertaken on an ongoing basis, and potential activities which have been proposed for subsequent years.

#### *Oversight of the Economic Development Strategy*

Implementation of the strategy will be overseen by the Mayor’s Task Force and City Council. Towards that end, in 2020, the City will:

**1. Develop a renewed Terms of Reference for the Mayor’s Task Force.**

The terms of reference will define the roles and responsibilities, membership, and meeting schedule for the Task Force.

**2. Prepare an implementation plan which outlines the activities that will be undertaken in 2020.**

The annual implementation plan will be developed by the Manager of Economic Development and Strategy and presented for comment to the Mayor’s Task Force and to the City Council. The same format will be used for future plans. The plan will outline specific steps, allocate responsibilities and identify partner organizations. It will also detail the annual budget.

**3. Obtain, from the City Council, endorsement of the 2020-24 Economic Development Strategy, the renewed Terms of Reference for the Mayor’s Task Force, and the implementation plan for 2020.**

#### *Key Initiatives for 2020-21 (One Time or Limited Time Initiatives)*

Key initiatives to be undertaken by the City of Yellowknife in 2020 include:

**4. Implement a governance and operating structure for the DMO and visitor services centre.**

The focus is on developing a structure that will be cost-effective in attracting, serving and maximizing the economic benefits of tourists. At this point, there is uncertainty regarding the amount of funding that will be available for destination marketing, how the DMO will be structured (e.g. will be function be contracted out or managed in-house), where the new visitor centre will be located, and how the visitor centre will be funded. The DMO will then



take responsibility for implementing tourist attraction strategies. Planning for the structure will build on the results of the Visitor Centre Strategy prepared in 2018/19.

**5. Establish a Task Force to undertake a review of the regulatory environment affecting economic development and investment in the City of Yellowknife.**

The review will bring together representatives of the City, the GNWT, sector representatives, developers and others to review and recommend revisions, as needed, to the municipal and territorial regulatory, licensing and permitting regimes. The research has identified issues associated with building permit processes, business licensing, fire regulations, liquor laws, regulations and processes affecting resource development (e.g. mineral exploration and mine development), urban agriculture and tourism operations as well as the need to pass bylaws required to implement the hotel levy and regulate short-term rentals. The objectives of the review will be to find ways to:

- Streamline the processes;
- Reduce overlap, redundancies and complexity;
- Delegate greater authority to the frontline to accelerate the process;
- Achieve greater consistency in the application of regulations;
- Make greater use of online tools and forms, including BizPal;
- Allow for greater flexibility, where warranted, in order to better facilitate development and redevelopment.

The review will also examine how a City and GNWT pathfinding function could best be structured to assist existing and proposed new businesses in navigating the complex regulatory environment. It will also recommend clear service standards and timelines for the City with respect to permit applications and development processes.

**6. Work with the GNWT to facilitate the transfer of untenured Commissioner's Land.**

Over 4,000 hectares of land are currently under the administrative control of the territorial government. Transfer of this land will significantly increase access to lands within the City limits for residential, commercial and industrial development.

**7. Prepare a mineral development strategy.**

Developed in association with the industry and others, the strategy will outline actions the City can take to improve the investment climate, attract investment and promote further development, capture for Yellowknife more of the benefits and business activity associated with the mineral industry in the NWT, promote related developments in areas such as tourism and education, and work to mitigate the negative impacts of upcoming mine closures.

**8. Commission an Arts & Culture Master Plan and update the existing Tourism Strategy.**

The development of a City of Yellowknife Arts & Culture Master Plan to guide long-term decision-making and investments in arts and culture has already been identified as an objective of the City Council in its 2019-22 Goals and Objectives. There is also a need to update the City's Tourism Strategy (which was last prepared in 2014).



**9. Develop an integrated tourist, investor, worker and resident attraction strategy.**

The strategy will include separate components but incorporate some elements of common branding and positioning (perhaps building off the *Extraordinary Yellowknife* brand) and take advantage of opportunities to leverage campaigns, coordinate promotional activities and share tools. The strategy will define the targets including key economic sectors (e.g. the mineral industry and tourism), the branding and positioning strategy, and the planned marketing tools and collateral. Implementation of the tourist strategy will be led by the DMO while the City will take a leading role, in association with its partners, in implementing investor, worker and resident attraction.

**10. Work with partners in reviewing the feasibility of establishing a business accelerator and/or incubator in Yellowknife.**

Similar facilities have proven effective in communities across Canada in facilitating early-stage development (incubation) of new businesses and accelerating the growth of existing businesses. The purpose of the review is to determine the design of a facility which would be most appropriate for the City of Yellowknife, develop capital and operation cost projections, develop the business case which can be used to secure funding for its development and operation, and outline the steps that will be taken by the various partners to develop the facility including the role that should be played by the City.

**11. Implement the wayfinding strategy and signage improvements as outlined in the City of Yellowknife Wayfinding Strategy, September 2019.****12. Stage a forum to explore development of a regional angel investor network or investment fund that could increase access to capital for local businesses.**

Access to equity capital has been identified as a constraint for small and medium-sized businesses in the region. The Forum would bring together investors, the local business community, the GNWT and the federal government to discuss options to further develop the local angel investor network or community investment fund.

***Activities Implemented on an Ongoing Basis*****13. Implement a business retention and expansion (BRE) program.**

Key elements will include:

- Monitoring economic conditions on an on-going, including developments related to upcoming mine closures, to identify and areas of risk.
- Conduct a first of a series of biennial surveys of business license holders to track changes in the business climate, identify organizations that may be at risk of closing down or relocating operations to another community, and determine the issues that are impacting on future location and investment decisions. The results will be analyzed by region, sector and size of operation and used to develop strategies to mitigate key issues.

- Augment the results of the survey with an annual “business walks” initiative. Business walks are an inexpensive tool for collecting information on business climate, the opportunities for development and key issues. It involves recruiting a team of walkers who simply walk from business to business informally engaging in discussions with the business managers or operators.
- Work with at-risk businesses in identifying actions that can be taken to mitigate the impact and work with key stakeholders to retain businesses and key employees in the community.

#### **14. Implement the investment, worker and resident attraction strategies.**

Some of the key components will include:

- Maintaining an integrated, optimized website and supporting marketing collateral that promotes Yellowknife as a great place to visit, invest, work and live (and eventually to study as well as the polytechnic develops). Investment, economic and employment data will be updated on a scheduled basis.
- Participating in events. Examples of potential events where Yellowknife should have a presence include sector-specific events such as Roundup and the Geoscience Forum, trade shows, and job fairs.
- Direct marketing campaigns targeted at lists of prospects which can be generated through referrals, on-line research, and events.
- Recruiting champions and ambassadors who will help to promote Yellowknife.
- Undertaking co-marketing activities in association with the GNWT, the federal government, industry, associations and others.
- Hosting inbound visits of potential investors and others to Yellowknife.
- Follow up with prospects and leads, providing information and referrals as needed.
- Making strategic use of business incentives and policies to promote investment.
- Provide a pathfinding service, possibly in association with the GNWT, to assist businesses and investors in navigating the regulatory environment.
- Facilitate connections between local suppliers and prospective buyers of products and services.
- Follow up on major projects planned for the NWT and western Nunavut to identify and act on potential opportunities for Yellowknife to capture more of the associated benefits.

#### **15. Review any proposed new bylaws, policies or plans by applying an economic lens to assess how the changes are likely to impact on the local business climate.**

New bylaws, policies and plans can have unexpected or unintended consequences which serve to negatively impact on local businesses, serve as a barrier to investment and constrain economic development. By involving the City’s economic development group in a review of

any planned changes, these unintended consequences can be addressed prior to implementation.

**16. Assist key champions, as requested and where possible, in their efforts to implement development strategies and key initiatives.**

The City of Yellowknife will normally not lead these strategies or initiatives. However, it can work with the champions to help to align these strategies and initiatives with the interests of the City and provide support ranging from advocacy and resources that facilitates action. There are also opportunities to build on existing relationships and MOUs in order to further coordinate and jointly pursue economic development activities with Indigenous governments and development corporations, industry associations, various multi-stakeholder committees that have been established, and the GNWT (the interests of Yellowknife align closely with many of the 22 priorities that have been established by the GNWT). In this role, can contribute its voice and other resources, as warranted, in support of:

- Improvements in the investment climate in the NWT;
- Major investments in infrastructure including renewable energy, transportation, and communication;
- Major developments such as the development of a university/polytechnic in Yellowknife, further development of Yellowknife as a cold-weather testing destination, and further development of the Yellowknife airport;
- Establishment of a local Business Improvement Area for the downtown area;
- Improvements to northern preference policies;
- Agriculture and fishing programs that promote stewardship, training, and the development of local markets and commercial producers;
- Improvements in immigration programs, particularly the NWT Nominee Program; and
- Implementation of other agreed-upon development strategies that have been prepared for specific economic sectors.
- Development of a business incubator/accelerator

**17. Report back annually to the City Council, Mayor’s Task Force and public on the progress made.**

The performance measurement strategy is outlined in the next section.

A summary of the key action outlined above is provided in the table on the following pages.

### Overview of Priority Actions

Priority Actions		Champion	Partners/ Stakeholders	Estimated Total Costs	Timing	Priority
<b>Oversight of the Economic Development Strategy</b>						
1	Develop a renewed Terms of Reference for the Mayor’s Task Force.	Mayor & Task Force	Task Force	--	2020	High
2	Prepare an implementation plan which outlines the activities that will be undertaken in 2020.	Economic Dev.	Task Force	--	2020/ Annual	High
3	Obtain, from the City Council, endorsement of the 2020-24 Economic Development Strategy, renewed Terms of Reference for the Mayor’s Task Force, and the implementation plan for 2020.	Economic Dev.	City Council	--	2020	High
<b>Key Initiatives for 2020-21 (One Time Initiatives)</b>						
4	Implement a governance and operating structure for the DMO and visitor services centre	City	GNWT, NWT Tourism	--	2020	High
5	Establish a Task Force to undertake a review of the regulatory environment affecting economic development and investment in the City of Yellowknife	City	City, GNWT, Sector Reps, Developers, Chamber and Others	\$35,000	2020	Medium
6	Work with the GNWT to facilitate the transfer of untenured Commissioner’s Land	City	GNWT	--	2020	Medium
7	Development a Mineral Resource Strategy	City	GNWT ITI. Chamber of Mines,	\$25,000	2020-21	Medium
8	Commission an Arts & Culture Master Plan and update the existing Tourism Strategy	City	NWT Tourism, DMO, YKFN, GNWT	\$60,000	2021-22	Medium
9	Develop an integrated tourist, investment, worker and resident attraction strategy	City	NWT Tourism, CanNor, GNWT, CDETNO	\$40,000	2021	Medium



Priority Actions		Champion	Partners/ Stakeholders	Estimated Total Costs	Timing	Priority
10	Work with partners in reviewing the feasibility of establishing a business accelerator and/or incubator in Yellowknife.	Economic Dev.	GNWT, CanNor GNWT, Chamber, College	\$40,000	2021	Medium
11	Implement the wayfinding strategy and signage improvements as outlined in the City of Yellowknife Wayfinding Strategy, September 2019	City	--	--	2021	Medium
12	Stage a forum to explore development of a regional angel investor network or investment fund that could increase access to capital for local businesses	Economic Dev.	Investors, Community Futures, BDC, CanNor and GNWT	\$5,000	2021	Low
<b>Implemented on an Ongoing Basis</b>						
13	Implement a business retention and expansion (BRE) program.	Economic Dev.	GNWT, CanNor, Chamber, associations and others	\$10,000	On-going	Medium
14	Implement the investment, worker and resident attraction strategies	Economic Dev.	GNWT, industry champions and ambassadors	\$75,000	On-going	High
15	Review any proposed new bylaws, policies or plans by applying an economic lens to assess how the changes are likely to impact on the local business climate	Economic Dev.	City, GNWT	--	On-going	Medium
16	Assist key champions, as requested and where possible, in their efforts to implement development strategies and key initiatives	Economic Dev.	GNWT and industry	--	On-going	High
17	Report back annually to the City Council, Mayor’s Task Force and public on the progress made.	Economic Dev.	Task Force & Council	--	On-going	High

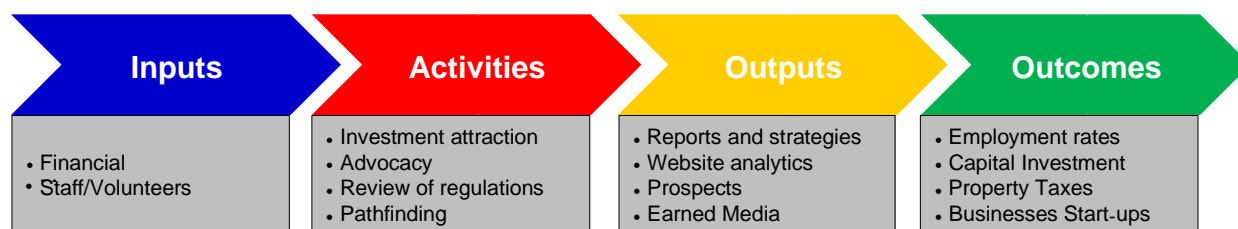


## 4.2. Performance Measurement

We recommend that the City of Yellowknife report annually on the progress made in implementing its economic development strategy. We are proposing four types of indicators, including indicators related to inputs, activities, outputs and outcomes.

- Inputs incorporate the key resources that went into implementation of the economic development strategy in the current year;
- Activities are the key activities which were implemented during the course of the year, including a description of the extent to which the planned activities were implemented;
- Outputs are the products or immediate results that are generated by the activities; and
- Outcome indicators report on the intended results associated with the overall strategy and some of the specific activities. However, it should be noted that the economic development activities are typically only one of many factors that may influence the outcomes.

The following graphic illustrates the types of indicators which can be included within each category.



The recommended performance measures and data sources are outlined in the table below.

Type	Indicators	Data Sources
<b>Inputs</b>	• Staff time	• Employment records
	• Expenditures on Economic Development	• Municipal budget and expenditure data
	• Funding accessed from other sources (e.g. GNWT, CanNor, etc.)	• Municipal financial data
	• Volunteer time	• Reports by economic development staff
<b>Activities</b>	• Progress made against planned activities	• Reported by economic development staff (e.g. % of completion)
	• Other activities undertaken	• Reported by economic development staff
<b>Outputs</b>	• Meetings/involvement in committees/data on events attended	• Reported by economic development staff
	• Changes to proposed and existing bylaws, policies and plans	• Municipal data • Reported by economic development staff
	• Reports, studies and strategies produced	• Reported by economic development staff
	• Achievement of service standards	• Municipal data
	• Impressions/views/bounce rate	• Website/social media analytics



<i>Type</i>	<i>Indicators</i>	<i>Data Sources</i>
	<ul style="list-style-type: none"> <li>Numbers of inquiries, leads and prospects/visits hosted/investment attracted</li> </ul>	<ul style="list-style-type: none"> <li>CRM data</li> </ul>
<b><i>Outcomes</i></b>	<ul style="list-style-type: none"> <li>Visitor numbers</li> </ul>	<ul style="list-style-type: none"> <li>Visitor Centre and the Destination Market Organization</li> </ul>
	<ul style="list-style-type: none"> <li>Invest attraction and employment creation</li> </ul>	<ul style="list-style-type: none"> <li>CRM data and follow-up surveys</li> </ul>
	<ul style="list-style-type: none"> <li>Labour market participation rates</li> </ul>	<ul style="list-style-type: none"> <li>Labour Force Survey</li> </ul>
	<ul style="list-style-type: none"> <li>Unemployment rates</li> </ul>	<ul style="list-style-type: none"> <li>Labour Force Survey</li> </ul>
	<ul style="list-style-type: none"> <li>Employment by sector and occupation</li> </ul>	<ul style="list-style-type: none"> <li>NWT Bureau of Statistics</li> </ul>
	<ul style="list-style-type: none"> <li>Household incomes</li> </ul>	<ul style="list-style-type: none"> <li>Statistics Canada</li> </ul>
	<ul style="list-style-type: none"> <li>Number and value of building permits</li> </ul>	<ul style="list-style-type: none"> <li>Building permit data</li> </ul>
	<ul style="list-style-type: none"> <li>Number of operating businesses</li> </ul>	<ul style="list-style-type: none"> <li>Business license data</li> </ul>
	<ul style="list-style-type: none"> <li>Perceptions regarding business climate</li> </ul>	<ul style="list-style-type: none"> <li>Biennial survey of businesses</li> <li>Business walks</li> </ul>
	<ul style="list-style-type: none"> <li>Commercial and industry vacancy rates</li> </ul>	<ul style="list-style-type: none"> <li>Real estate data</li> </ul>
	<ul style="list-style-type: none"> <li>Commercial and industrial property taxes</li> </ul>	<ul style="list-style-type: none"> <li>Municipal financial data</li> </ul>
	<ul style="list-style-type: none"> <li>Growth in tourism (visitors, sources, expenditures, hotel occupancy)</li> </ul>	<ul style="list-style-type: none"> <li>NWT Bureau of Statistics</li> </ul>
	<ul style="list-style-type: none"> <li>GDP by sector</li> </ul>	<ul style="list-style-type: none"> <li>NWT Bureau of Statistics and Statistics Canada</li> </ul>

## Appendix I: List of Documents Reviewed

### City of Yellowknife

- Citizen Budget Results, Yellowknife, Northwest Territories, August 2, 2019, September 2019.
- City of Yellowknife Annual Report 2017.
- City of Yellowknife, Background Report (Draft) Community Plan Update 2019, Dillon Consulting, October 2019.
- City of Yellowknife Business Improvement District Committee, BIABC Conference Report - Vancouver, BC, Kevin Hodgins, April 10 – 13, 2015.
- City of Yellowknife 2017 Citizen Survey.
- City of Yellowknife, Community Plan Draft for Public Review October 2019.
- City of Yellowknife Community Profile Updated March 2019.
- City of Yellowknife, Consolidation of Development Incentive Program By-Law No. 4534 (including Amendments)
- City of Yellowknife, Corporate and Community Energy Action Plan, 2015-2025, April 2019.
- City of Yellowknife, Council’s Goals and Objectives, 2019-2022.
- City of Yellowknife, Destination Marketing Strategy, Tait Communications and Consulting, April 26, 2016.
- City of Yellowknife, 2014-2019 Economic Development Strategy, Background Report, December 2013.
- City of Yellowknife, 2014-2019 Economic Development Strategy, December 2013.
- City of Yellowknife Financial Report 2018, for the year ended December 31, 2018.
- City of Yellowknife Investment Brochure 2015.
- City of Yellowknife, Municipal Services Committee Agenda, Monday, August 28, 2017 at 12:05 p.m.
- City of Yellowknife, Presentation 7To Standing Committee On Social Development Re: Aurora College Foundational Review, October 25th, 2018.
- City of Yellowknife, Smart Growth Development Plan, Final Recommendations Report, July 2010.
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- City of Yellowknife 2015-2019 Tourism Strategy, June 2014.
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- City of Yellowknife, Vision for Downtown Revitalization, October 2017.
- City of Yellowknife: Yellowknife Visitor Services Strategy, July 17, 2018, Prepared By: Deborah Kulchiski Consulting and Authentic Experiences Consulting.
- City of Yellowknife Wayfinding Strategy, September 2019.
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- Exploring a Yellowknife Business Improvement District, Presentation (2013/2014).
- Grow V 2.0 Yellowknife Food and Agriculture Opportunities Analysis Winter, 2019, April 2019.
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- Organizing for Destination Marketing, Destination Yellowknife, Outcrop Communications Ltd. August 9, 2017. (And Guidance Notes Yellowknife Accommodation Levy & Destination

Marketing Organization Decision: Points& Choices).

