

Economic Development Briefing Notes

2021 Fall Sitting

Honorable Ranj Pillai



ECONOMIC DEVELOPMENT

Fall 2021 DEPARTMENT BRIEFING NOTES

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TAB 1 Fall 2021

Economic Development

Recommended response:

- Our government's economic response continues to meet the needs of Yukon businesses and Yukoners. The Yukon's funding programs have been a model for other Canadian jurisdictions.
- In the 2020-2021 fiscal year, the Department of Economic Development provided more than \$17.8 million through its COVID-19 support programs.
- In the 2021-2022 fiscal year (as of November 15, 2021), the Department of Economic Development has provided over \$5.5 million through its COVID-19 support programs.
- We made deliberate and thoughtful efforts to respond to the unique challenges faced by different sectors through renewed and extended initiatives, including the extension of the Tourism Accommodation and Non-Accommodation Sector Supplements until March 31, 2022; the extension of the Paid Sick Leave Rebate program until September 30, 2022; the extension of the Yukon Business Relief Program (from March 31, 2021 to Sept 30, 2021), and the Regional Relief Loan Program.
- We work closely with our federal partners to ensure Yukon businesses continue to have comprehensive and efficient access to the supports they need.
- Throughout the pandemic, we have monitored and adapted our supports to meet Yukoners' changing needs, from immediate relief to adaptation and investment.

TAB 1 Fall 2021

Economic Development

Context—this may be an issue because:

- With most of Canada continuing to face high COVID-19 case numbers and a third-wave.
 67(3)(a), 74(1)(a)
- Under the 2021 Confidence and Supply Agreement between the Yukon Liberal Caucus and the Yukon NDP Caucus, the paid sick leave program was extended to September 30, 2022.

Economic Response Programs:

Yukon Business Relief Program:

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

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- The program was renewed on April 1, 2021, allowing businesses to reapply for additional support until September 30, 2021.
- Tourism-based businesses may now apply to the extended Tourism Accommodation Sector Supplement (TASS) and Tourism Non-Accommodation Sector Supplement (TNASS) programs until March 31, 2022.

Paid Sick Leave Rebate for Employers and the Self-employed: 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

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- The program was renewed from October 1, 2021 to September 30, 2022, allowing workers to qualify for an additional round of up to 10 days of paid sick leave rebates, if required, until September 30, 2022.
- Under the 2021 Confidence and Supply Agreement between the Yukon Liberal Caucus and the Yukon NDP Caucus, the paid sick leave program has been extended from October 1, 2021 to September 30, 2022.

TAB 1 Fall 2021

Economic Development

Tourism Accommodation and Non-Accommodation Sector Supplement:

- These programs have been extended to March 31,2022 and administration of the programs has been moved to the department as of October 1, 2021.
- 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Temporary Supports for Events Program:

- This program ended in July 2020. It was initially administered by Economic Development before being transferred to Tourism and Culture.
 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)
- Yukon Essential Workers Income Support Program:
 - This program ended on February 15, 2021.
 - 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Regional Relief Loan Program:

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

TAB 1 Fall 2021

Economic Development

Background:

- On March 11, 2020, the World Health Organization officially declared a COVID-19 pandemic.
- On March 18, 2020, Dr. Brendan Hanley, then Yukon's Chief Medical Officer of Health, declared a public health emergency under section 4.3 of the Public Health and Safety Act. The state of emergency was extended on May 27, 2021.
- Some measures were lifted on August 4, 2021. Bars and restaurants are now permitted to operate at 100 per cent capacity.

Approved by:

Deputy Minister, Economic Development

November 18, 2021

Date approved

CONFIDENTIAL Session Briefing Note Economic Resilience Plan

TAB 2 Fall 2021

Economic Development

Recommended response:

- Throughout the pandemic, we have monitored and adapted our supports to meet Yukoners' changing needs, from immediate relief to adaptation and investment.
- The Economic Resilience Plan describing the Government of Yukon's plan for long-term resilience, growth and prosperity across all sectors of the Yukon's economy was released on March 10, 2021.
- The Yukon's plan demonstrates our comprehensive, transparent approach for minimizing COVID-19's economic damage now and building a foundation for the future.

Additional response:

- The economic resilience plan coordinates over 40 programs and initiatives that demonstrate our commitment to the Yukon's people, jobs, business supports, infrastructure development and economic diversification.
- We will continue working closely with industry, Yukon First Nations, communities and the Government of Canada to implement the plan in ways that reflect local realities and needs.