- Retail Revitalization Strategy Downtown Yellowknife City of Yellowknife Prepared for: City of Yellowknife, Tate Economic Research Inc. September 13, 2019.
- Summary Action Report: Yellowknife Business Incentive Strategy and Business Incubation Strategy Framework, September 2, 2015.
- University Feasibility and Benefits Study Final Report to the City of Yellowknife January 2019, Strategy Corp.
- Yellowknife Dene First Nation, 2016-2017 Annual Report.
- Yellowknife’s Downtown: Realistic Ways to Move Forward, Robert Warburton, Co-Founder, CloudWorks, May 2016.
- CMHC Housing Market Outlook 2019
- Conference Board of Canada, Territorial Outlook Economic Forecast, 2019.
- Det’ on Cho Marketing Report 2018/19.
- Mayor’s Task Force On Economic Development – Agenda Oct 31,2019.
- Mayor’s Task Force On Economic Development – Agenda August 22,2019.
- Growing Our knowledge Economy: Why I Support a Yellowknife University, 2019.
- City of Yellowknife, Could There Be a University in Yellowknife?
- Canadian Destination Marketing Organizations – Focus, Governance, Activities And Funding
- Accommodation Taxes Across Canada And Internationally

### Northwest Territories

- Tourism Programs and Services, 2018-2020.
- GNWT Northwest Territories Visitation, November 2018.
- Northwest Territories Tourism Marketing Plan 2018-2019.
- GNWT Economic opportunities Performance and Measures Report 2016-2017.
- Socio-Economic Agreement Report, 2018.
- Investigation of the Underlying Challenges in the NWT Economy, 2019.
- GNWT Public Service Annual Report 2018/19.
- Almost a dozen NWT employers offer certified living wage: Alternatives North, 2019.
- Northwest Territories Business Development and Investment Corporation 2019-20 corporate plan
- Commercial Renewable Resource Use Policy, 2005.
- Community Futures Program 2016-2017 and 2017-2018 Annual Reports
- Grants and Contributions Results Report 2017-2018.
- Human Resources Services: A Shared Responsibility, GNWT, 2019.
- NWT Labour Market Outlook 2018-2027.
- GNWT Restaurant and Food Service Receipts, 2012-2017.
- Yellowknife Airport Non-Resident Visitor Origin by Country, 2012-2017.
- Yellowknife Hotel Occupancy 2018.
- Strategy for Revitalizing the Great Slave Lake Commercial Fishery, March 2017

### Mining, Oil and Gas

- Diamond Policy Framework, JCK 2019, New Ideas, GNWT
- Diamond Policy Framework, October 2018, GNWT
- Northwest Territories Oil and Gas Annual Report 2018, GNWT ITI, May 2019.
- Updates to NWT Petroleum Legislation What We Heard Report, GNWT, July 2018
- Northwest Territories Energy Action Plan; A Three-Year Action Plan and a Long-Term



Vision, GNWT, December 2013.

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## Appendix II: List of Key Informants Interviewed

- Francois Afane, CDETNO
- Rebecca Alty, City of Yellowknife
- Darrell Beaulieu, Denendeh Investments Incorporated
- Matt Belliveau, Northwest Territories & Nunavut Construction Association
- Cathie Bolstad, CEO, NWT Tourism
- Mike Borden, Giant Mine Reclamation Project
- Mark Brajer, Tlicho Investment Corporation
- Joe Campbell, Terrax Minerals Inc
- Liang Chen, Tourism Services
- Josée Clermont, College-Nordique
- Alex Clinton, (DDMI) Diavik Diamond Mines
- René Comeau, Executive Director, NWT Chamber Commerce
- David Connelly, Member Board of Directors and Chair CSR Committee, Avalon Rare Metals
- Deneen Everett, Executive Director, Yellowknife Chamber of Commerce
- Janine Farmer, Economic Development Manager, City of Yellowknife
- Nicole Garbutt, AADNC/AANDC & Giant Mine Reclamation Project
- Paul Gruner, President and CEO, Det'on Cho Corporation
- Sarah Hodgins, Business & Marketing Officer, Yellowknife Airport
- Tom Hoefer, Executive Director, NWT and Nunavut Chamber of Mines
- Peter Houweling, Aviation, transportation, and logistics (waste removal services)
- Kelly Kaylo, Consultant
- Cheryl Keats, Canadian Northern Economic Development Agency
- Altaf Lakhani, Former Manager, Canadian Northern Economic Development Agency
- Claudine Lee, Dominion Diamond Mines
- Camilla MacEachern, GNWT (ITI)
- Nalini Naidoo, Director, Planning & Development, City of Yellowknife
- Kenny Ruptash, NWT Chamber of Mines
- Kerry Penney, City of Yellowknife
- Natalie Plato, AADNC/AANDC & Giant Mine Reclamation Project
- Monique Robitaille, Agriculture and Fisheries
- Ed Romanowski, Touchstone Holdings/Nunastar Properties
- Jason Snaggs, CEO, Yellowknives Dene First Nation
- Grant Stewart, (DDMI) Diavik Diamond Mines
- Pamela Strand, ADM, Minerals Petroleum Resources, Industry, Tourism and Investment
- Kyle Thomas, President, Yellowknife Chamber of Commerce
- Andrei Torianski, Crown-Indigenous Relations and Northern Affairs Canada
- Gary Vivian, Aurora Geosciences
- Rob Warburton, Cloudworks, Hospitality
- Dr. Tom Weegar, ADM, Post-Secondary Education Renewal, GNWT (ECE)
- Sharolynn Woodward, City of Yellowknife

## Appendix III: Economic Profile of Yellowknife and NWT

This appendix provides an economic overview of Yellowknife and the NWT in terms of demographic characteristics, employment, economic structure, and leading sectors.

### III.1. Overview of Yellowknife

#### Population

With an estimated population of 20,607 in July 2018, the City of Yellowknife (“City”) is a dynamic, inclusive community which is home to around 47% of the NWT’s population. It is the territory’s largest community and its hub of financial economic activity.

As of July 2019, there were an estimated 44,541 people were living in the Northwest Territories, a decrease from 44,936 in 2018. Thirteen communities in the NWT experienced population declines between 2001 and 2018. Natural increases and net international migration were offset by the nearly 600 people who moved to other provinces and territories.<sup>67</sup>

Both Yellowknife and the NWT have a young population in that median and average ages are five to six years below the Canadian average.

2016 Census Data	Yellowknife	NWT	Canada
Population	19,569	41,786	35,151,728
Population percentage change, 2011 to 2016	1.7%	0.8%	5%
Population density per square kilometer	185.50	0.04	3.9
Land area (square kilometres)	106	1,143,794	8,965,589
<b>Age groups</b>			
0-19	25.9%	27.7%	22.4%
20-44	41.4%	38.2%	32.4%
45-64	26.9%	26.4%	28.3%
65+	5.7%	7.7%	16.9%
<b>Average age</b>	34.6	34.9	41.0
<b>Median age</b>	34.5	34	41.2

Source: Statistics Canada (Data is from the Statistics Canada website for the City of Yellowknife and the Northwest Territories)

Twenty-three percent of Yellowknife’s population identifies as Indigenous, compared to 51% for the NWT as a whole and 4.9% for Canada. The 2016 census estimated that 550 people in Yellowknife and

<sup>6</sup> Estimated on July 1, 2019 Statistics Canada; [https://www.statsnwt.ca/population/population-estimates/PopEst\\_July2019.pdf](https://www.statsnwt.ca/population/population-estimates/PopEst_July2019.pdf)

<sup>7</sup> Note: there is a small discrepancy in population data between Statistics Canada and NWT Bureau of Statistics. The NWT website shows the territorial population as having been over 41,000 since 2003 and over 44,000 since 2015. It lists the 2016 population as 44,649, a discrepancy of 2,863 compared to Statistics Canada.

4,635 in the NWT speak Indigenous languages as a mother tongue (820 people in Yellowknife and 6,535 people in the NWT can speak an Indigenous language). The most common Indigenous languages spoken in the NWT are northern Athabaskan languages such as Tlicho, Dene, Slavey-Hare languages, and Inuit languages (Inuinnaqtun (Inuvialuktun) and Inuktitut).

In 2019, the NWT Bureau of Statistics developed population projections for Yellowknife going out to 2035. According to their projections, the population of Yellowknife is forecast to grow from 20,607 in 2019 to 22,314 (an increase of 2,207 residents) in 2035, which represents an 0.5% per year. Most of the population increase is associated with people migrating in from other communities in the NWT. The projected rate of population growth for Yellowknife is well above the rate forecasted for the NWT overall (0.1%) but well below the national average (1.2%). Given a projected decline in the number of people per household from 2.7 to 2.6 over the forecast period, the draft Community Plan recently prepared for Yellowknife estimated that a total of 848 new housing would be needed to accommodate this growth.

### **Home Ownership**

Despite higher incomes in Yellowknife and NWT compared to national averages, homeownership rates in Yellowknife and the NWT are much lower than the national average. Housing affordability is a high priority concern, both for citizens and for business investment decision-makers.

Private households by tenure	Yellowknife	NWT	Canada
Owner	56.2%	53.7%	67.8%
Renter	43.7%	46.1%	31.8%
Band Housing	0.0%	0.1%	0.4%

Source: Statistics Canada 2016 Census

### **Education**

Yellowknife is home to a well-educated workforce: the proportion of the population with various types of university degrees (except earned doctorates) is higher than the national and territorial average.

Highest certificate, diploma or degree	Yellowknife	NWT	Canada
No certificate, diploma or degree	9.4%	20.5%	11.5%
Secondary (high) school diploma or equivalency certificate	21.5%	19.4%	23.7%
Apprenticeship or trades certificate or diploma	9.3%	11.1%	10.8%
College, CEGEP or other non-university certificate or diploma	22.0%	21.7%	22.4%
University certificate or diploma below bachelor level	3.5%	2.8%	3.1%
Bachelor degree	23.2%	16.9%	19.0%
University certificate or diploma above bachelor level	1.6%	1.2%	1.9%
Degree in medicine, dentistry, veterinary medicine or optometry	0.8%	0.5%	0.8%
Masters Degree	8.2%	5.6%	5.9%
Earned Doctorate	0.5%	0.3%	0.9%

Source: Statistics Canada Census 2016 (as percentage of population aged 25 to 64 years in private households)

### **Income**





The city is home to a high proportion of well-educated families earning some of Canada’s highest household incomes. The average family income in 2017 for Yellowknife was \$161,796 (based on 5,490 families), higher than for all families in the NWT at \$134,057 (based on 11,420 families).

As indicated in the table below, the personal and employment incomes of Yellowknife residents are significantly higher than those of Canadians overall.

2017	Yellowknife	NWT	Canada
Average Personal Income (\$)*	\$74,181	\$62,049	\$49,003
Total number of tax filers with personal income*	15,100	31,150	27,465,380
Average Employment Income (\$)*	\$72,851	\$62,068	\$47,302
Total number of tax filers with employment income*	13,280	26,030	19,887,730
Median Family Income (\$ all types of families)**	N/A	\$78,610	\$58,230
Count of Families**	N/A	18,760	16,376,990

Source: \*Statistics Canada. Table 11-10-0007-01 Tax filers and dependents with income by source of income;  
 \*\*<https://www150.statcan.gc.ca/n1/pub/71-607-x/71-607-x2019007-eng.htm>

The higher incomes in NWT and Yellowknife partly reflect the high cost of living in the north. Expenditures on food, shelter, transportation, water, sewage, fuel, and electricity are much higher than the Canadian average. The 2018 Living Cost Difference for Yellowknife was 122 (using Edmonton = 100. Household expenditures are nearly 50% higher than the national household average.

While median and average incomes are high, there is a growing percentage of residents who are categorized as lower-income:

- According to the NWT Bureau of Statistics, 11.9% in Yellowknife residents were categorized as lower-income in 2017 (up from 10.8% in 2004) as compared to 19.1% in the NWT overall (up from 17% in 2004). The percentage of low-income families in 2017 was 9.1% for Yellowknife and 16.8% for the NWT (these percentages have remained more or less constant since 2004). By comparison, in Canada the percentage of the population below the country’s Official Poverty Line hovered around 10% in 2016 and 2017.
- In 2018, the monthly number of income assistance beneficiaries averaged 717 in Yellowknife and 3,190 in the NWT. This was far higher than the corresponding figures for 2009: 440 in Yellowknife (39% increase) and 2,402 in the NWT (33% increase). The population grew by 4.5% over the same period in Yellowknife and by 3.2% in the NWT.

### Employment

Unemployment in Yellowknife has been very low. As of December 2019, Yellowknife posted a three-month rolling seasonally adjusted unemployment rate of 3.9% – markedly lower than the national rate of 5.6% and the rate of 13.8% for the remainder of the NWT (i.e. the area outside of Yellowknife). The employed labour force in the NWT in 2018 was estimated at 21,400.

A notable feature of the labour force in both Yellowknife and the NWT is that it is heavily dominated by the public sector, at over four times the national rate. Almost all other industries are underrepresented in Yellowknife in comparison to the national average, with the exception of



transportation and warehousing; mining, quarrying, and oil and gas extraction; and information and cultural industries.

<b>Total Labour Force Population (aged 15 years and over) by Industry in 2016</b>			
<b>North American Industry Classification System (NAICS)</b>	<b>Yellowknife</b>	<b>NWT</b>	<b>Canada</b>
91 Public administration	26.1%	25.1%	6.0%
44-45 Retail trade	9.3%	9.4%	11.3%
62 Health care and social assistance	8.9%	9.1%	11.5%
48-49 Transportation and warehousing	7.2%	6.1%	4.7%
21 Mining, quarrying, and oil and gas extraction	6.6%	6.0%	1.5%
61 Educational services	6.0%	7.5%	7.2%
72 Accommodation and food services	5.7%	5.1%	6.9%
54 Professional, scientific and technical services	5.7%	3.9%	7.2%
23 Construction	4.9%	7.3%	7.3%
81 Other services (except public administration)	3.9%	3.6%	4.4%
56 Administrative and support, waste management and remediation services	3.5%	3.0%	4.3%
51 Information and cultural industries	2.9%	1.9%	2.3%
52 Finance and insurance	2.2%	1.4%	4.2%
53 Real estate and rental and leasing	1.5%	1.7%	1.8%
41 Wholesale trade	1.4%	1.2%	3.6%
71 Arts, entertainment and recreation	1.2%	1.5%	2.0%
Industry not applicable	1.2%	2.9%	2.2%
31-33 Manufacturing	1.0%	1.0%	8.6%
22 Utilities	0.5%	1.3%	0.7%
11 Agriculture, forestry, fishing and hunting	0.2%	0.8%	2.4%
55 Management of companies and enterprises	0.0%	0.1%	0.2%

Source: Statistics Canada Census 2016

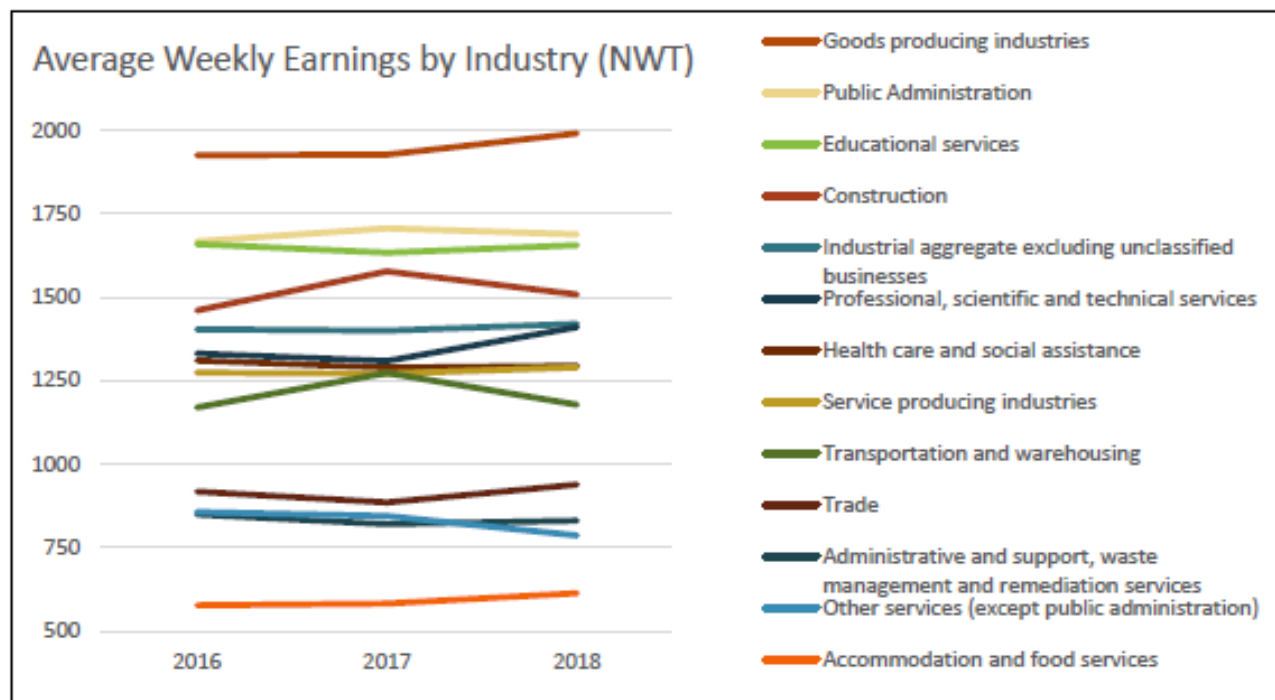
Retail trade, and health care and social assistance are the next largest industries in terms of employment. Relative to number of people employed per sector as reported in the 2011 Census, the sectors which have experienced the greatest growth include occupations in government, health and arts and culture while the most significant reductions were reported in business, finance and administration as well as natural and applied sciences and related occupations

The table below outlines the number of people employed in Yellowknife by occupational code in 2016 as well as the median income for those positions. As indicated, the median income was \$87,141 in 2015, ranging from a low of \$29,533 for cashiers to \$141,017 for judges and lawyers. The table also shows the number of job openings expected to arise between 2018 and 2027 taking into consideration both increases in the number of people employed in particular occupations (i.e. expansion demand) and the need to replace some workers who leave the occupation or region (e.g. considering out-migration, retirement, and death).

### Number of People Employed in Yellowknife by Occupational Code in 2016

Occupation & NOC Code	Job Openings (2018-2027)	Base Yr. Employment (2016)	Median Employment Income in 2015
<b>Total Yellowknife</b>	<b>9,855</b>	<b>11,980</b>	<b>\$87,481</b>
<b>Skill Level O: Management occupations</b>			
Legislation and Senior Management (001)	220	260	\$116,353
Administrative services managers (011)	205	220	\$114,278
Retail and wholesale trade managers (062)	195	205	\$67,124
Managers in public administration (041)	145	145	\$132,258
Managers in financial and business services (012)	115	115	\$112,178
<b>Skill Level A: Occupations usually requiring university education</b>			
Policy and program researchers, consultants and officers (416)	440	460	\$108,831
School teachers and educational counsellors (403)	320	315	\$110,896
Professional occupations in nursing (301)	225	225	\$117,798
Auditors, accountants and investment professionals (111)	210	220	\$107,642
Human resources and business service professionals (112)	200	215	\$94,185
Social and community service professionals (415)	135	145	\$103,342
Judges, lawyers and Quebec notaries (411)	120	135	\$141,017
Computer and information systems professionals (217)	110	145	\$102,906
Architects, urban planners and land surveyors (215)	105	110	\$92,129
<b>Skill Level B: Occupations usually requiring college education or apprenticeship training</b>			
Administrative and regulatory occupations (122)	420	440	\$89,040
Paraprofessionals in legal, social, community and education services (421)	320	315	\$60,593
Finance, Insurance and related business administrative occupations (131)	185	190	\$87,639
Transportation officers and controllers (227)	165	175	\$56,275
Chefs and cooks (632)	145	130	\$49,386
Machinery and transportation equipment mechanics (731)	110	170	\$99,118
<b>Skill Level C: Occupations usually requiring secondary school and/or occupation-specific training</b>			
Retail salespersons (642)	305	330	\$49,703
General office workers (141)	235	265	\$66,130
Home care providers and educational support occupations (441)	220	230	\$56,965
Motor vehicle and transit drivers (751)	195	295	\$62,401
Financial, insurance and related administrative support workers (143)	175	185	\$76,322
Assisting occupations in support of health services (341)	160	165	\$74,582
Occupations in travel and accommodation (652)	130	150	\$58,226
<b>Skill Level D: On-the-job training is usually provided for occupations</b>			
Cleaners (673)	280	305	\$55,467
Food counter attendants, kitchen helpers and related support occupations (671)	155	170	\$42,576
Other sales support and related occupations (662)	140	150	\$32,695
Cashiers (661)	125	150	\$29,533

As indicated in the chart below, while data is not available specifically for Yellowknife, Statistics Canada data indicates that across the NWT average weekly earnings tend to be much higher for employees in good producing industries and public administration than, for example, retail trade and accommodation and food services.



**Business License Data**

As indicated, over 1,450 business licenses have been issued in Yellowknife. We categorized the licenses by economic category. As indicated in the table below, professional, scientific and technical services account for almost one-quarter of the licenses.

Yellowknife Business Licenses by NAICS	#	%
<b>Agriculture, forestry, fishing and hunting</b>	<b>2</b>	<b>0.1%</b>
<b>Mining, quarrying, and oil and gas extraction</b>	<b>14</b>	<b>1.0%</b>
<b>Construction</b>	<b>146</b>	<b>10%</b>
Contractors	100	6.9%
General Labour (e.g. Handyman, Painter etc.)	46	3.2%
<b>Manufacturing</b>	<b>8</b>	<b>0.6%</b>
<b>Retail trade</b>	<b>124</b>	<b>8.6%</b>
Building Material and Garden Equipment and Supplies Dealers	42	2.9%
Supermarket/General Stores	39	2.7%
Apparel & Accessories	23	1.6%
Automotive Equipment Rental and Leasing	20	1.4%
<b>Transportation and warehousing</b>	<b>106</b>	<b>7.3%</b>
Transportation (Air & Road, Taxi, Shuttle)	29	2.0%
Rental & Storage Services	37	2.5%
Delivery, Trucking, Freight Services	40	2.8%
<b>Finance and insurance</b>	<b>28</b>	<b>1.9%</b>
Financial Services	28	1.9%
<b>Real estate and rental and leasing</b>	<b>12</b>	<b>0.8%</b>
<b>Professional, scientific and technical services</b>	<b>349</b>	<b>24.0%</b>
Consultants	128	8.8%
Speciality & Business Services	76	5.2%
Engineers, electricians and other professionals	145	10%
<b>Management of companies and enterprises</b>	<b>99</b>	<b>6.8%</b>



<b>Yellowknife Business Licenses by NAICS</b>	<b>#</b>	<b>%</b>
Property Management & Services	87	6.0%
Security Services	12	0.8%
<b>Educational services</b>	<b>17</b>	<b>1.2%</b>
<b>Health care and social assistance</b>	<b>127</b>	<b>8.7%</b>
Day Care	35	2.4%
Health & Care Services	35	2.4%
Other professionals and services	57	3.9%
<b>Arts, entertainment and recreation</b>	<b>111</b>	<b>7.6%</b>
Arts, Crafts, and Media services	55	3.8%
Sports, Recreation & Fitness	34	2.3%
Other	22	1.5%
<b>Accommodation, Food Services and Tourism</b>	<b>157</b>	<b>10.9%</b>
Food Services and Drinking Places	91	6.3%
Tourism Services	39	2.7%
Hotels (Bed & Breakfast)	27	1.9%
<b>Other Services (except public administration)</b>	<b>153</b>	<b>10.5%</b>
Telecommunications	48	3.3%
Janitorial Services	48	3.3%
Repair and Maintenance	22	1.5%
Personal Care Services (Spa & Salon)	21	1.4%
Charitable Services	8	0.6%
Other Services	6	0.4%
<b>Grand Total</b>	<b>1,453</b>	<b>100%</b>

Source: Coding of licensing data downloaded from the city website, October 20, 2019

## III.2. The Northwest Territories: Economic Structure

### *Relationship of Yellowknife and the NWT*

As the largest population centre in the Northwest Territories, Yellowknife's economy is inextricably linked to that of the territory as a whole.

- The city is affected by decisions of the territorial government (the Government of the Northwest Territories, or GNWT) more than any other community, but lacks direct influence over the GNWT's employment and spending decisions;
- Though the impacts and benefits of natural resource projects spill over into Yellowknife, the city does not hold jurisdiction over the resources being exploited or those being considered for future development; and
- The socioeconomic composition of the city is shifting due to migration from smaller communities in the NWT.

The previous economic development strategy, which covered the years 2014 through 2019, emphasized that the City should “consider its economic development responsibilities beyond the municipal boundaries and become a strong voice in the territorial economy.”

### *Employment By Sector*

The NWT Bureau of Statistics estimates that, in 2018, public sector employees accounted for 46% of the employed labour force (9,300 of the 21,400 people employed) and private sector employers

accounted for 48% with the balance being self-employed. The GNWT is the leading single employer. According to the GNWT Public Service Annual Report 2018/2019, the GNWT employed 5,289 people as of March 2019, of whom 2,782 (53%) were located in Yellowknife and Detah.

### 2018 GDP By Sector

GDP in the NWT totalled \$4.7 billion in 2018. Diamond mining (33%) was the largest contributor in 2018 followed by public administration sector (14%). Overall, mining, quarrying, and oil and gas extraction accounted for about 35% of territorial GDP in 2018 (\$1.7 billion), which is down from 46% in 2007 primarily because of a decline in oil & gas extraction.

Contribution to GDP (%) by Industry Sector	2007	2018
<b>Goods Producing Sectors</b>		
Agriculture, forestry, fishing and hunting	0.2%	0.2%
Mining, quarrying, and oil and gas extraction		
Oil and gas extraction	8.7%	0.7%
Diamond mining	32.1%	32.7%
Support activities for mining, oil and gas	4.2%	1.7%
Utilities	1.4%	1.4%
Construction	9.8%	8.2%
Manufacturing	0.3%	0.6%
<b>Sub-total Goods Producing Sectors</b>	<b>56.7%</b>	<b>45.5%</b>
<b>Serving Producing Sectors</b>		
Trade		
Wholesale trade	1.8%	2.3%
Retail trade	2.6%	3.4%
Transportation and warehousing	4.2%	5.6%
Information and cultural industries	1.4%	1.7%
Finance, Insurance, Real Estate and Leasing		
Finance and insurance	2.0%	2.6%
Real estate and rental and leasing	6.4%	7.7%
Professional, scientific and technical services	1.7%	2.0%
Management of companies and enterprises	0.5%	0.6%
Administrative and support, waste management and remediation services	1.1%	1.2%
Educational services	3.7%	4.2%
Health care and social assistance	4.7%	6.0%
Arts, entertainment and recreation	0.2%	0.1%
Accommodation and food services	1.6%	1.9%
Other services (except public administration)	0.9%	1.1%
Public administration	10.5%	13.9%
<b>Sub-total Goods Producing</b>	<b>43.4%</b>	<b>54.4%</b>
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Statistics Canada Data Table: 36-10-0402-01, prepared by: NWT Bureau of Statistics: Millions of Chained (2012) Dollars in Basic Prices



A forecast by the Conference Board Canada<sup>8</sup> projects that the NWT's real GDP is expected to fall 2.9% in 2021 and then grow by an average of only 1.1% a year for the next 25 years. The combined economies of Nunavut, the Northwest Territories and Yukon's real economic growth is forecast to average 5.3% in 2019 and 4.4% in 2020. However, between 2021 and 2025, their combined economies are forecast to grow by an average of only 1.5% a year, in part because of the maturing of the mining industry and fewer new mine developments.

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<sup>8</sup> *Territorial Outlook Economic Forecast (Summer 2019)*, Conference Board of Canada.



## Appendix IV: Overview of Selected Sectors and Opportunities

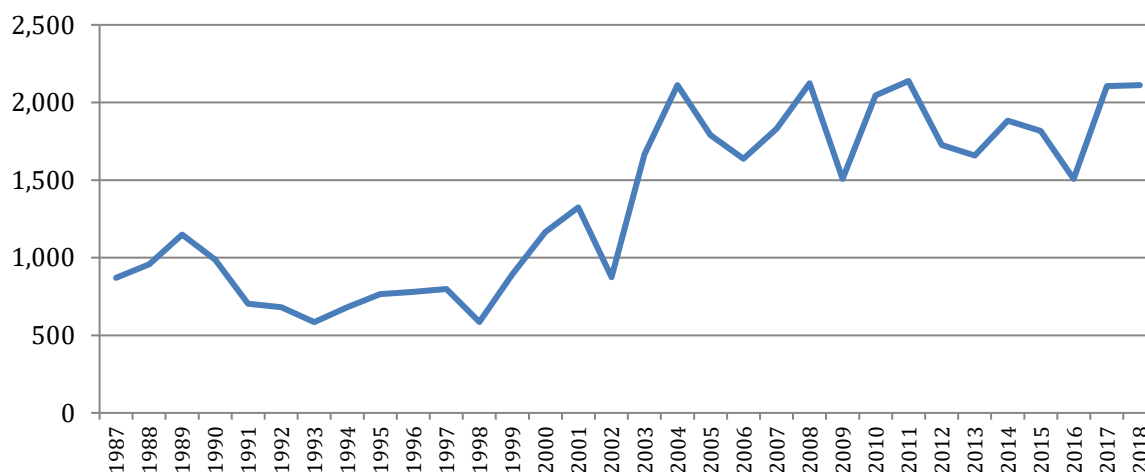
### IV.1. Mineral Industry

#### Overview of the Sector

The economic growth of the NWT in the 20th century has been largely based on the rapid commercial exploitation of non-renewable natural resources including minerals, oil, and gas. The continues to be mineral potential associated with diamonds, gold, rare earth metals, lead, zinc, uranium, tungsten, rare earths, cobalt, bismuth, silver, nickel, copper, iron, sand, gravel and stone. The territory has an established mining infrastructure and geoscience data resources although no smelters, refineries or pelletizers.

Diamond mining is now the largest single economic contributor, accounting for 33% of GDP in 2018. With its three producing diamond mines, the NWT is the world's third-largest producer of diamonds (by value). The value of diamond production in the NWT has averaged about \$1.8 billion annually over the past 16 years and totalled \$2.1 billion in each of the 2017 and 2018 (which represents about 4.5% of Canada's total mineral production). The graph below shows the value of non-metals mineral production (mostly diamond production) in the NWT over the last twenty years.

**Value of Non Metals Mineral Production (mostly diamonds) in the NWT  
1987-2018 (\$ million)**



Source: Natural Resources Canada, Annual Statistics of Mineral Production.

Overall, mining, quarrying, and oil and gas extraction accounted for about 35% of territorial GDP in 2018, which is down from 46% in 2007 (primarily because of a decline in oil & gas extraction; oil and natural gas production in the NWT has declined from over \$500 million annually in the early 2000s to about \$20 million in 2018).

Three diamond mines are operating in the NWT:

- **The Gahcho Kué mine** operation is a joint venture between De Beers Canada Inc. (51%) and Mountain Province Diamonds Inc. (49%). The total capital cost of this mine is \$1 billion and De Beers acts as the operator of the mine. About 530 De Beers and contractor workers are



required to operate the mine during the approximately 12-year life of the mine. The mine began the ramp-up of production in early August 2016 and was officially opened on September 20, 2016. The mine commenced commercial production in March 2017. Mountain Province estimates that total production (100%) during the first five years (2017-2021) is expected to average 5.4 million carats a year<sup>9</sup> but average annual production over the mine's twelve-year life span is estimated at roughly 4.5 million carats by De Beers. Mountain Province is a Canadian company listed on the TSX and NASDAQ with a \$200 million market capitalization. The Company's primary asset is its 49% interest in the Gahcho Kué Diamond Mine and it is also the sole owner of the Kennady North exploration project adjacent to the Gahcho Kué mine.<sup>10</sup>

- **Ekati Mine:** In 2017, a U.S. Montana based privately held company, Washington Companies, purchased Dominion Diamond Mines, which gave it a majority stake in the Ekati mine and a minority stake in the Diavik mine in partnership with Rio Tinto plc. A year before selling its stake to Washington companies, Dominion moved its Board and Senior Leadership team from Yellowknife to Calgary in a cost-cutting operation. The move was said to “impact” 100 employees. The Ekati mine began production in October 1998, following extensive exploration and development work dating back to 1981. The mine is set to close in 2034 but Washington Companies Dominion Diamonds subsidiary claims that exploration activities may extend the life of Ekati to 2042.
- **Diavik Mine:** Renowned for high-quality diamonds, Diavik began producing diamonds in January 2003. It is operated by Diavik Diamond Mines (2012) Inc., a subsidiary of Rio Tinto. Under the joint arrangement with Washington Companies, Rio Tinto operates the mine and Washington (Dominion Diamond) pays 40 percent of the mine's operating and capital costs while receiving 40 percent of the mine's diamond output. The current mine plan is expected to take the mine's production to 2025.

The mineral industry also generates significant economic activity related to:

- **Exploration.** Exploration expenditures totalled \$919 million over the past 10 years including \$78 million in 2019. The leading commodities in terms of exploration expenditures included diamonds (\$501 million in expenditures over the past ten years), precious metals (\$210 million) and base metals (\$115 million). Junior companies accounted for \$545 million of the \$919 million (59%) in exploration expenditures over the 10 years. In 2018-2019, the GNWT invested nearly \$1 million in grassroots mineral exploration through the Mining Incentive Program in 17 exploration projects comprising nine prospectors and eight companies (including TerraX, Strateg X, Pine Point Mining, North Arrow Minerals, Margaret Lake Diamonds and Evrim Resources).
- **Remediation.** The Government of Canada is providing significant funding for mine remediation in the north, including funding for remediating the Giant Mine site. According to the Giant Mine Oversight Board \$356 million was spent between 2006 and 2017 in contracts for Giant Mine Remediation Work. It is anticipated that the Giant Mine Remediation Project (GMRP) will be a source of employment and business opportunities for Yellowknife and surrounding communities over the following years. Several studies have been done by

<sup>9</sup> <http://www.mountainprovince.com/vision>

<sup>10</sup> <http://canada.debeersgroup.com/operations/mining/gahcho-kue-mine>



consulting firms such as Stratos and others to estimate the employment the GMRP will create. This remediation work supports local employment (peaking at perhaps 200 jobs), creates additional opportunities for local suppliers, and could serve as the basis for developing Yellowknife as a centre of expertise in northern-based mining remediation.

- *Purchase of products and services.* Yellowknife serves as a major distribution hub for the mining sector. According to the Conference Board of Canada, the GDP associated with mining services has totalled about \$91 million in 2018. The City of Yellowknife also serves as a major supply, transportation and logistics hub for the mines in the NWT.
- *Construction.* Construction is the third largest sector in the NWT after mining and public administration. Along with commercial, residential and infrastructure development, the mining industry has been a major driver for the construction industry. The size of the construction has declined over the past three to four years, once development of the Gahcho Kué mine was completed.
- *Accommodation and food services.* Business travel typically accounts for about 40% of expenditures in the tourism industry. The mineral sector is a significant component of the business travel market.
- *Donations and sponsorships.* ITI estimates that in 2016, the NWT's three operating mines spent more than \$10 million in donations, sponsorships, and other financial contributions. Since 1996, NWT communities have benefited from an estimated \$100 million in donations, sponsorships, and contributions.<sup>11</sup>

Yellowknife also serves as an important bedroom community for workers in the mining industry. According to the GNWT's 2018 Socio-Economic Agreement Report, the NWT's operating mines generated 1,592 jobs for northern residents in 2017 of whom 819 are Indigenous. Since 1996, when the first Socio-Economic Agreement was signed with Ekati Diamond Mine, the operating diamond mines have generated 27,000 person-years of local employment. Cumulative diamond mine employment including construction, operations, and closure from 1996 to 2017 was estimated at 56,642 person-years of employment, of whom 49% are northern residents and 24% are northern Indigenous. The 2014 NWT Survey of Mining Employees observed 46% of respondents were NWT residents and 54% resided in other regions (in the previous 2009 survey, 57% of workers lived in the NWT). Significant additional employment is generated in the north and more specifically through the purchase of goods and services by the mines and expenditures in the community by mine employees.

The GNWT implements the NWT Geological Survey Strategic Plan, including carrying out Slave Province geoscience studies, to increase the availability of geoscience knowledge and promote exploration for and discovery of NWT mineral resources as well as defining how permafrost conditions may impact future infrastructure development.

The *Mineral Resources Act* was passed by the NWT legislature in 2019, marking the GNWT's first-ever standalone Act governing mining in the territory. Although the City can advocate for mine development and play a role in building public support for mineral development and positioning

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<sup>11</sup> <https://www.iti.gov.nt.ca/en/newsroom/good-mining-contributing-our-communities>

Yellowknife to better capture the benefits, the City has very little overall influence over the factors that will determine if mines are developed.

Management, exploration and production of the NWT petroleum resources are governed by two acts: the Petroleum Resources Act (PRA) and Oil and Gas Operations Act (OGOA). These two acts were mirrored from federal legislation as part of devolution in 2014. Amendments have been proposed to enhance transparency and public accountability throughout the PRA and the OGOA. The GNWT's *Petroleum Legislation, What We Heard Report, 2018* summarized the results of a public engagement campaign which determined that participants were strongly in favour of all of the amendments proposed under the 'Transparency and Public Accountability' theme. There was strong support for greater transparency surrounding proposed provisions on environmental liabilities, including decommissioning sites and for ensuring that publicly-available information is both easily accessible and in plain language. Under the 'Significant Discovery' theme, a strong majority of participants favoured changing the current system. There was support from most groups for term limits and the geographic size on Significant Discovery Licenses as well as renewal conditions for their extension.

### **Outlook**

The three diamond mines have reached peak production and, according to the Conference Board of Canada, production will begin declining in 2021. According to the Conference Board's 2019 Territorial Outlook Economic Forecast, Diavik's operating life is scheduled to end in 2025, Gahcho Kué's in 2028, and Ekati well into the 2030s (contingent on developing the Jay pipe). The Conference Board projects that NWT GDP associated with non-metal mining (i.e. diamond mining) will decline from \$1.8 billion in 2018 to \$1.0 billion in 2025, which will also impact other economic sectors including government. There is considerable uncertainty regarding timing of the economic shocks.

The Northwest Territories (NWT) constitutes 13.5% of Canada's total landmass and contains a vast array of mineral deposits and mineral occurrences. A 2016 GNWT report examined 75 deposits that host significant mineralization, distributed throughout the NWT, including gold, silver, base metals, strategic minerals (i.e. lithium, tungsten, rare earth elements and uranium) and diamonds.

Potential new mines are at various stages of development including the \$280 million Prairie Creek zinc mine development; \$40 million TerraX Yellowknife City Gold exploration, and Avalon Advanced Materials Inc.'s Nechalacho REE project. While important, the number of jobs associated with these developments (e.g. perhaps 250 to 450 jobs at the Yellowknife City Gold exploration and 25 jobs at the Nechalacho project) is considerably lower than employment at the current mines. TerraX announced in December 2019 that it has raised \$5 million towards its Yellowknife City gold exploration project.

Mine development is strongly influenced by international supply and demand conditions. Some local factors that can influence investment decisions include access to energy (particularly renewable energy), transportation (including road and air access), and communication infrastructure as well as settlement of land claims. Most planning and regulation for this sector is done at the territorial level in partnership with various federal government departments. Transformative (medium to long term) projects such as bringing 60 MW of hydroelectricity from Taltson to industry, connecting the North and South Slave grids to each other and to the North American grid, or building new transmission lines are unlikely to occur without federal funding for the necessary infrastructure including construction of all-season roads (for building new transmission lines).