Context—this may be an issue because:

• The Economic resilience plan: Building Yukon's COVID-19 economic resiliency was released to the public on March 10, 2021.

CONFIDENTIAL Session Briefing Note Economic Resilience Plan

TAB 2 Fall 2021

Economic Development

Background:

- The plan details the Government of Yukon's initial pandemic response and ongoing supports for five key pillars underlying economic recovery:
 - People ensuring Yukoners are able to meet their critical needs including childcare, healthcare and affordable housing;
 - Jobs new job creation, skills development and employer assistance to find and retain staff;
 - Business supports developing, adapting and extending initiatives and funding programs;
 - Infrastructure development current and new strategic investments to support economic resilience, growth, and prosperity; and
 - <u>Economic diversification</u> investments to support entrepreneurship and the knowledge economy.
- The plan supports the Government of Yukon's COVID-19 corporate objectives:
 - o Yukon's economy rebounds and is responsive and adaptable;
 - Yukon communities recover and are resilient and our partnerships with First Nations are strengthened; and
 - o Yukoners, including vulnerable citizens, are safe and healthy.
- The plan also connects economic recovery to the long-term climate change, economic and agricultural strategies in Our Clean Future and Cultivating Our Future.
- The Department of Economic Development worked closely with all departments
 to draft the plan. The Government of Yukon also engaged with First Nations
 through the Yukon Forum and met with the Council of Yukon First Nations Chief's
 Committee on Economic Development. Recommendations provided through the
 Business Advisory Council and the Yukon Tourism Advisory Board were also
 incorporated.

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CONFIDENTIAL Session Briefing Note Economic Resilience Plan

TAB 2 Fall 2021

Economic Development

• In total, \$44.8 million in supports has been announced across the Yukon's economic sectors through expanded programming, new initiatives and waived or deferred fees.

Approved by:

Deputy Minister, Economic Development

September 1, 2021

Date approved

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TAB 3 Fall 2021

Economic Development

Recommended response:

- The Government of Yukon launched the Paid Sick Leave Rebate program in March 2020, to encourage prioritization of health and compliance with health directives in response to COVID-19.
- The Paid Sick Leave Rebate is available to Yukon businesses and selfemployed people and allows Yukon workers without paid sick leave to stay at home if they become sick, are caring for sick household members or are required to self-isolate due to COVID-19.
- The program was renewed from April 1, 2021, to September 30, 2021, allowing workers to qualify for an additional round of paid sick leave rebates, if required.
- Paid Sick Leave Rebate program was extended until September 30, 2022 for a further ten days of paid sick leave, fulfilling the 2021 Confidence and Supply Agreement commitment.

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Additional response:

• The rebate program helps workers without paid sick leave continue to meet their financial needs while complying with health directives.

67(3)(a), 74(1)(a)

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Economic Development

- Workers that have exhausted the Yukon Paid Sick Leave program, or are ineligible, may access the Canada Recovery Sickness Benefit (CRSB) program which has been now been extended to November 20, 2021 and increased from four to six weeks.
- These programs are critical in our efforts to keep Yukoners healthy by encouraging workers to stay home if they are sick, supporting businesses who encourage their workers to stay home if they are sick and providing workers with financial stability when sick.

Context—this may be an issue because:

67(3)(a), 74(1)(a)

Background:

- Economic Development's operations and maintenance budget for the Paid Sick Leave program was \$1.2 million for 2020-2021 and is \$500,000 in 2021-2022 to operate the program until September 30, 2021.
 - $67(3)(a),\,74(1)(a),\,75(1)(a)(ii),\,75(1)(b)(i)$
- The Paid Sick Leave Rebate reimburses employers, and people who are selfemployed, who pay their workers to take sick days due to COVID-19 if they are sick, self-isolating or caring for other household members. The rebate program

TAB 3 Fall 2021

Economic Development

encourages workers to remain employed while off sick instead of leaving their employer and applying for federal El or Canada Recovery Benefit due to financial hardship. Worker retention will be vital for the Yukon's economic recovery.