### **Potential Actions**



To promote further development of the mineral industry, the City of Yellowknife could work with the mineral industry and other key stakeholders to:

- **Raise awareness of the importance of the sector to the economy of the GNWT and the Yellowknife.** The City of Yellowknife can play an important role in raising awareness of the sector’s importance through endorsing the economic development strategy, issuing a letter of support for the mineral industry as requested by Chamber of Mines, and through its communications with various stakeholders.
- **Feature the mineral industry as a key sector in its investment attraction activities.**
- **Capture for Yellowknife more of the benefits associated with the mineral industry in the NWT.** Opportunities have been identified to increase the participation of Yellowknife suppliers in remediation activities, strengthen the position of Yellowknife as a supplier of products and services throughout the NWT and western Nunavut, and increase the percentage of mineworkers who reside in Yellowknife (rather than commuting to communities in the south).
- **Advocate for improvements in the investment climate for mineral exploration and development in the NWT.** The industry has highlighted the need for government, particularly the GNWT as well as the Government of Canada, to streamline regulatory processes (e.g. permitting, environmental reviews), further incent exploration and development activities (e.g. further invest in geoscience activities and strengthen the Mining Incentive Program), develop needed renewable energy, transportation, and communication infrastructure, and finally settle land claims.

## IV.2. Tourism

### *Overview of the Sector*

The latest statistics, released in November 2019, report that 120,130 visitors travelled to the NWT in 2018-2019<sup>12</sup> spending just over \$210 million, a 3% increase over \$203 million spent in 2017/2018. The major segment segments are as follows:

- Leisure visitation accounted for 73% of visitors and 62% of spending in 2018-2019. Over six years from 2013 to 2019, the main purpose of leisure visitation to the NWT was viewing Aurora Borealis. In 2018-2019, Aurora Viewing eclipsed business travel as the primary motivation for visiting the NWT with 41,500 visitors naming it as the primary motivation for travel to the NWT. This reflects a 153% growth rate over the preceding five years.

Hunting and fishing as the primary purpose of tourism have remained a small and stable market while outdoor adventure has seen rapid growth (243%) and general touring has seen good growth (20%). The Visiting Friends and Family segment of leisure visitation has seen a 9% decline over five years, both in visitor numbers and spending,

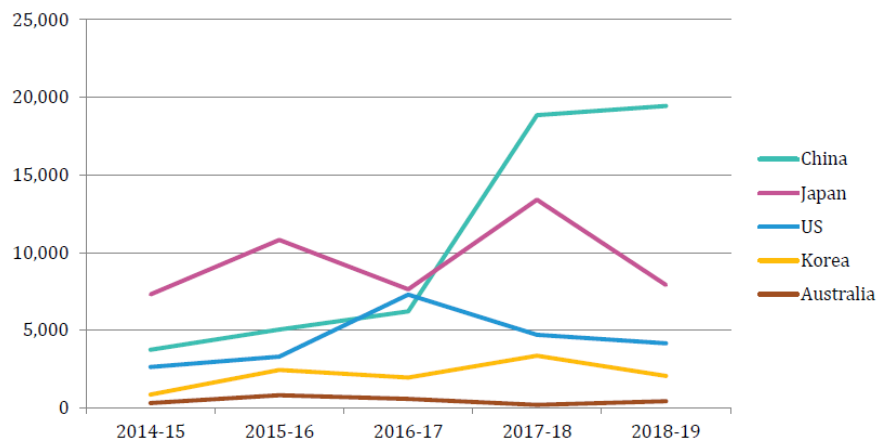
<sup>12</sup> Tourism Visitation and Expenditures (2018-2019), <https://www.iti.gov.nt.ca/en/tourism-research>.



- Business travel accounted for 27% of visitors and 38% of visitor spending in 2018-19.

Over the last five years, visitor numbers have increased by 42% in total, including a 58% increase in total leisure visitation. Data from the Yellowknife airport showing Non-Resident Visitor Origin by Country indicates that, after Canada (81,044), the largest number of visitors come from China (19,446), Japan (7,913) US (4,142), and Korea (2,049).

### International Visitor Origin By Country, Yellowknife Airport

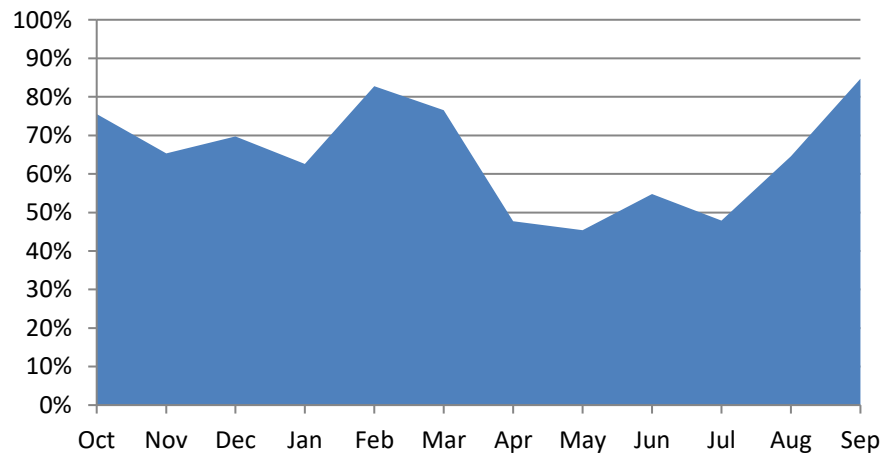


Source: <http://www.iti.gov.nt.ca/en/tourism-research>

Data from ITI Tourism Research indicates that the number of visitors from European countries such as Germany, France, UK and Italy has seen a decline whereas visitors from Canada have grown.

Tourism is highly seasonal, which is reflected in the wide variation in hotel occupancy rates as illustrated below.

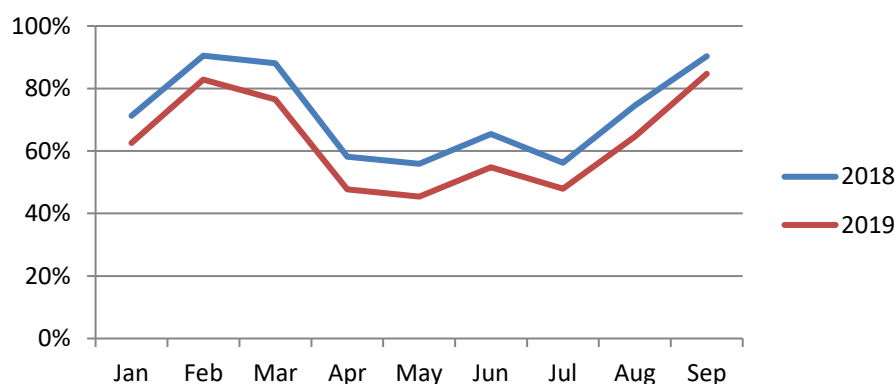
### Yellowknife Hotel Occupancy Rates October 2018 to September 2019



Source: <http://www.iti.gov.nt.ca/en/tourism-research>, Data refers to 6 hotels (58% of rooms in Yellowknife)

Overall, occupancy rates declined somewhat in 2019, possibly as a result of the 2019 expansion completion by the Explorer Hotel.

### Yellowknife Hotel Occupancy January to September 2018 and 2019



Tourism helps to support a wide range of businesses (food and beverage, small scale bed and breakfasts, arts and crafts, tour operators, etc.) and provides employment for a labour force with varying skillsets (skilled, semi-skilled).

### Outlook/Recent Developments

In 2018, the GNWT passed Bill 18 allowing for the collection of a short term accommodation levy of up to 4% on all short term accommodations in order to fund a DMO. The City of Yellowknife is in the process of developing a bylaw to collect the accommodation levy. The City has developed the “Extraordinary Yellowknife” brand, which was launched in March 2018 including a full brand refresh and website design.

In addition, the City is also working with the industry on a bylaw that will clarify the regulation of short-term rentals properties (there were 236 properties, i.e., 236 Airbnb and HomeAway listings for Yellowknife in October 2019, as compared to 193 listings in October 2018) and their responsibilities with respect to collecting the levy. Occupancy rates for short-term rentals peaked at around 80% in March and September 2019 and dipped to lows of 56% in April. The average occupancy for 2019 was 62%. The average daily rate for an entire place ranges from \$190 to \$256.

The Northern Frontier Visitor Center, which operated as a non-profit, closed in October 2017 and the City subsequently established a temporary visitor centre operating from City Hall. At this time, there is uncertainty how the DMO will be structured (e.g. will be function be contracted out or managed in-house), where the new visitor centre will be located, and how the visitor centre will be funded. The previous centre received funding from the GNWT and also generated revenues from the sale of various products (e.g. arts and crafts).

Northwest Territories Tourism (NWTT) is the DMO contracted by the GNWT to market the NWT tourism industry through its refreshed Spectacular Northwest Territories brand (spectacularnwt.com). NWTT received nearly \$2 million from CanNor and the GNWT for a two-year project to undertake tourism marketing activities in targeted markets, conduct market research and launch web-based tools to attract visitors. CanNor and others also contributed over \$400,000 to promote tourism and attract investment from key francophone markets and provide the

francophone community in NWT with entrepreneurial capacity-building tools and training. NWTT plans are aligned with the GNWT “Tourism 2020, Opening our Spectacular Home to the World” which aims to increase the visitor spend to \$235 million by 2020. Opportunities identified in this strategy include the Chinese market and the GNWT’s goal of attracting 2,000 more residents to the NWT by 2019 by increasing the “Visiting Friends and Relatives” market.

Multiple strategies have been developed for the tourism sector including GNWT’s Tourism 2020; the NWTT Marketing Plan 2018-19; the Yellowknife Visitor Services Strategy 2018; the City of Yellowknife 2015-2019 Tourism Strategy.

Various opportunities have been identified to develop additional tourism products to increase visitation during the shoulder and off-peak seasons as well as increased activity levels and expenditures during the peak periods including:

- Further developing the market for Aurora viewing. Access to land has been identified as a constraint. Under a GNWT pilot, 10 parks were opened for Aurora viewing to operators at a winter rate. However, some members of the industry expressed concerns regarding the impact of the pilots in terms on the viability of the sector and the quality of offerings.
- Development of tourism products featuring Indigenous culture. The Yellowknives Dene First Nation is currently conducting a feasibility study related to development of an Indigenous cultural centre that “creates a story for Yellowknife” and speaks to the history of the city as the home of a unique Indigenous culture. The NWT Tourism 2020 Strategy incorporates a focus on Aboriginal culture and adopting the recommendations of the NWT’s Aboriginal Tourism Champions Advisory Council (ATCAC).
- Development of additional accommodation capacity. Suggestions have included development of additional hotel capacity and expansion of camping and RV facilities.
- Expanding access to tourism products based on Aurora viewing as well as winter outdoor adventure activities such as dogsledding, snowmobiling, snowshoeing, ice fishing, ice road tours, and cross-country skiing. Other outdoor adventure activities wildlife viewing, hiking, cycling, boating, fishing and hunting.
- The development of geotourism products, with a particular focus on the mining industry. A mine tour has been developed at the Diavik mine. There is also interest in developing a mining museum which could be situated on the Giant mine site. Similar attractions (e.g. MacBride Copperbelt Mining Museum in Whitehorse) have been successful in attracting visitors during the summer months. The Giant Mine presents an opportunity to focus on the history of gold and diamond mining in the region, the reclamation process, and changes in mining practices over time.
- Use destination events including conferences, cultural events, sports tourism, culinary tourism and healthcare services (particularly for residents from other regions of the north) to attract additional visitors to the region.

### **Potential Actions**

To promote further development of the mineral industry, the City of Yellowknife could work with the tourism partners and other key stakeholders to:

- Develop and pass bylaws required to implement the hotel levy and regulate short-term rentals. In January 2020, the City held public hearings to address the concerns of organizations such as the Yellowknife Hotel Association and NWTTC. City administration will summarize the public hearing and present options for council to consider. It will send three bylaws: zoning, business license and fees and charges bylaw, for second reading all at the same time.
- Implement a governance structure for the Destination Marketing Organization (DMO) and visitor services centre that will be effective in attracting, serving and maximizing the economic benefits of tourists. At this time, there is uncertainty how the DMO will be structured (e.g. will the function be contracted out or managed in-house), where the new visitor centre will be located, and how the visitor centre will be funded. The previous centre received funding from the GNWT and also generated revenues from the sale of various products (e.g. arts and crafts).
- Encourage the development of additional tourism products as a means to increase visitation during the shoulder and off-peak seasons as well as increased activity levels and expenditures during the peak periods.
- Develop a City of Yellowknife Arts & Culture Master Plan to guide long-term decisions making and investments in arts and culture and update the City's Tourism Strategy (which was last prepared in 2014).
- Implement the wayfinding strategy and associated improvements to signage.
- Feature the tourism industry as a key sector in the investment and talent attraction activities. The high costs of living combined with limited availability of good affordable rental housing, makes it difficult for tourism businesses to recruit and retain employees. The living wage for Yellowknife is in the range of \$24 to \$25 per hour.
- Explore the potential to introduce border services at the Yellowknife airport which would allow for direct international flights.

## **IV.3. Post-secondary Education**

### **Overview**

In 2018, the then Minister of Education (Caroline Cochrane) and current Premier said she envisaged creating a "destination polytechnic university" in the NWT capable of drawing students from elsewhere in Canada, not just an institution designed to serve the local population. Subsequently the City advocated for a clear post-secondary vision, citing the features of Yellowknife as an optimal headquarters location considering the size of the City's population, its amenities, housing, part-time employment opportunities, recreational opportunities, and interest from Canadian and international students to study in a major diverse Northern city centre.





January 2019 saw the publication of *A University Feasibility and Benefits Study Final Report to the City of Yellowknife*. This Study concludes that the most feasible path to transforming NWT's post-secondary system lies in establishing a polytechnic university which offers programming that is specialized and aligned with labour market needs for both applied and academic learning. The Feasibility Study outlined a roadmap through which the institute would evolve from a college to a polytechnic university.

The study suggests that a federated model would help to accelerate a lean start-up approach for a polytechnic university. This is one in which individual members have the authority to offer degree-eligible credits that speak to a specialized educational need (e.g. Indigenous traditional knowledge, Francophone education, job skills development) and can leverage shared resources (libraries, IT, administration, recruitment). Regardless of the model that is chosen, stakeholders were adamant that a “made in the NWT” solution is needed.

Establishment of a university in Yellowknife would:

- Be a direct economic driver, attracting international students and students from other parts of Canada.
- Enable the development of courses and research targeted specifically at subjects relevant to the local environment. Of particular interest to local industry would be the development of courses and research focused on the mineral industry, contributing to the establishment of Yellowknife as a Mining Technical Centre of Excellence, with a particular emphasis on northern mineral exploration, development and remediation.
- Increase access to skilled workers, both by helping to retain local youth who may attend university in the south and not return as well as attracting students from outside the region who will stay;
- Support the development of Yellowknife as a Centre for Northern or Arctic Research in diverse fields of inquiry. This could build on the Wilfrid Laurier University (WLU) 2010 research partnership (extended to 2030) with the GNWT to conduct environmental research and monitoring as well as enhance the NWT's ability to manage its natural resources for future generations. Aligned with this partnership, WLU has led two major Canada Foundation for Innovation (CFI) initiatives valued at more than \$15 million (including the Canadian Aquatic Laboratory for Interdisciplinary Boreal Ecosystem Research and the Changing Arctic Network. These CFI projects have significantly supported the development of infrastructure platforms throughout the NWT.

There are numerous examples of northern universities in Scandinavia including the University of Tromso, Barents Institute, Finnmark University College, Sami University College, Umea University and Harstad University College. The Yukon legislature has just passed a bill to make Yukon College a university. Mirny, Russia is an Arctic diamond mining town of 40,000 with characteristics similar to Yellowknife. It is home to Mirny Polytechnic Institute of the Ammosov North-Eastern Federal University, which offers a wide range of courses including specialized programs for the minerals industry (the School of Mining and Petroleum Engineering offers specializations in exploration, mining or mineral processing drawing on its laboratory facilities and field practices in working mines under conditions of permafrost).



In June 2018, the GNWT released the Aurora College Foundational Review which provided a roadmap for the transition of Aurora College into a polytechnic institution capable of granting both college diplomas and university degrees. A key recommendation of the review was that the polytechnic institution be headquartered in Yellowknife, rather than at Aurora College's main campus in Fort Smith. Community satellite campuses would be maintained in Inuvik (Aurora) and Fort Smith (Thebacha). In October 2018, the GNWT responded to the Review, accepting or partially accepting all recommendations.

In November 2019, the NWT named eight Canadian institutions to an "academic advisory council" from which it will receive advice during the process of transforming Aurora College into a polytechnic university. Strategic planning is now due to take place throughout the fall and winter, with work to "design and carry out the transformation" beginning in March 2020.

### ***Potential Actions***

There is a broad consensus that a university in Yellowknife offers economic and social benefits (training skilled labour, economic opportunities) and will help establish Yellowknife in the knowledge economy space (cold weather testing, climate change research, mining technology, greenhouse technology, tourism programs, etc. depending on need and programs offered).

Council established the University/Post-Secondary Advisory Committee (UPAC) in May 2018. The purpose of UPAC is to provide advice and guidance to the City in its efforts to establish a university/post-secondary institution in Yellowknife. To promote development of a university, the City of Yellowknife could:

- Champion the development of a university in Yellowknife, working closely with key partners including the GNWT, UPAC, the Academic Advisory Council, other universities and research organizations and Indigenous governments.
- Support the development of the campus in the downtown area. In its Community Plan, the City has identified the downtown area as the preferred location for the university. A downtown location would be an important economic driver for revitalizing the downtown core.

## **IV.4. Revitalization of Downtown Yellowknife**

### ***Overview***

The retail and wholesale trade is the fourth largest sector in the NWT economy, accounting for about \$300 million in GDP annually. Retail expenditures in Yellowknife were estimated at about \$265 million in 2018, including \$115 million in food and beverage retail and \$149 million in other retail products and services.

For the purposes of downtown revitalization, downtown has been defined as the area within 47th Street to 54th Street, 49th Avenue to 52nd Avenue. Homelessness, poverty, safety, security, cleanliness, addictions and mental health issues in the downtown area have been identified as long-standing concerns of both residents and businesses. *The 2017 Citizen Survey Followup* conducted with Ipsos Reid noted:



- 93% of residents rated the overall quality of life in Yellowknife as good. However, when asked if the quality of life has improved or worsened, 29% of residents stated that it had worsened and only 10% felt it had improved.
- 51% of residents felt that the downtown is not well maintained; 59% felt downtown Yellowknife is not safe; 64% felt downtown Yellowknife is not clean and 73% of residents felt that the downtown is not vibrant.
- 69% of residents cited social issues as the first or second most important local issue facing the City of Yellowknife, a marked increase from 36% in 2014. 23% of residents cited the economy as the most important local issue, an increase from 19% in 2014.

“Everyone is Home: Yellowknife’s 10 Year Plan to End Homelessness” was endorsed by Yellowknife’s City Council on June 26, 2017. The document emphasizes how Yellowknife is currently at a crossroads as a community: “Whether thinking about the economic future, urban revitalization, commitment to authentic Reconciliation, or approach to governance, the city has to grapple with emerging complex social challenges if it is to become the prosperous and thriving community.”

Solving these broad social issues in a meaningful way requires cooperation between various levels of government and concerted efforts. Aside from the significant human cost, these issues have a strong negative impact on economic development, discouraging use of the core area by residents and business investment and increasing retail vacancy rates which in turn further discourages foot traffic.

Downtown Yellowknife consists of a mix of commercial retail, office and institutional land. Apart from the Centre Square Mall, where the vacancy rates are very high, the vacancy rate for retail space in the downtown area is low (the overall rate was estimated at 10% in the 2019 Downtown Yellowknife Retail Revitalization Strategy). The study indicated that there has been a continuing migration of businesses and retail spending to large format retail locations on Old Airport Road. Some of the existing buildings in the downtown area are outdated for current market needs.

According to the Community Plan, vacancy rates for office space are also nearing 10% (7% to 8% excluding the Bellanca Building which currently sits idle and may be considered for redevelopment). The plan also noted other vacant lots and degraded structures which require redevelopment. In spring 2019, seven properties ranging in size from 1,500 to 7,500 square feet were available for lease in the Downtown.

Downtown revitalization has been firmly established as a key priority for the City Council. The City of Yellowknife has established a Vision For Downtown Revitalization and commissioned the Retail Revitalization Strategy for Downtown Yellowknife (September 2019). Every community engagement exercise held in the past few years has shown that Yellowknife residents are extremely concerned about homelessness and poverty in the downtown core.

### ***Potential Actions***

For most communities, deterioration of the downtown area tends to be more of a demand issue (e.g. not enough people come into the area to purchase goods and services) than a supply issue. If demand for products and services increases, so will the supply. A variety of strategies could be used by the City to generate increased demand such as:



- Working with other levels of government, non-profits, social enterprises, the private sector, community policing initiatives and others to help address the social issues, building on its current activities in areas such as Homelessness Employment Program, the Street Outreach Program, and the Arctic Indigenous Wellness Camp.
- Attracting key tenants to the region that will increase the volume of foot traffic in the region (e.g. by establishing a university, a business incubator and accelerator, a visitors centre and popups in the neighbourhood). Currently, there are about 2,700 daytime workers located in the area.
- Increasing the number of people living in the area (increasing the number of local housing units through promoting high-density residential developments). Currently, there are about 1,500 residents living in the area.
- Most of Yellowknife’s residential areas are located outside of the Downtown. The City has implemented a residential intensification project to increase the residential development in the Downtown by lowering taxes paid by residents or developers.
- Promoting the development of events, concerts, food markets, patios and other placemaking which will attract people to the area.
- Improving public transit (providing more ready access to the downtown area),
- Promoting the area and working to change resident perceptions regarding the downtown area.
- Improving the attractiveness of the area (incentivizing leasehold improvements, streetscaping, improved lighting, cleaning, and improved wayfinding).

Development of the 50/50 vacant parcel of land earmarked for higher mixed-use density has been identified as a high priority. On the supply side, a variety of strategies can be used to increase occupancy rates including development incentives, zoning, and working with owners to promote vacant properties in the region.

Establishment of a local business improvement area would also help to coordinate and implement revitalization activities. The Revitalization Strategy noted that the City of Yellowknife devotes some municipal staff time and several private sector organizations organize some downtown activities and events. However, no single entity is officially tasked with guiding or assisting with business or property development or with marketing downtown Yellowknife.

## IV.5. The Airport and Cold Climate Testing

### Overview

Yellowknife is well-positioned to conduct cold-weather testing of technology. In addition to ready airport access and its climate, it has been speculated that one of Yellowknife's assets as a cold climate testing centre is centred around the privacy offered by the City. Various companies including Bell Helicopters, Porsche Sikorsky, Airbus/Bombardier, and General Motors have tested equipment in Yellowknife. In 2018 it was announced that an unnamed Korean company would conduct cold climate testing at the airport in 2019. Most recently, in January 2020, Airbus sent a testing team to Yellowknife in connection with a project for the A220-300, built by a Québec-based partnership between Airbus and Bombardier under the Airbus name. It was reported that the A220 flew to the Northwest Territories to work on "expanding the cold temperature operations envelope of the aircraft down to -40C."

In 2017, Wilfrid Laurier University (WLU) opened a research office in Yellowknife for cold regions research.<sup>13</sup> The office, which is located in the W.H. Bromley Building in downtown Yellowknife, is home to year-round staff, primarily research associates and postdoctoral fellows. It also provides a workspace to visiting faculty, students and staff. It is a base for Laurier's research activities in the North and for liaising with partners, including various levels of government and Indigenous communities. WLU's 2010 research partnership with the GNWT has been extended to 2030. Laurier's research priorities in the North include research on climate change, water, permafrost, forest ecology, northern food security and infrastructure development. Although no university classes are held at the office, it will periodically host special events in Yellowknife where the public can learn about WLU research and partnerships. The office will also serve as a base for organizing community outreach activities elsewhere in the NWT.

A working group including representatives from the GNWT government, Yellowknife Airport, the City of Yellowknife, and NWT Tourism has come together to market the area as a cold-weather testing destination. The Yellowknife airport is currently preparing a brochure on its cold-weather testing capabilities for Destination Canada to market globally as part of its efforts to raise the profile of Canada's aerospace sector. Some of the tenant companies currently involved in the cold weather testing initiative at the Yellowknife airport include Diamond Air, Buffalo Airways, Det'on Cho Logistics, and Great Slave Helicopters.

Other communities in Canada, the US and Europe have been successful in developing markets for cold-weather testing. For example, the University of Alaska at Fairbanks has a cold climate housing research centre and private companies offer cold-weather testing for aviation companies. Thompson, Manitoba, is a leader within Canada. Thompson has developed a year-round facility for engine testing and certification with funding from industry, the Government of Manitoba and the Government of Canada, and is actively marketing its resources (<http://mbaerospace.ca/aerospace-in-manitoba/capabilities/cold-weather-testing/>). With an average 240 days a year of sub-zero temperatures, up to six months of snow cover, and an average annual 103 days with a daily low temperature of -20C/-4F or below, Thompson provides a testing season far longer than most other

<sup>13</sup> <https://www.wlu.ca/academics/research/northern-research/yellowknife-office.html>

test centres. Major manufacturers from North America, Germany, Japan and Southeast Asia have been carrying out real-world winter and cold weather testing in Thompson since the mid-1980s. Some of its assets for cold-weather testing include General Electric’s large engine Research and Development Test Centre in Winnipeg and the Global Aerospace Centre for Icing and Environmental Research (GLACIER) which is a joint venture between Rolls-Royce and Pratt & Whitney that provides year-round engine testing and certification and specializes in engine icing. The facility also provides a variety of performance, endurance and specialty testing on a year-round basis outside of the icing season.

### ***Potential Actions***

The City of Yellowknife should work with the working group in marketing the area as a cold-weather testing destination. Some of the key elements of the economic development strategy can contribute to the further development of the market for cold-weather testing. In particular, the City can:

- Feature cold-weather testing in its marketing activities and on its website. A first steps would be to post a profile of the existing assets (e.g. companies currently offering services, average annual number of cold weather days in Yellowknife, average number of snow days, meteorological and climate profiles for the City, etc.)
- Advocate for further investments in developing the sector. Further research is needed to determine what investments in equipment and infrastructure would most benefit the cold climate testing capabilities.
- Continue its efforts to establish a university in Yellowknife, which would augment the cold climate testing capabilities of the region.
- Work to further expand the visitor capacity in the region. In 2018 it was reported anecdotally in the media that manufacturer Mitsubishi and aerospace company Embraer had cancelled a cold climate testing project due to “a lack of available accommodation” with “54 rooms being needed for a month”. However, some industry representatives have disputed that. Since then, the Hotel Explorer has completed a 72 room expansion in 2019 and the Slave Lake Inn will open in 2020.

The development of Yellowknife as a centre for cold-weather testing would also benefit from further development of the airport. Some of the suggestions are to:

1. Upgrade the infrastructure (including extending the runways as well as water and sewer). A constraint to expanding the airport is the limited availability of surrounding land and the need for setbacks from other infrastructure.
2. Establish YZF as an international airport (i.e. with border services); and
3. Enhance the ability of the airport to serve as supply depot/logistics hub for communities and mines in the north. The airport is a critical link to many communities; four NWT communities rely exclusively on air and marine services, while ten are accessible by road only through winter roads.

With the coming into force of the Yellowknife Airport (YZF) Revolving Fund on July 1, 2017, the airport changed from a funded GNWT line item to a self-sustaining entity. Under this new structure, the airport will retain and reinvest the funds that are generated, enabling it to operate like a business and support growth opportunities. The airport is developing a 20-year Masterplan (2020-2040) which will outline various strategic initiatives that it may pursue.

## IV.6. Agriculture and Fishing

### *Agriculture*

The high cost of food and a desire to rely on sustainable local food resources while maintaining regional traditions and culture has led to a revived interest in the agriculture sector and a greater push on expanding the fishing industry. The average household in Yellowknife spends \$11,690 per year on food, over \$3,000 more than the Canadian average. The vast majority of food in Yellowknife comes from outside of the region. A 2013 study by the Aurora Research Institute, estimated that residents consume between 130 and 190 kg of fresh fruits and vegetables annually, well below the national average of 213 kg.<sup>14</sup> Most of the produce consumed in the NWT is shipped in from Canadian, American and Mexican farms. This could indicate a latent demand for affordable, high-quality fresh produce. In 2012, the NWT was estimated to have the second-highest level of food insecurity in Canada after Nunavut with 29% of children living in food-insecure households.

Historically NWT had developed a relatively thriving agricultural industry out of necessity. There were experimental farms, dairy farms, an abattoir, and large market gardens in most communities. This changed with increased accessibility with roads, planes, and cheap fuel. Now, rising food prices and recognition of the need to reduce dependence on a cyclical resource economy are leading to a new renewed interest in sustainable local agriculture.<sup>15</sup> Some of the made in Yellowknife foods include birch syrup; fresh and smoked fish; dried wild berries; artisanal breads using local ingredients; ready meals using local ingredients; wildflower arrangements; and beer. Aurora College has been active in promoting research and training on agriculture in the NWT as reported in the 2016 NWT CanGrow Northern Greenhouse Technology Report.

In 2019, the City published GROW, an abbreviated name for the Yellowknife Food and Agriculture Strategy.<sup>16</sup> Building on the vision and principles in the Yellowknife Food Charter, it is a long-range plan for increasing community and commercial opportunities in Yellowknife's urban food and agriculture system. It aims to leverage connections to the land and culture while increasing food security by increasing the amount of food that is grown, raised, hunted, fished, and foraged locally. It focuses on objectives and actions that are within the municipal boundaries of Yellowknife and the jurisdiction and mandate of the City. The goals of a sustainable food system include respecting traditional practices and improving overall health outcomes.

The City has historically not planned or regulated for urban agricultural land uses such as urban livestock and commercial greenhouses. The Strategy outlined a variety of actions to build a sustainable urban agriculture system (for commercial and private use) including:

- Amending or creating new bylaws including Zoning Bylaw (#4404) to permit urban agriculture in appropriate areas; Tax Administration Bylaw (#4207) to reduce taxes/fees for commercial agriculture businesses; Land Administration Bylaw (#4596) to encourage food and agriculture business through land disposal and concessions for land tenure decisions; Business License Bylaw (#3451) and Development Incentive Bylaw (#4534) to incentivize food and agriculture businesses; develop guidelines to permit small livestock and apiculture;

<sup>14</sup> Aurora Research Institute, AgNorth Modular Farm Concept Market Study and Technical Design 2013.

<sup>15</sup> V2.0-GROW-Opportunities-Analysis-Updated-April-26-2019.

<sup>16</sup> Yellowknife Food and Agriculture Strategy (GROW), V3.0 Spring 2019.



and include food and agriculture considerations in new developments (e.g. community gardens or kitchens, etc.)

- Improving access to basic infrastructure like soil and water, address historical soil contamination with arsenic, and expand growth of edibles on city land. Mining activity has left large amounts of arsenic trioxide in lake sediments and soils across the region, including areas within City boundaries.
- Involve initiatives: involve the community in stewardship, learning, training, social events, farmer’s markets, etc.
- Helping to create networks, value chains, local branding and tourist marketing campaigns but also allowing farm gate sales from private property.
- Advocating funding from GNWT/ITI for large initiatives and develop partnerships with local, regional, and territorial organizations such as Business Development Investment Corporation, Yellowknife Chamber of Commerce and Le Conseil de Développement économique des Territoires du Nord-Ouest (CDÉTNO). Apart from urban agriculture, key informants noted the potential larger-scale operations (e.g. greenhouses using waste heat from mines).

There are at least three different streams to urban agriculture which may require three different approaches. These include commercial growers, community gardens and private (in backyards) gardens. All three streams need to grow in parallel. The importance of backyard gardening was emphasized as the prices at Farmer’s Markets are currently not considered accessible to everyone. As noted, a 2013 study by the Aurora Research Institute suggested latent demand for affordable, high-quality fresh produce.

### ***Fishing***

The current quota for the Great Slave Lake fishery is 1.68 million kilograms. After the establishment of the Freshwater Fish Marketing Corporation (FFMC), annual production climbed in the 1970s to about 1.5 million kilograms. However, by 2009/10, production reached a low point of 258,000 kilograms as a result of a number of factors including the US/Canadian exchange rate, the closure of the lake receiving stations; changes in federal government policy regarding subsidies; ageing fleets and owners; competition; and low prices to fishers. The commercial fishery currently generates over \$1 million annually to the territorial economy.

In March 2017, the GNWT published a Strategy for Revitalizing the Great Slave Lake Commercial Fishery. The strategy outlines 25 recommended actions grouped under four overarching strategic goals: increasing lake production; increasing processing in the NWT; growing the NWT market; and accessing export markets. Since its release, work is proceeding on the development of a fish processing plant in Hay River, working closely with the NWT Fishermen’s Federation. The Government of Canada and the GNWT contributed \$8.9 million in funding for the plant, which is supposed to be operational by the fall of 2020. A federal panel has recently recommended transformation of the FFMC (which has exclusive rights to sell fish in the NWT) over a period of three years. The FFMC had faced complaints that it was not acting in the best interests of fishers.



## IV.7. Value-added Manufacturing

The vast natural resource wealth of the NWT has not translated to the establishment of a vibrant local manufacturing sector. Although the sector's contribution to the GDP almost doubled from \$17 million in 2007 to \$32 million in 2018, it still only contributed 0.6% to GDP in 2018 and employed 1% of the territorial labour force. The number of people employed in the NWT manufacturing sector (direct and indirect) in 2015 was approximately 140.<sup>17</sup> The NWT manufacturing sector largely consists of small-scale "cottage," artisanal and micro manufacturers (i.e. individuals producing and selling out of their homes). The most prominent types of this manufacturing are the processing of locally harvested animal, plant and biomass products and the creation of arts and fine crafts. Products from the manufacturing sector also include custom furniture, metal fabrication for the mining industry, and boats.

To date, the NWT has not established a strong base in diamond polishing and related manufacturing activities. The GNWT published the Diamond Policy Framework in fall 2018. The objective of the policy is to support a sustainable diamond manufacturing industry in the NWT as well as other diamond related value-added activities. In August 2019, DeBeers Group, through its Sightholder Almod Diamonds Ltd. opened the first diamond cutting and polishing operation in Yellowknife since 2009 when Tiffany and Co.'s Laurelton Diamonds and Arslanian Cutting Works both closed polishing plants laying off more than 90 workers. Dominion Diamonds sorts and values its rough diamonds at its own facilities, selling them directly to manufacturers for cutting and polishing through their sales offices in Antwerp and Mumbai.<sup>18</sup>

The manufacture of synthetic diamonds both represents a potential competitor for the NWT and a potential opportunity. De Beers has launched its own Lightbox synthetic diamonds line. Recent studies have estimated that the market for lab-grown diamonds increased from about 1% of the \$14 billion rough diamond market in 2016 to perhaps 3% today.

The GNWT has prepared a Manufacturing Strategy (2019-24) which focused on four strategic objectives: establishing a strong manufacturing association and sector; improving access to business information, services and capital; renewing the Northern Manufactured Products Policy; and growing the manufacturing sector. One of the proposed actions includes the development of a makerspace in Yellowknife (as well as Inuvik, Hay River and Fort Smith). Beginning in 2019-20, the GNWT will support the activities of the NWT Manufacturing Association (NWTMA). ITI also committed to establishing a 'pathfinder' point of contact for the NWT manufacturing sector that works with NWT manufacturers within the GNWT procurement system to identify opportunities. This pathfinder will also work with the NWTMA to ensure their concerns are considered in future procurement policy discussions.

## IV.8. Other Opportunities

Some of the other opportunities have been highlighted in the research include:

<sup>17</sup> Northwest Territories Manufacturing Strategy What We Heard Report, Summary of Notes and Findings, January 2018, Department of Tourism, Industry and Investment, NWT.

<sup>18</sup> <https://www.cbc.ca/news/canada/north/diamond-cutting-polishing-factory-opens-yellowknife-1.5245502>



## ***Accessing Renewable Energy***

Both key informants and businesses highlighted the need to hasten development of the Taltson Grid Expansion and Great Slave Lake intertie connecting the Taltson and Snare Systems, which increase access to much needed renewable energy and reduce energy costs. The lack of a commercially cost-effective energy generation and distribution infrastructure in the NWT is a key constraint on the territory's social and economic development across most industrial sectors. It is especially a constraint on energy-intensive industries such as mining and manufacturing.

The NTPC has already been working towards this goal for several years. The NTPC's<sup>19</sup> 20 Year Strategic Plan outlines its ten-year agreement with the GNWT to access funding from the Investing in Canada Infrastructure Program (ICIP) for the expansion of the Taltson Hydroelectric Facility (estimated cost over \$1 billion) and a Great Slave Lake transmission intertie<sup>20</sup>. Approved projects receive 75% funding from the federal government and 25% from the GNWT. The Taltson River system has the potential to support 200 Megawatts (MW) of renewable hydroelectricity generation capacity. The first phase of the project (5-10 years) is to expand the existing 18 MW hydro plant to 60 MW plant utilizing existing water storage with no new flooding.

The transformative energy infrastructure projects (Taltson Expansion and transmission inter-tie construction) are contingent on federal funding and on additional federal funding for the Slave Geological Province Corridor (the transportation corridor is needed for the construction of the transmission line). In 2019, the federal government announced funding support (\$1.2 million in 2019) for initial technical studies related to the Taltson Expansion and the Great Slave intertie. As an initial step, the GNWT and federal government announced in 2018 (through ICIP) they would spend \$24.6 million upgrading and repairing turbines and generators at the Snare Forks hydroelectric facility which has faced severe problems, forcing a higher use of diesel generation. In January 2020 update, the GNWT's Department of Infrastructure announced it would first assess all the options to make sure the existing plan for the Great Slave inter-tie is the best option.<sup>21</sup> A consultant has been approached though costs were not available.

In 2018-19, NTPC met with potential mining customers to discuss their anticipated power needs and responded to an RFP from one of those companies. NT Hydro submitted a proposal in a competitive bidding process to Fortune Minerals Ltd. to supply power generation at its NICO mine site as part of the objective to increase its industrial customer base.

In its Vision for the NWT Power System Plan (December 2013), NT Energy had proposed as a 6-20 year recommendation:

- The interconnection of the existing Snare and Taltson transmission grids to create a single synchronous grid (the "NWT Grid"). An NWT Grid would be created by interconnecting the

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<sup>19</sup> The key players in the development of NWT's energy infrastructure are NT Hydro (and its subsidiary the NT Power Corporation or NTPC), which is wholly owned by the GNWT.

<sup>20</sup> A proposed high voltage direct current (HVDC) cable crossing a shallow 100-kilometre stretch of Great Slave Lake. <https://www.nwtgeoscience.ca/forum/session/crossing-great-slave-lake-examining-potential-submarine-cables-and-hvdc-technology>

<sup>21</sup> <https://cabinradio.ca/28628/news/environment/nwt-will-study-alternatives-to-taltson-submarine-cable/>

existing Snare Grid (located in the North Slave Region) and the Taltson Grid (located in the South Slave Region) and extending the proposed NWT Grid Northeast of Yellowknife to a North Slave Transformer Station located within the North Slave Geological Province.

- Interconnections with either the Saskatchewan or Alberta grids.
- Extension of the Taltson grid to Fort Simpson; and
- Intermittent power options (i.e. solar or wind) in several diesel reliant communities for offsetting diesel fuel consumption.

Energy security is also a key issue for the NWT with its heavy reliance on trucked-in diesel and LNG. In the NWT, electricity is generated by petroleum (53%), natural gas (13%), and hydro for the remainder.<sup>22</sup> In years with normal precipitation, hydro can generate 95% to 99% of the electricity on the Snare Grid, which includes Yellowknife. During drier years, most notably 2014/15 and 2015/16, hydro provided an average 68% of the electricity on the Snare Grid. Diesel-fired generation provided the other 32%.