- The benefit of an employer-driven program is that it encourages the employer to
 provide the worker with sick leave while ensuring that employer costs will be
 reimbursed. Additionally, it allows the worker to continue to receive their wages
 even if they are off sick for a few days without interruption during the sick leave
 and eliminates the workers' burden of managing their own applications.
- The rebate covers up to ten days of base wages, to a maximum of \$378.13 per day. The renewed program allows for an additional intake, providing employers with an additional 10-day intake from October 01, 2021 to September 30, 2022.
- A doctor's note is not required for the program.
- Governments are not eligible for the program. If people in the public sector run out
 of their leave allocation, they are eligible for the Government of Canada program
 at this time.
- The Canada Recovery Sickness Benefit (CRSB) has been extended to November 20, 2021. The federal program provides \$500 per week for up to four weeks to employed and self-employed individuals who are unable to work because they are sick or need to self-isolate due to COVID-19.

Payments by community as of November 15, 2021:

Community	Total Paid (\$)	% of Total Paid
Whitehorse	67(3)(a), 74(1)(a), 75(1)(a	a)(ii), 75(1)(b)(i)
Watson Lake		·
Dawson City		
Carmacks		
Haines Junction		
Keno		
Total	67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)	100.0

TAB 3 Fall 2021

Economic Development

Payments by industry sector as of November 15, 2021:

Sector	Total Paid (\$)	% of Total
Health and Social Assistance	67(3)(a), 74(1)(a)
Retail Trade		
Construction		
Accommodation and Food Services		
Professional, Scientific and Technical		
Real estate, rental, leasing		
Transportation and Warehousing		
Manufacturing		
Other Service (except public admin)		
Arts, Entertainment, Recreation		
Mining, Quarrying and Oil and Gas		
Admin Support, Waste Management		
Wholesale Trade		
Finance and insurance		
Management of Companies	<u></u>	
Total	67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)	100.0

Approved by:		
from of	_November 15, 2021	
Deputy Minister, Economic Development	Date approved	

CONFIDENTIAL Session Briefing Note Regional Relief Loan Program

TAB 4 Fall 2021

Economic Development

Recommended response:

- The Government of Yukon is committed to supporting businesses for long-term resilience, growth and prosperity. The Regional Relief Loan Program provided an additional funding option to businesses that require liquidity in evolving economic circumstances.
- Eligible businesses received up to \$100,000 in combined loans from the Regional Relief Loan Program and other federal COVID-19 Economic Response Plan loans.
- The loan is interest-free (0%) with principal payments deferred until December 31, 2022.
- This program was one of many that the Government of Yukon created to support businesses impacted by the COVID-19 pandemic.
 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Additional response:

- Applications were processed on a first-completed, first-reviewed basis. Once received, the department worked with the applicant to ensure that the required documentation is complete.
- The program was open to all Yukon businesses, including social enterprises, affected by COVID-19 and in need of funding.
- The Regional Relief Loan Program helped businesses and organizations economically impact by the pandemic, and helped to address gaps left by other COVID-19 response programs.

CONFIDENTIAL Session Briefing Note Regional Relief Loan Program

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Economic Development

Context—this may be an issue because:

• The program was announced on February 24, 2021, with an original intake period of March 1, 2021, to March 31, 2021. The deadline was extended to June 30, 2021. After that date, applications were assessed based on the availability of funds.

Background:

The Canadian Northern Economic Development Agency (CanNor) provided \$3.93 million in funding under the Regional Relief and Recovery Fund. As of the program deadline of June 30, 2021, the Government of Yukon received

 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

The total amount of loans approved or expected to be approved as of September 29, 2021 is of \$3,833,334 in available funds.

- As of September 29, 2021, the Managing Board has met nine times to review recommendations.
- A requirement of the federal funding is that the program be delivered by a Community Futures organization. As the Yukon did not have this type of structure and the Government of Yukon had to create a specific regulation under the Economic Development Act to receive the money from CanNor.
- The Department of Economic Development is managing funding to ensure that financial support is continuous as the Yukon's economy recovers.
- The program was announced on February 24, 2021, with an intake period of March 1, 2021, to March 31, 2021. The application deadline was extended to June 30, 2021.
- If the applicant repays 75% of the principal amount of the loan by December 31, 2022, the balance equal to 25% of the loan will be forgiven.