The City's Corporate and Community Energy Action Plan 2015-2025 sets the city's long term "aspirational target" as 100% renewable energy by 2050. Electricity represents 20% of the city's energy use, yet 33% of the energy cost. The communities on the Snare hydroelectric grid (Behchoko, Dettah, N'dilo, and Yellowknife) have been facing significant upward pressures on the price of electricity in the last few years. These pressures can be attributed to inflation, recent rate equalization between communities, and the increased use of diesel to compensate for the lower water levels experienced in recent years. Decreasing energy costs would decrease the operating costs to business and increase the disposable income of residents. In 2016, annual electricity consumption per capita in NWT was 8 MWh, ranking second-last in per capita electricity consumption at 46% less than the national average. NWT has the second-highest electricity rates in the country at 30.9 cents per kilowatt-hour.

### ***Construction***

Driven by the mineral industry as well as commercial, residential and infrastructure development, the construction industry is third largest sector in the NWT after mining and public administration. The GDP associated with the sector totals about \$400 million annually. The outlook for the industry is dependent, in part, on the timing of infrastructure investments, remediation activities at Giant Mine, the potential mine development including Nechalacho, NICO, Pine Point, Prairie Creek, and TerraX (the Yellowknife City Gold Project).

### ***Film***

NWT is becoming more popular as a filming location, as evidenced by productions such as Ice Road Truckers and Arctic Air. The NWT Film Rebate Program provides incentives to productions filming on location in the NWT. Experienced television and film professionals are available for visiting production companies. Last year, CanNor and GNWT announced \$250,000 in funding (two-year project) to enable the NWT Film Commission (NWT Film) to attract film productions to the NWT. In 2014, the GNWT published the NWT Film Strategy and Action Plan which focused on five key strategic objectives: strengthen government/industry roles and partnerships; enhance funding and

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<sup>22</sup> Market Snapshot: Overcoming the challenges of powering Canada's off-grid communities, Release date: 2018-10-03, <https://www.cer-rec.gc.ca/nrg/ntgrtd/mrkt/snpsht/2018/10-01-1cndffgrdcmmnts-eng.html>



financial support; create training opportunities; assist in building infrastructure, below-the-line crews and support services; and develop efficient and effective marketing and communications.



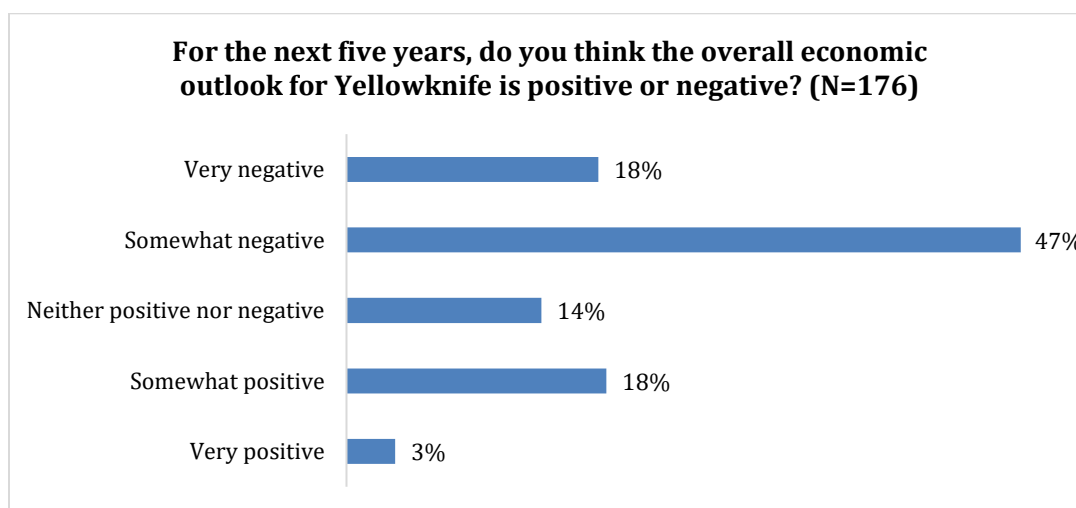
## Appendix V: Summary of the Research Results

The chapter summarizes the results of the survey with businesses and, where the questions are the similar, interviews with key informants. Selected findings from the roundtable session with the Mayor’s Task Force members are also include.

### V.1. Economic Outlook

- **Largely as a result of the anticipated mine closures, most of the businesses surveyed and key informants interviewed are very concerned about the economic outlook for Yellowknife.**

Almost two-thirds (65%) of the 176 businesses who expressed an opinion view the economic outlook for Yellowknife to be negative over the next five years. Only 22% of the businesses view the economic outlook for Yellowknife to be positive over next 5 years, including only 3% who view it as very positive. Some of those who view the next five years as positive noted they anticipate the medium term (e.g. 5 to 10 years out) outlook to be negative, expecting that the impact of the mine closures will not be felt in the next five years.



(Note that 19 of the 195 surveyed business were not sure/don't know or did not provide an answer)

The survey results understate the level of pessimism to the extent that the medium and larger employers tend to hold a more negative view regarding the economic outlook than do small employers. For example, of the medium-sized and larger employers, 75% perceive the outlook to be negative (only 7% perceive it to be positive) as compared to 63% of the small employers who perceive the outlook to be negative (24% perceive it to be positive).

The perceived outlook also varies by sector. Those involved in healthcare tended to have the most favourable outlook regarding the future economy (although 56% still view the outlook as negative). A majority of those involved in other sectors, particularly mining, tourism, consulting, retail, and construction view the outlook to be negative.

The 114 surveyed businesses who view the economic outlook as negative over the next 5 years were asked to identify why that is. As indicated below, 93% of these businesses attributed the negative outlook to the anticipated downturn in the mining sector.

### Key Factors of a Negative Economic Outlook in the Next 5 Years

Question: Of those who view the economic outlook for Yellowknife as negative, why is that?

(Of those who view the economic outlook for Yellowknife as negative) Why is that?	#	%
<b>Number of Business Viewing the Outlook As Negative</b>	<b>114</b>	<b>100%</b>
Downturn of the mining sector (e.g. life cycle of northern mines ending; mines are closing and lack of emphasis on promoting the mining industry; nothing can offset it)	106	93%
High cost of living (e.g. expensive housing; rising taxes; high prices)	14	12%
Lack of government support and funding (e.g. lack of government support in the mining and exploration sectors will produce another economic downturn; lack of focus on growth potential of other sectors such as tourism; lack of government support causing unemployment)	11	10%
Decreasing population and demand	6	5%
Regulation and land claim issues	4	4%
High business operating costs	4	4%
Lack of diversification of economy	4	4%
Other (e.g. government interference in major resource development projects; downtown core issues; climate change)	5	4%

Some of the other factors that were identified related to issues that impact on the competitiveness of the region (e.g. high costs of living and business operating costs, regulatory issues, delays in resolving land claims) and a lack of government support and funding to address on-going issues.

Similarly, the 38 surveyed businesses who view the economic outlook as positive over the next 5 years were asked to identify why that is. As indicated below, the most common reasons were: confidence that the government recognizes the issue and will take action to promote development, diamond mines will continue to be active beyond the five year period and new mines may be developed, and remediation activities (particularly related to the Giant Mine) will be an important economic driver over the next five years. Others expect that the economy will benefit from the further development of other sectors (e.g. tourism) and revitalization of the downtown area.

### Key Factors of a Positive Economic Outlook in the Next 5 Years

Question: Of those who view the economic outlook for Yellowknife as positive, why is that?

(Of those who view the economic outlook for Yellowknife as Positive) Why is that?	#	%
<b>Number of Business Viewing the Outlook As Positive</b>	<b>38</b>	<b>100%</b>
Government support (e.g. Government is increasing spending; Government is providing support to increase employment; Investment in marketing and attraction)	13	34%
Diamond mining operations still active/may improve and new mines may be developed	11	29%
Mine remediation and opportunities	10	26%
Growing tourism sector	5	13%
Downtown core issues will be addressed	3	8%
Growth opportunities and demand growing	3	8%
Diversification of economy	2	5%

Amongst the 36 key informants who were asked about the economic outlook, 24 viewed the economic outlook of Yellowknife to be negative over the next five years while only 3 viewed it as

positive. The remaining key informants did not provide an opinion. Those who expressed a negative outlook attributed this to upcoming closures of the diamond mines, the impact that the closure will have on the broader economy, and a sense that the competitive position of Yellowknife and more generally the NWT has been eroding (e.g. other regions, including Yukon and Nunavut, have become attractive targets for exploration and investment). Those who viewed the outlook as more positive anticipated new development in some sectors (from tourism to education), and expect that the impact of closure would be offset by the extension of at least one mine and the impact of remediation activities.

- **Most medium and larger businesses anticipated that the number of people that they employ will either remain unchanged or decrease over the next three to five years.**

The employers were asked to indicate how many people they currently employ and estimate how many they will employ in three to five years. Most small employers anticipate that the number of people they employ will either remain unchanged (49%) or increase (34%). However, the medium and larger employers were much less optimistic with 11 of the 25 employers providing an estimate expecting the number will decrease, 7 anticipating no change and 7 anticipating an increase.

### Employment Forecast Over the Next 3 to 5 Years

Question: How many people do you anticipate your organization will employ (in total) in the NWT in three to five years?

Employment Forecast	Small Firm (20 or less employees)		Med Firm (20-80 employees)		Large Firm (80+ employees)		Total	
	#	%	#	%	#	%	#	%
Unchanged	76	49%	5	31%	2	22%	83	46%
Increase	52	34%	5	31%	2	22%	59	33%
Decrease	27	17%	6	38%	5	56%	38	21%
<b>Total</b>	<b>155</b>	<b>100%</b>	<b>16</b>	<b>100%</b>	<b>9</b>	<b>100%</b>	<b>180</b>	<b>100%</b>

Overall, the aggregate employment of the 180 employers who provided estimates is expected to decrease by about 10% over the next three years, most of which relates to positions outside of the City of Yellowknife although the workers may reside in Yellowknife. When asked about the factors that will most directly impact on the number of people employed in Yellowknife specifically by their business over the next few years, the most common response related to the state of the mining industry (22%), market conditions (14%), availability of skilled workers (13%), the economic outlook at that time (12%) and the extent to which government is actively involved in promoting development.

### Key Factors Impacting Future Employment

Question: What factors do you anticipate will have the greatest impact on future employment?

What factors do you anticipate will have the greatest impact on future employment?	#	%
<b>Number of Businesses Responding</b>	<b>195</b>	<b>100%</b>
State of mining industry (e.g. closing and contracting of the diamond mines which will decrease workload and therefore a need to decrease staff; there may be new potential developments; uncertainty regarding when the diamond mines will close)	43	22%

What factors do you anticipate will have the greatest impact on future employment?	#	%
<b>Number of Businesses Responding</b>	<b>195</b>	<b>100%</b>
Size of the market for their business (e.g. demand for services; slow-growing demand; business is not expected to grow as the population here not growing)	28	14%
Availability of skilled workers to fill positions (e.g. lack of skill development; low employee retention; unable to attract staff; need to compete with government for employees)	26	13%
Expectations regarding future conditions	23	12%
Level of government support and funding to promote economic development (e.g. how active government will be in promoting the mining industry, supporting development of other sectors, funding infrastructure development, and attracting investment to Yellowknife and more broadly the NWT)	16	8%
High costs of living (e.g. high taxes; transportation costs; energy costs; expensive housing)	16	8%
Access to businesses support services and capital for growth (e.g. difficult to attract investment)	16	8%
High business operating costs (e.g. high cost of supplies; high labour costs)	13	7%
Growth in the tourism sector (e.g. there are opportunities in the tourism sector that may increase employment; lack of promotion in tourism)	8	4%
Regulations and land claim issues (e.g. on-going regulatory issues; unsettled land claims)	5	3%
Other (e.g. client relationships; health; social issues such as street people)	9	5%

## V.2. Advantages and Disadvantages of Being Located in Yellowknife

- The businesses identified a variety of advantages associated with being located in Yellowknife including being part of existing networks, being able to serve customers in Yellowknife, other parts of the NWT and western Nunavut, and holding competitive advantages associated with being located close to the market and having developed expertise specifically relevant to local conditions.

The advantages most commonly identified by the businesses are outlined in the table below.

### Key Advantages of Being Located in Yellowknife

Question: What do you see as the advantages of being located here in Yellowknife?

What do you see as the advantages of being located here in Yellowknife?	#	%
<b>Number Responded</b>	<b>195</b>	<b>100%</b>
Form part of an existing network (e.g. strong customer relationships; widely recognized business; have direct and easy access to clients)	66	34%
Yellowknife serve as central hub (e.g. ready access to local and regional markets; Yellowknife serve as a regional hub for products and services; established transportation and logistics capabilities)	53	27%
Good economy and resource potential (e.g. economy has been strong; high disposable incomes; the potential for long-term growth in the NWT is strong assuming access to land and resources)	24	12%
Located close to customers with limited direct competition	19	10%
Have developed local expertise (e.g. local expertise and strong understanding of local markets, conditions and political and economic environment)	18	9%
Tourism opportunities (e.g. expanding tourism market)	12	6%
High quality of life (supportive community, community-oriented, family-friendly city, sunshine, recreational opportunities).	7	4%
Other (e.g. beautiful location; safe; distinct cultural history; long operating history)	7	4%

- The businesses also identified a variety of disadvantages associated with being located in Yellowknife including the high costs of living and operating a business, a lack of affordable housing, difficulties in attracting skilled workers, and high transportation and shipping



**costs.**

The disadvantages most commonly identified by the businesses are outlined in the table below.

### Key Disadvantages of Being Located in Yellowknife

Question: What do you see as the disadvantages of being located here in Yellowknife?

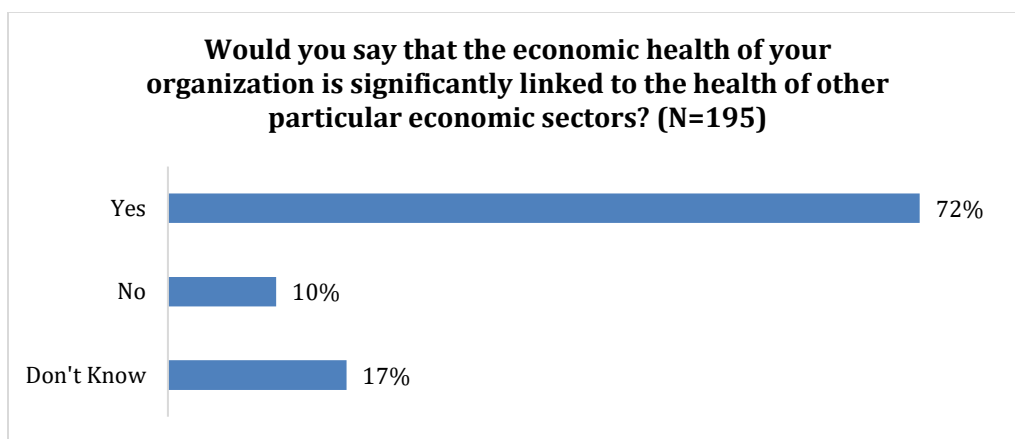
What are any major disadvantages associated with being located in Yellowknife?	#	%
<b>Number Responded</b>	<b>195</b>	<b>100%</b>
High cost of living (e.g. particularly costs associated with housing, energy and food)	60	31%
High business operating costs (e.g. high labour costs; property taxes and rents)	54	28%
Access to affordable housing (e.g. high rent and occupancy costs; limited access to housing, particularly affordable housing)	35	18%
Access to skilled workers (e.g. need to compete with government to hire them; labour shortages; not enough training and education; reliance on fly in-fly out labour)	26	13%
High transportation and shipping costs (e.g. costs of importing and exporting)	23	12%
Small market (e.g. limited demand; limited access to local suppliers)	19	10%
Low population	17	9%
High travel costs (e.g. cost of flights/shortage of local accommodations)	13	7%
Economic development has been a low priority (e.g. limited focus on economic development; lack of clear economic strategies; failure to implement past strategies)	13	7%
Social issues	8	4%
Difficulties in retaining employees/high turnover rates	3	2%
Regulatory issues	3	2%
Other (e.g. cold weather; lack of flexibility; lack of a university; disconnected from community life; failure to recognize the importance of and support key sectors)	17	9%

(\*Note that the above numbers and percentages are not mutually exclusive)

## V.3. Inter-relationship Between Economic Sectors

- **The health of the mineral sector is viewed as having a significant impact on the economic health of most other existing and emerging economic sectors.**

The businesses were first asked as to whether the economic health of their organization is significantly linked to the health of other particular economic sectors and then specifically about whether a downturn in the mineral and mining industry would have an impact on their organization. With respect to the first questions, a majority of the survey participants (72%) agreed that the economic health of their organization is significantly linked to the health of other economic sectors.



The sectors that were most commonly identified were the mining sector and government.

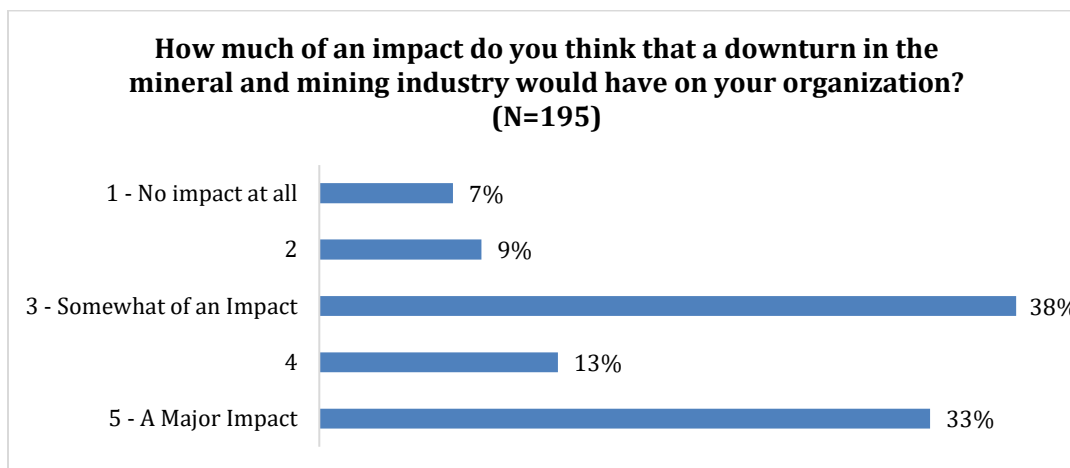
### Other Sectors Identified As Impacting the Economic Health of Businesses

Question: Which sector or sectors have the greatest impact on your organization?

Sectors that have the greatest impact	#	%
<b>Number of Businesses Responding</b>	<b>139</b>	<b>100%</b>
Mining sector	80	58%
Government	65	47%
The economy in general	22	16%
Construction	17	12%
Tourism sector	15	11%
Labour market	5	4%
Real estate rentals and leasing	3	2%
Education	7	5%
Private business and manufacturing	5	4%
Banking	1	1%

(\*Note that the above numbers and percentages are not mutually exclusive)

Most of the businesses (84%) expect that a downturn in the mineral and mining industry will have at least somewhat of an impact on their organization. On a scale 1 to 5, where 1 is no impact at all, 3 is somewhat of an impact and 5 is a major impact, the average rating was 3.6.



The survey results understate the potential impact of the downturn in the mineral and mining industry to the extent that the medium and larger employers tend to view the potential impact as much more significant. On a scale 1 to 5, where 1 is no impact at all, 3 is somewhat of an impact and 5 is a major impact, the average rating was 4.7 and 4.5 respectively amongst medium-sized and larger businesses. Although less significant, smaller firms also reported more than somewhat of an impact, providing an average rating of 3.4.

The average ratings also varied by sector. Not surprisingly, businesses associated with the mineral sector provided the highest average rating (4.8) regarding the impact of a downturn in the mineral and mining industry. Businesses in the construction sector (4.2) and tourism sector (4.1) also reported significant impacts. Somewhat lower ratings were provided by those in the retail trade (3.7) and consulting (3.6). Those who felt that they would be least impacted were businesses involved in healthcare (3.3) and arts, entertainment and recreation (3.1).

When asked how they would respond to a downturn in the mineral and mining sector, the businesses most commonly indicated that they would look to government for support. The most commonly identified strategies or approaches would be to lobby government to support and promote the mineral industry, help develop other sectors including tourism, support local businesses, address land claims and land-related issues, and streamline regulations. In term of how the business itself would react, the most commonly identified strategy was to lay off employees and/or relocate some of their operations outside of Yellowknife.

### Strategies in Response to a Downturn in the Mineral and Mining Sector

Question: What strategies or approaches would you use to respond to a downturn in the mineral and mining sector?

What strategies or approaches would you use to respond to a downturn in the mineral and mining sector?	#	%
<b>Number of Businesses Responding</b>	<b>89</b>	<b>100%</b>
Lobby government to support and promote the mineral industry (e.g. support exploration and mining development; build relationships with key players including Indigenous governments)	32	36%
Relocation and layoffs (e.g. downsize by reducing services, inventory, and staff; serve the market remotely; relocate some of the operations outside of Yellowknife)	22	25%
Encourage government to diversify the economy/directly support our industry (e.g. support for sectors such as agriculture and food, energy, etc.)	20	22%
Encourage government to support local companies	18	20%
Encourage government to address land claims and other issues affecting access to land (e.g. there needs to be a drive to settle land claims and streamline the permitting processes)	13	15%
Encourage government to support and promote the tourism industry	11	12%
Encourage government to streamline regulations (e.g. difficult for industries to get permits and navigate the regulatory processes)	8	9%
Address the high cost of operating (e.g. tax incentives)	6	7%
Other (e.g. promote education and training)	6	7%

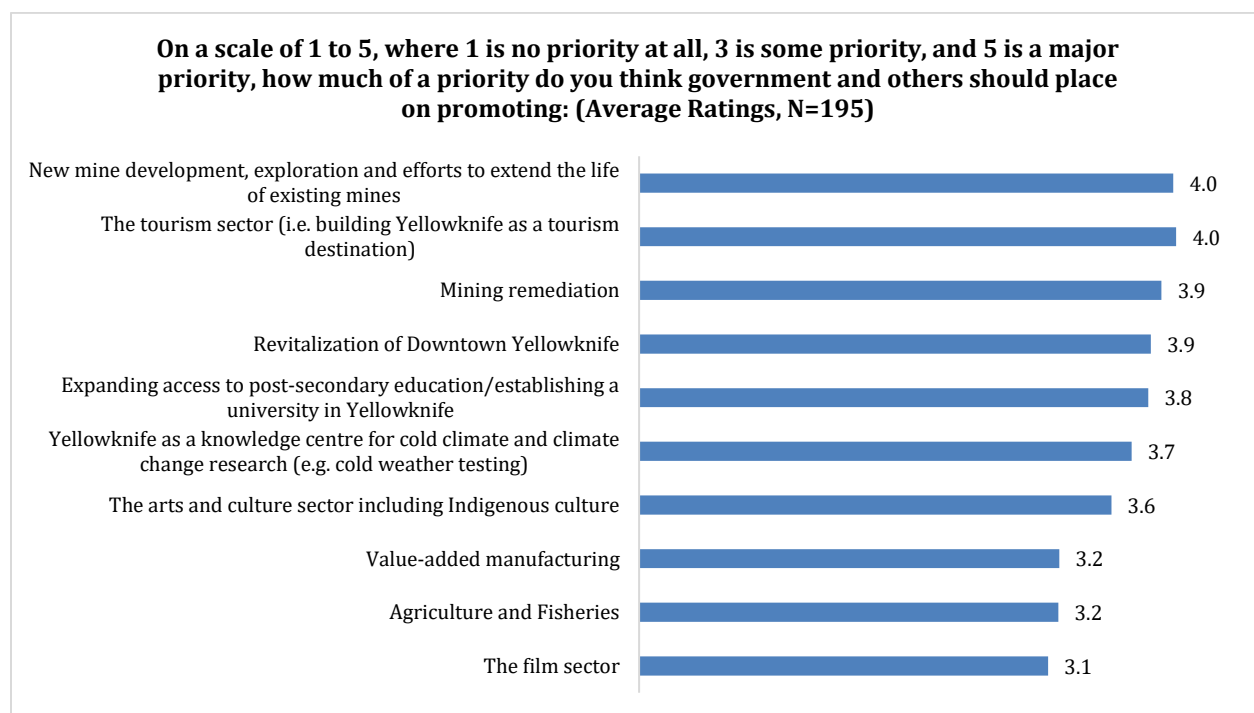
## V.4. Opportunities for Development

- When asked to rate the relative priority that should be placed on promoting development of various economic sectors, the businesses identified a range of economic sectors of which new mine development, exploration and efforts to extend the life of existing mines, remediation, tourism, post-secondary education, and downtown revitalization of



**Yellowknife were, on average, rated highest.**

The businesses were asked to rate the sectors on a scale of 1 to 5, where 1 is not a priority, 3 is somewhat of a priority, and 5 is a major priority. The results are summarized in the chart below.



The relative priority placed on different opportunities varies somewhat depending on the size of the business surveyed. The medium-size and larger employers tended to place a higher priority on mine development, exploration and finding ways to extend mine life while the small and medium-size employers tended to place a higher priority on developing the tourism sector as well as the arts and culture sector.

**Identified Priorities By Size of Firm**

Question: On a scale of 1 to 5, where 1 is no priority at all, 3 is some priority, and 5 is a major priority, how much of a priority do you think government and others should place on promoting the following?

Economic sectors and opportunities (N=195)	Small Firm	Med Firm	Large Firm
	Average Rating		
New mine development, exploration and efforts to extend the life of existing mines	3.9	4.8	4.7
Mining remediation	3.9	4.4	4.1
The tourism sector (i.e. building Yellowknife as a tourism destination)	4.1	4.0	3.4
Expanding access to post-secondary education/establishing a university in Yellowknife	3.9	3.4	4.2
Revitalization of Downtown Yellowknife	3.9	3.3	4.0
The arts and culture sector including Indigenous culture	3.6	3.4	3.0
Yellowknife as a knowledge center for cold climate and climate change research (e.g. cold weather testing)	3.8	3.1	4.2
Agriculture and Fisheries	3.2	2.9	2.9
Value-added manufacturing	3.2	3.0	2.7



Economic sectors and opportunities (N=195)	Small Firm	Med Firm	Large Firm
	Average Rating		
The film sector	3.1	2.7	2.8

Not surprisingly, there is correlation between the relative priority that should be placed on various sectors and the sector associated with the business surveyed. Businesses in the mining and construction sector were those most likely to rate new mine development, exploration and efforts to extend the life of existing mines as the higher priority. Businesses in the tourism, arts, entertainment, and recreation were those most likely to rate tourism as the highest priority.

### Priorities that the Government and Others Should Place on Promoting by Industry

Question: On a scale of 1 to 5, where 1 is no priority at all, 3 is some priority, and 5 is a major priority, how much of a priority do you think government and others should place on promoting the following?

Economic sectors and opportunities (N=195)	Mining	Construction	Retail	Consulting	Health Care	Arts, entertainment, recreation	Tourism
	Average Rating						
New mine development, exploration and efforts to extend the life of existing mines	4.9	4.7	3.9	4.0	3.8	3.0	3.4
Mining remediation	4.2	4.0	4.1	4.0	4.1	3.9	4.1
The tourism sector (i.e. building Yellowknife as a tourism destination)	3.4	3.5	4.4	4.1	4.2	4.6	4.5
Expanding access to post-secondary education/establishing a university in Yellowknife	3.5	3.5	4.1	3.8	4.4	4.6	4.2
Revitalization of Downtown Yellowknife	3.2	3.4	4.3	3.7	4.4	4.4	3.8
The arts and culture sector including Indigenous culture	2.7	2.8	4.1	3.6	4.1	4.5	4.1
Yellowknife as a knowledge center for cold climate and climate change research (e.g. cold weather testing)	3.0	3.4	4.0	3.8	4.2	4.2	4.1
Agriculture and Fisheries	2.7	2.9	3.4	3.0	3.5	3.4	3.4
Value-added manufacturing	2.7	3.3	3.4	3.2	3.3	3.8	3.3
The film sector	2.4	2.5	3.2	3.0	3.4	3.9	3.6

- **When asked to identify what sectors represent the greatest potential for growth, key informants including those participating in the roundtable with the Mayor’s Task Force most commonly identified the mineral and the tourism sectors.**

As indicated below, 72% of the key informants identified minerals and mining while 64% identified tourism.

## Sectors Representing the Greatest Potential for Growth

Question: What (other) sectors or areas of the economy offer significant potential for growth (e.g. minerals and mining, renewable energy, tourism, arts and culture, film, value-added manufacturing, urban agriculture, cold climate and climate change research, etc.)?

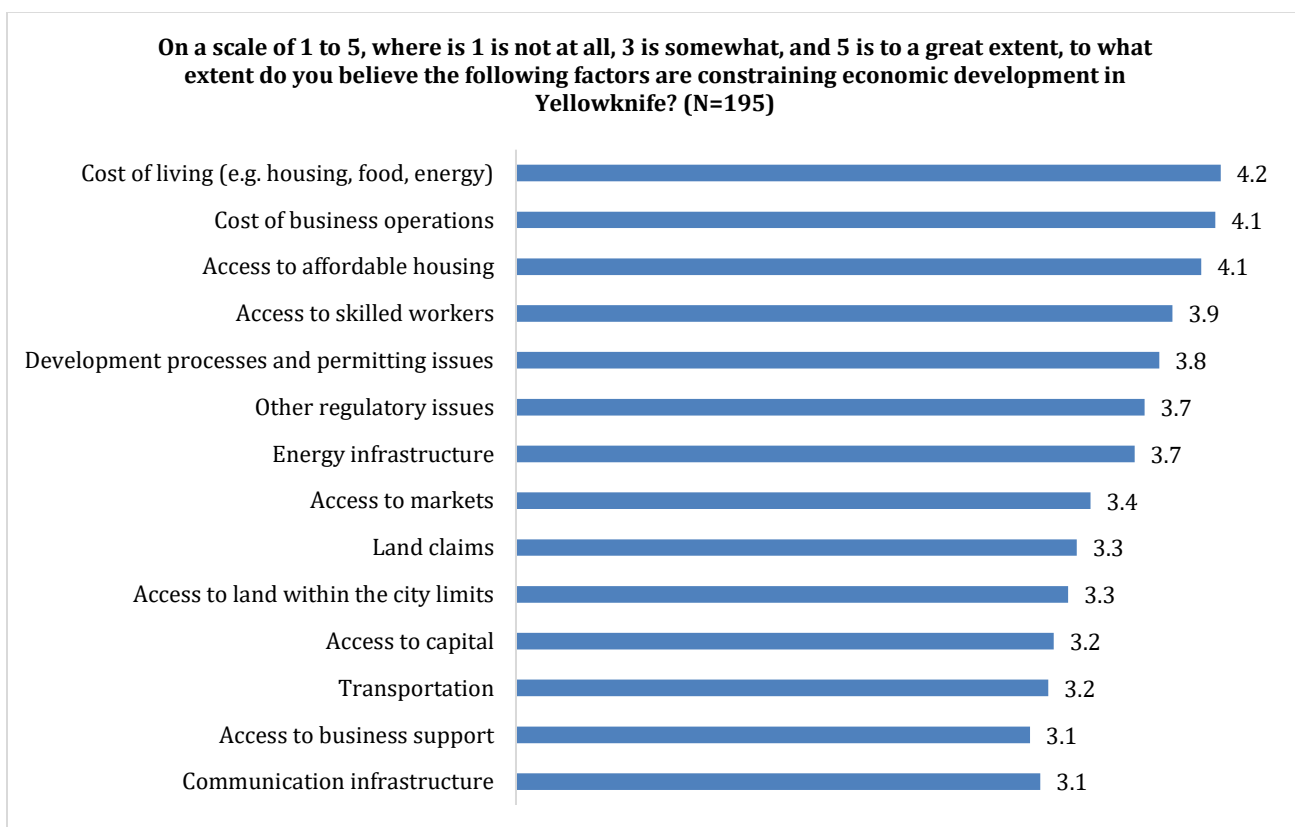
What sectors or areas of the economy offer significant potential for growth	#	%
<b>Number of Businesses Responding</b>	<b>36</b>	<b>100%</b>
Minerals and Mining Sector	26	72%
Tourism Sector	23	64%
Education	7	19%
Construction	7	19%
Climate change research/cold weather testing	5	14%
Diversify the economy	4	11%
Arts and crafts	4	11%
Renewable energy	4	11%
Aboriginal Business and Cultural centers	4	11%
Fisheries	3	8%
Manufacturing	3	8%
Accommodation	3	8%
Film	2	6%
Agriculture	2	6%
Real estate rentals and leasing	1	3%
Healthcare	1	3%

Similarly, during the roundtable session with the Task Force, participants were asked to identify up to three opportunities or issues which they feel represent the highest priority. Of the 14 members who responded, 9 identified tourism, 8 identified the mineral industry, 4 identified the development of a polytechnic or university in Yellowknife, 4 identified development of a museum or exhibit that would showcase responsible mining, 3 identified further development of cold-weather testing, 3 identified downtown revitalization, and 2 identified further leveraging Yellowknife as a service centre for the NWT (particularly as a centre for healthcare). Other suggestions included value-added manufacturing (e.g. synthetic diamonds), leveraging community airport as an economic lever, focusing on reducing energy costs and the cost of living, further development of the knowledge economy, and focusing on self-sustainability through expansion of existing industries.

### V.5. Constraints to Development

- **A wide variety of factors were commonly identified by businesses as constraining economic development in Yellowknife.**

The businesses were asked to rate a series of factors on a scale 1 to 5 (where 1 is not at all, 3 is somewhat, and 5 is to a great extent) that may constrain the economic development in Yellowknife. The highest rate factors included the cost of living (4.2), cost of business operations (4.1), access to affordable housing (4.1), access to skilled workers (3.9), and development and permitting issues (3.8), regulatory issues (3.7), and the energy infrastructure (3.7).



The relative importance of the factors varies by sector. For example, businesses associated with the mining sectors most commonly identified development processes, permitting issues, other regulatory issues, costs, land claims and access to skilled workers as key constraints. Somewhat similarly, the construction sector most commonly identified costs, development processes, permitting issues and other regulatory issues, access to affordable housing, and access to skilled workers as major constraints. Businesses from the tourism sector identified cost of living and business operations, development processes and permitting issues, access to affordable housing, and access to skilled workers as the major constraints.

### Average Rating on Constraints to Economic Development by Industry

Question: On a scale of 1 to 5, where 1 is not at all, 3 is somewhat, and 5 is to a great extent, to what extent do you believe the following factors are constraining economic development in Yellowknife?

Constraint Factors	Mining	Construction	Retail	Consulting	Health Care	Arts, entertainment, recreation	Tourism
	Average Rating						
Cost of living (e.g. housing, food, energy)	3.73	4.21	4.32	3.72	4.41	4.50	4.00
Cost of business operations	4.00	3.96	4.68	3.79	4.00	4.44	3.82
Access to affordable housing	3.56	3.79	4.32	3.74	4.35	4.19	3.82
Access to skilled workers	3.76	3.75	4.04	3.63	4.24	3.67	3.76
Development processes and permitting issues	4.30	3.93	4.17	3.44	3.94	3.80	3.94
Other regulatory issues	4.08	3.88	4.00	3.39	3.88	3.71	3.69
Energy infrastructure	3.52	3.57	3.83	3.72	3.50	3.67	3.18
Access to markets	3.24	3.15	3.46	3.46	3.44	3.33	2.88



Constraint Factors	Mining	Construction	Retail	Consulting	Health Care	Arts, entertainment, recreation	Tourism
	Average Rating						
Land claims	3.76	3.89	3.04	3.11	3.19	2.79	2.94
Access to land within the city limits	2.60	3.44	3.32	2.95	3.50	3.44	3.18
Access to capital	3.36	2.56	3.40	2.97	3.56	3.33	3.12
Transportation	2.92	3.04	3.32	3.22	2.75	3.38	2.65
Communication infrastructure	2.64	2.79	3.36	3.18	3.13	3.19	2.59
Access to business support	3.08	2.89	3.36	2.58	3.38	3.25	2.53

The relative importance of the factors varied somewhat by size of employer. As shown below, larger firms were most likely to rate access to skilled workers, regulatory issues and energy as key constraints while medium-sized firms were more likely to identify development processes and permitting issues as well as access to business support than were other sized businesses.

### Average Rating on Constraints to Economic Development by Firm Size

Question: On a scale of 1 to 5, where 1 is not at all, 3 is somewhat, and 5 is to a great extent, to what extent do you believe the following factors are constraining economic development in Yellowknife?

Constraint Factors	Small Firm	Med Firm	Large Firm
	Average Rating		
Cost of living (e.g. housing, food, energy)	4.18	4.35	4.00
Cost of business operations	4.11	4.60	3.90
Access to affordable housing	4.07	4.20	3.80
Access to skilled workers	3.86	3.95	4.30
Development processes and permitting issues	3.74	4.40	4.00
Other regulatory issues	3.64	4.20	4.20
Energy infrastructure	3.64	3.80	3.90
Access to markets	3.40	3.55	3.30
Land claims	3.29	3.60	3.50
Access to land within the city limits	3.29	3.15	3.20
Access to capital	3.17	3.35	3.00
Transportation	3.14	3.30	3.10
Communication infrastructure	3.13	2.95	3.20
Access to business support	3.02	3.40	2.90

- When asked about factors that constrain economic development in Yellowknife, the key informants most commonly identified regulations, high costs, transportation, and access to land.

### Factors that Constrain the Economic Development in Yellowknife

Question: What (other) factors serve as the major constraints to economic growth (e.g., regulations; location; access to business support, capital, skilled workers, and markets; communications, transportation and energy infrastructure; access to resources, land and other key inputs, etc.)?

What (other) factors serve as the major constraints to economic growth?	#	%
<b>Number of Businesses Responding</b>	<b>36</b>	<b>100%</b>
Regulations (e.g. regulatory processes discourage investment; overlapping regulatory regimes are very difficult to navigate; a wide variety of topic were identified ranging from mineral exploration to development permits, water permits, access to land, fire regulations, parting requirement, etc.)	12	33%
High-cost structure (e.g. high cost of power, wage costs, cost of utilities, high taxes)	10	28%

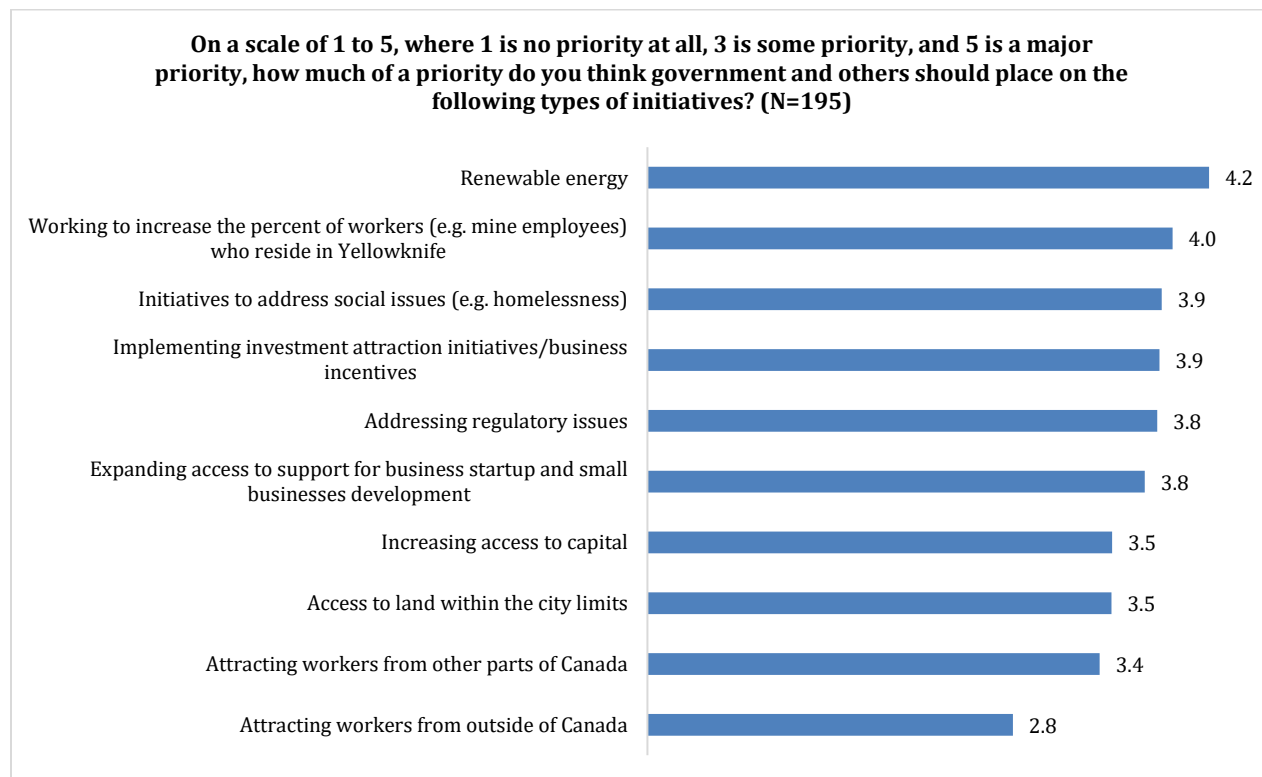


What (other) factors serve as the major constraints to economic growth?	#	%
<b>Number of Businesses Responding</b>	<b>36</b>	<b>100%</b>
Transportation (e.g. air transportation, need for all season roads)	8	22%
Access to skilled labour/need to expand access to post-secondary education and other training)	7	19%
Access to land (e.g. Space constraints for campus and businesses; lack of available land for development, need to settle land claims)	5	14%
Access to investment, capital, and other resources	4	11%
Access to markets	4	11%
Energy infrastructure (e.g. need to expand access to renewable resources and reduce costs)	3	8%
Lack of support services for business development	2	6%
Other	6	16%

## V.6. Recommended Priorities

- **When asked about areas on which government and others should focus when promoting economic development, the businesses most commonly identified as high priorities the development of renewable energy, providing assistance to Yellowknife in capturing more of the benefits associated with resource development, working to address social issues (e.g. homelessness), implementing investment attraction initiatives and incentive programs, addressing regulatory issues, and expanding access to support for business startup and businesses development.**

On a scale of 1 to 5, where 1 is no priority at all, 3 is some priority, and 5 is a major priority, other areas that were on average rates as more than somewhat of a priority were increasing access to capital, increase access to land within the city limits, and working to attracting workers from other parts of Canada.



The ratings were relatively consistent across the various sectors. Addressing regulatory issues tended to be rated as a higher priority by businesses in the mining, construction, retail and tourism sectors but were identified as at least somewhat of a priority across all the sectors. Addressing social issues tended to be rated as a higher priority by businesses in the healthcare, culture and recreation, retail and tourism sectors.

### Average Rating on Economic Development Initiatives by Industry

Question: On a scale of 1 to 5, where 1 is no priority at all, 3 is some priority, and 5 is a major priority, how much of a priority do you think government and others should place on the following types of initiatives?

Key challenges (N=195)	Mining	Construction	Retail	Consulting	Health Care	Arts, entertainment, recreation	Tourism
	Average Rating						
Renewable energy	3.8	4.0	4.5	4.1	4.6	4.4	4.1
Addressing regulatory issues	4.1	4.0	3.9	3.5	3.6	3.1	3.9
Initiatives to address social issues (e.g. homelessness)	3.2	3.0	4.3	3.8	4.4	4.4	4.2
Implementing investment attraction initiatives/business incentives	3.8	3.9	4.0	3.7	3.9	4.1	3.8
Working to increase the percentage of workers (e.g. mine employees) who reside in Yellowknife	4.0	4.1	4.5	4.1	4.2	3.9	4.0
Attracting workers from other parts of Canada	3.4	3.4	3.8	3.4	3.8	3.7	3.8
Attracting workers from outside of Canada	2.3	2.4	3.4	2.7	3.1	3.4	3.1
Access to land within the city limits	3.0	3.8	3.6	3.5	3.8	3.7	4.1
Expanding access to support for business startup and small businesses development	3.3	3.8	4.1	3.5	4.3	4.0	3.9
Increasing access to capital	3.7	3.3	3.6	3.3	3.8	3.9	3.5

Similarly, the ratings were relatively consistent across small, medium and larger employers. The most significant difference is that the priority placed on addressing regulatory issues tended to be increasing with the size of the employer.

### Average Rating on Economic Development Initiatives by Firm Size

Question: On a scale of 1 to 5, where 1 is no priority at all, 3 is some priority, and 5 is a major priority, how much of a priority do you think government and others should place on the following types of initiatives?

Key Challenges (N=195)	Small Firm	Med Firm	Large Firm
Renewable energy	4.2	4.3	4.3
Addressing regulatory issues	3.8	4.3	4.5
Initiatives to address social issues (e.g. homelessness)	3.9	3.8	3.5
Implementing investment attraction initiatives/business incentives	3.9	3.6	4.1
Working to increase the percentage of workers (e.g. mine employees) who reside in Yellowknife	3.9	4.2	3.9
Attracting workers from other parts of Canada	3.4	3.4	3.8
Attracting workers from outside of Canada	2.7	2.9	3.1
Access to land within the city limits	3.5	3.3	3.7

Key Challenges (N=195)	Small Firm	Med Firm	Large Firm
Expanding access to support for business startup and small businesses development	3.8	3.5	3.8
Increasing access to capital	3.5	3.6	3.6

- **When asked about the most important actions for government and others to take to promote development, given the priorities that they had previously identified, the responses provided by businesses most commonly related to actions that promote further development of the mineral industry and businesses in general, address issues related to regulations and land claims, and work to revitalize the downtown area.**

The following table summarizes responses provided by both the businesses and key informants. Both groups most commonly identified actions that promote further development of the mineral industry as the most important actions.

### Responses of Businesses and Key Informants Regarding Key Actions

Question: Given the priorities that you've identified, what do you see as the most important actions for government and others to take to promote development?

Most important actions for government and others to take to promote development	Businesses		Key Informants	
	#	%	#	%
<b>Number of Respondents</b>	<b>111</b>	<b>100%</b>	<b>36</b>	<b>100%</b>
Promote the mineral industry (e.g. streamline regulations; promote the industry and work to attract investment in mining exploration and new mine development; formally recognize the importance of the mineral industry to Yellowknife)	26	23%	13	36%
Promote business development (e.g. listen to and support existing businesses; promote business development in areas where Yellowknife has a strategic advantage; support the development of resources, advisory services, and market development assistance that accelerate the development of local businesses; implement the strategies that have been developed)	24	22%	8	22%
Address regulatory and land claims issues (e.g. reduce regulatory overlap; improve, simplify, and shorten the regulatory process; need to settle land claims more efficiently)	22	20%	4	11%
Revitalize the downtown area (e.g. build the critical mass, address social issues such as homelessness and addiction, improve the attractiveness of the downtown areas, etc.)	19	17%	6	17%
Market Yellowknife to potential investors, businesses, tourists, and talent (e.g. create strategies to attract investment and people to move to the north/work to make Yellowknife a more attractive target for investment, do a better job of packaging and promoting Yellowknife; increase access to data)	10	9%	8	22%
Promote development of energy infrastructure (e.g. that will reduce energy costs while increasing to clean and reliable energy)	7	6%	3	9%
Support tourism (encourage the development of additional tourism products, build the shoulder seasons, increases in accommodation capacity)	7	6%	10	28%
Increase access to affordable housing	5	5%	2	6%
Work to reduce the cost of living (e.g. work to reduce taxes as well as energy, food and housing costs)	5	5%	8	22%
Improve transportation infrastructure (all-season roads, airport)	3	3%	2	5%
Promote development of a post-secondary institution/polytechnic	3	3%	4	11%
Other (e.g. increase access to land, labour and capital)	8	7%	1	3%

- **When asked about the most important actions for government and others to take to promote development, roundtable participants provided a range of responses of which**



**improving the regulatory environment, opening up lands for development, investment attraction, promoting the mineral and tourism sectors, working to reduce the costs of living and increase access to skilled labour, and encouraging investment in infrastructure were identified most frequently.**

The recommended priorities are summarized in the table below.

### Priorities Recommended by Roundtable Participants

*Question: What are the priority actions that the City should take to pursue these opportunities and address these issues?*

Recommended Priorities	Number
<b>Number of Participants Responding</b>	<b>18</b>
Streamline the regulatory environment (e.g. streamline processes with accountable timelines, coordinate regulations across levels of government, develop a road map, remove permitting and regulation redundancies, push decision making to front line, make greater use of online resources such as online business license sign-up and BizPaL)	7
Open up additional lands for development (lobby hard to gain control of the land within its boundaries, aggressively implement the community plan, use the land they have in inventory to stimulate investment, improve infrastructure, development waterfront, open up the hills)	7
Implement investment attraction initiative (develop the needed data, site location information, tool kits, investment documents and marketing collateral: aggressively market the community; establish a visible presence at key events)	5
Strongly advocate for the mineral industry (letter of support, message that Yellowknife supports the mineral sector, work to better leverage the mineral sector to support the development of other sectors, support projects that have a social-economic benefit during the MVLWB and MVEIRB processes, lobby for city representative(s) to both MVLWB and MVEIRB; be seen at and participate in Geoscience Forum and Roundpp, support the offering of mineral-related programs at the new polytechnic, encourage infrastructure development)	5
Support further development of the tourism industry (through working to attract investment and further developing infrastructure, introducing bylaws regarding short-term rental, actively supporting a mining and transportation museum similar to Whitehorse and partnering with other cities who have significant geotourism business, get the DMO off the ground)	5
Address labour shortages (e.g. support development of the resident workforce, increase access to education and training, encourage development of a university, work to attract needed skilled workers to the community)	5
Work to reduce the costs of living (e.g. food, energy, housing costs)	5
Encourage the development of infrastructure (municipal water and sewage, all-season roads, renewable energy, and hydropower transmission from the south)	5
Offer a pathfinding service to assess businesses in navigating the complex regulatory environment (ease regulatory confusion with city and GNWT; pursue a single-window approach with shared staff)	4
Work to increase capacity and reduce the cost of energy (advocate for alternative energy, promote hydropower transmission from the south, work with Arctic Energy to reintroduce solar panel grants, work with the public utility board to allow annual net metering credit rollovers)	4
Be a leader in promoting economic development (be a leader, start the process by developing and sharing a plan, advocate for change, create awareness of opportunities, advocate on behalf of key sectors and potential developments)	4
Promote Yellowknife as a place to investment, work, and visit (create a champion to promote the city, develop a plan to attract tourists, capital and skilled workers)	3
Support the development of a business incubator (shared and affordable space for new and developing businesses; include the exploration industry within any plans to supporting a business incubator in Yellowknife)	3
Offer development incentives to stimulate investment	2
Ensure the City applies an economic lens to new policies, programs, strategies, developments, land swaps, and every other level of decision making	2

Recommended Priorities	Number
<b>Number of Participants Responding</b>	<b>18</b>
Increase access to data (e.g. collect and analyze statistics on sector contributions to the economy, use these to advocate for sectors, do a retail leakage study)	2
Support establishment of a university (e.g. through advocacy, location incentives, land assembly and taxation options, and working to attract national and international students)	2
Assist the GNWT and key economic sectors in implementing already developed strategies	2
Work to further diversify the economy/reduce dependence on one sector	2

Other suggestions included positioning Yellowknife as a community that is open for business, working to improve the downtown core (working with landlords to promote the properties, improve occupancy rates, and reduce occupancy costs), finding ways to better support northern residents coming to Yellowknife for healthcare (e.g. facilitate access to short term housing, transportation, shopping, and food), increase awareness of business opportunities in the city, work with Indigenous government, the GNWT, industry and others to speak with a unified voice, where possible align development activities with the GNWT’s 22 priorities, and ensure that City Council is on board and formally endorses the economic development strategy.



## Appendix VI: Overview of the 2014-2019 Economic Development Strategy

The following table outlines the four goals and the 38 actions that were identified from the City’s 2014-2019 Economic Development Strategy.

#	Actions from the 2014-2019 Economic Development Strategy	Yellowknife is a city open for business	Yellowknife has a Diverse Business Community	Yellowknife is a dynamic, growing community	Yellowknife is a talented and educated community	Priority
1	To support business and employment growth, implement an annual business visitation program consisting of one-on-one interviews with business owners to gain information regarding growth plans, succession plans and requirements from the City to assist in meeting growth plans.	✓		✓	✓	Annually
2	Work with the Northern Frontier Visitors Association to promote tourism and customer service training for front line tourism workers.			✓		Annually
3	To enhance the vibrancy of the Downtown and promote art and culture initiatives in Yellowknife, collaborate with property owners to promote vacant property as an arts and culture venue to temporarily transform properties into arts and culture programming space.		✓			Ongoing
4	To enhance the City’s Downtown revitalization programs, participate (where requested) on committees and action groups dealing with Downtown homelessness and social issues.		✓			Ongoing
5	Work with/support Aurora College, GNWT and colleges in southern regions of Canada and overseas to develop exchange programs, encouraging youth to experience and form a bond with Canada’s North.			✓	✓	Ongoing
6	Open discussions with Aurora College on the opportunities to expand their program delivery in areas such as engineering and mining; arts, culture and entertainment; and environmental and green industries to meet Yellowknife’s business diversification goals.		✓		✓	Ongoing
7	To increase business growth and development, promote land sales to prospective developers in partnership with Planning and Development and market these initiatives through CED Department publications and advertising.	✓				Ongoing
8	Participate in the review of the Business License By-law by engaging with business during the By-law review to help address issues impacting business development.	✓	✓			2014



#	Actions from the 2014-2019 Economic Development Strategy	Yellowknife is a city open for business	Yellowknife has a Diverse Business Community	Yellowknife is a dynamic, growing community	Yellowknife is a talented and educated community	Priority
9	Meet with the Business Development Investment Corporation, Chamber of Commerce (Yellowknife and NWT) and CDÉTNO every quarter to extend and enhance support services to businesses in Yellowknife (one-on-one business training in market research, customer service, business planning, etc.).	✓	✓			2014
10	Research municipal business incubation programs to determine if one such program would provide value to businesses in Yellowknife and assist the City in developing new businesses and diversifying the economy. Provide a recommendation to Council and Administration regarding the provision of incubation services based on this research.	✓	✓			2014
11	Update the 'business' and 'visitor' sections of the City of Yellowknife's website to improve access to information for existing businesses, business start-ups and potential investors. Information provided might include information on development incentives, prioritized business opportunities and tools for small business as well as information for visitors and people moving to Yellowknife.	✓				2014
12	Research business incentives and how these incentives could be implemented in conjunction with the City's Development Incentive Program By-law to increase adoption of the incentives program and meet business development targets.	✓				2014
13	Ensure the community profile is updated every two years and that it reflects the current marketing and branding efforts of the City to maximize Yellowknife's business attraction potential	✓				2014
14	Undertake a tourism strategy that addresses the relationship between the City of Yellowknife, NWT Tourism and the Northern Frontier Visitors Association and positions the city to attract tourists and sustain tourism investment (e.g. cultural tourism, sports tourism, lake-based tourism).	✓				2014
15	Work with partners and existing convention feasibility studies in order to identify and address infrastructure gaps and target conventions that represent a good 'match' for Yellowknife including northern mining and resource extraction, climate change and Circumpolar conferences.		✓			2014
16	Work with the Yellowknife Chamber of Commerce to develop and promote 'shop local' initiatives through programs such as local currency projects, coordinated, seasonal sales across all merchants in Yellowknife and retail coupons included with tour packages.		✓			2014



#	Actions from the 2014-2019 Economic Development Strategy	Yellowknife is a city open for business	Yellowknife has a Diverse Business Community	Yellowknife is a dynamic, growing community	Yellowknife is a talented and educated community	Priority
17	Extend the 'Our Yellowknife' campaign to include local businesses and business operators to raise local awareness of the businesses in Yellowknife.		✓			2014
18	Expand and coordinate activities with GNWT to leverage the City's 'Our Yellowknife' and the GNWT's 'Come Make your Mark' programs to become a national storytelling and marketing exercise to assist in the attraction of new residents to Yellowknife.			✓		2014
19	Annually meet with mining companies to gain an understanding of the needs of mining sector workers to increase the number of workers living in Yellowknife.			✓		2014
20	Launch a residency advertising campaign targeted at mining sector workers (in-flight magazines and corporate communications).			✓		2014
21	Communicate with the GNWT and relevant federal departments to clarify recruitment plans and new job openings in Yellowknife, especially through devolution, to increase Yellowknife's population.			✓	✓	2014
22	Include questions related to retirement plans in the next Citizen Survey to understand the intentions and needs of those in and approaching retirement.			✓		2014
23	Promote services and programs for the City's retired population through the City's communications tactics to increase awareness of programs and services and increase the number of retirees choosing to remain in Yellowknife.			✓		2014
24	To support the Council approved 50th Street revitalization goals and spur business development in the Downtown area, partner with the Planning and Development Department to engage in the 50th Street Revitalization project.			✓		2014
25	Participate in the Community Energy Plan renewal process for the purpose of aligning Economic Development Goals and Community Energy Goals, identifying funding opportunities and targeting renewable energy companies in investment attraction efforts.	✓				2014-15
26	Participate in the review of the Zoning By-law pertaining to home-based business to help promote business diversification opportunities for small businesses start-ups.	✓	✓		✓	2015
27	Undertake a comprehensive mining sector supply chain analysis to identify short and long term business development and attraction opportunities for Yellowknife. Create a promotional brochure to market Yellowknife's business opportunities in the mining sector.	✓				2015





#	Actions from the 2014-2019 Economic Development Strategy	Yellowknife is a city open for business	Yellowknife has a Diverse Business Community	Yellowknife is a dynamic, growing community	Yellowknife is a talented and educated community	Priority
28	Together with CDÉTNO and others, launch an ambassador program for Yellowknife-based executives to promote Yellowknife while on business travel to increase the awareness of the business opportunities in Yellowknife.	✓				2015
29	Support CDÉTNO and other partner agencies in their overseas trade missions and investment attraction efforts through the provision of promotional materials and information about investing in Yellowknife.	✓				2015
30	Continue working with NWTT to promote Yellowknife in key domestic and international markets to increase visitation from these key markets.	✓		✓		2015
31	Conduct a retail leakage study that informs the gaps in the current retail environment and identifies the range of investment opportunities for Yellowknife. Create a promotional brochure to market Yellowknife’s business opportunities in the retail sector.	✓				2015
32	To increase residency and the potential for new business start-ups, launch a ‘move home’ program targeting those that left Yellowknife for education and employment in southern Canada.			✓	✓	2015
33	With the GNWT and the NWT/NU Chamber of Mines, expand marketing efforts to include programs that provide online living and family support services to fly-in/fly-out workers with the goal of increasing the number of workers living in Yellowknife.			✓		2015
34	To meet Downtown revitalization goals and objectives, work with the GNWT and Aurora College to discuss opportunities for an expanded presence in downtown Yellowknife.				✓	2015
35	Research best practices in sister city programs for economic development to determine if a sister city program would be valuable to Yellowknife.	✓		✓		2016
36	In conjunction with CDÉTNO and the Tourism Strategy, create a way-finding initiative with internal City Departments, the Yellowknife Chamber of Commerce and other partners to direct visitors to shopping and dining experiences in Yellowknife.			✓		2016
37	In line with Council Goals and Objectives, support other City Departments with the completion of a master plan for heritage, arts and culture to identify business opportunities in the sector and improve Yellowknife’s ability to attract new residents.	✓		✓		2016
38	Open discussions with other post-secondary institutions to consider opening a campus in Yellowknife to provide increased post-secondary training programs for youth and prepare them for future work opportunities.				✓	2016