CONFIDENTIAL Session Briefing Note Regional Relief Loan Program

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Economic Development

- If the loan is not fully repaid by December 31, 2022, the balance due, plus interest, must be repaid within three years, commencing January 1, 2023. The full balance must be repaid no later than December 31, 2025.
- An interest rate of up to five percent will be charged between January 1, 2023, and December 31, 2025.
- Eligible costs for loans under the Regional Relief Loan Program include:
 - Costs that will help to stabilize the applicant to mitigate impacts of COVID-19 and that are not covered by other government COVID-19 relief measures;
 - Costs that have become due or have been incurred since March 15, 2020;
 and
 - o Costs that are not otherwise ineligible for loans funded under the Fund.
- Ineligible costs for loans under the Regional Relief Loan Program include:
 - Costs related to refinancing of an existing debt;
 - o Costs related to land acquisition;
 - o Goodwill;
 - Costs related to the purchase of any assets for more than the fair market value of that asset:
 - Costs of amortization; and.
 - o Monies for the same costs for which it has received or will receive other relief funding measures from government agencies.

Approved by:

Deputy Minister, Economic Development

October 6, 2021

Date approved

TAB 5 Fall 2021

Economic Development

Recommended response:

- The Government of Yukon has taken a comprehensive approach to supporting Yukon businesses and workers impacted by COVID-19.
- We launched the Yukon Business Relief Program to help local businesses survive the economic impacts of the COVID-19 pandemic and, position them to restart and recover.
- The Yukon Business Relief Program provided relief in the form of a non-repayable grant to Yukon businesses affected by the COVID-19 pandemic.
- From its launch in March 2020 to September 2021, the program has provided over
 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Additional response:

- The fundamental goal of the department's COVID-19 programs has been to help businesses to survive the COVID-19 pandemic and to be in a position to continue operations through the anticipated recovery period.
- Most sectors of the Yukon economy are showing positive indicators of recovery with the exception of the tourism sector. This is the driver behind extending the tourism relief programs.
- The Tourism Accommodation Sector Supplement and the Tourism Non-Accommodation Sector Supplement will continue to help ensure the accommodation sector and other visitor-dependent businesses are positioned to recover.

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Economic Development

 As the Yukon's economy recovers from the pandemic, it is important that our government adjust our support programs to meet the evolving needs of the business community.

Context—this may be an issue because:

- The funding period for YBRP ended on September 30, 2021 for non-tourism businesses. 67(3)(a), 74(1)(a)
- The Regional Relief Loan Program was available from February 2021 to June 2021 to provide continued economic support for eligible businesses.

Background:

- Some Federal benefits expired on October 23, 2021 including the:
 - Canada Emergency Rent Subsidy: provided rent and mortgage interest support to tenants and property owners affected by COVID-19.
 - Canada Emergency Wage Subsidy (CEWS) covered a portion of employee wages for employers to assist them in re-hiring workers and avoiding layoffs.
- Yukon businesses may continue to apply for Government of Canada supports including:
 - Canada Recovery Hiring Program (CRHP) provides a subsidy for wages, to help businesses hire the workers they need to recover and grow as local economies open. The program end date has been extended to May 7, 2022 with authority for a further extension through regulations until July 2, 2022.
 - The new Tourism and Hospitality Recovery Program is proposed to provide wage and rent subsidies of up to 75% to hotels, restaurants, festivals,

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Economic Development

travel agencies and tour operators beginning October 24, 2021 until May 7, 2021.

- o The new Hardest-Hit Business Recovery Program is proposed to provide wage and rent subsidies of up to 50% to businesses that do not fit under the tourism and hospitality umbrella but are still facing significant financial hurdles caused by the pandemic.
- The Yukon Business Relief Program (YBRP) provided grants to cover eligible costs for businesses (excluding governments, not-for-profits, utilities, telecommunications, mines, religious organizations, commercial landlords and finance/insurance organizations) experiencing revenue loss due to COVID-19. The program ended September 30, 2021, as scheduled.
 - Between 2020 and the same period in 2021 there were significant drops in YBRP applications from non-tourism sectors including the retail sector and social services sectors.
 - With the exception of the tourism sector, sectors that were ordered to close at the onset of the pandemic and have since re-opened, have been recovering strongly. The construction and mining sectors have also shown strong growth.
- Small and medium-sized Yukon businesses were able to apply to the Regional Relief Loan Program (RRLP) which may provide up to \$100,000 in deferred-interest, partially forgivable loans with no payments until January 1, 2023. The application deadline was June 30, 2021.
- CanNor's Northern Business Relief Fund program, which worked in tandem with the Yukon Business Relief Fund ended March 31, 2021.

TAB 5 Fall 2021

Economic Development

Payout by sector as of November 15, 2021:

Sector	Total	% of
	(\$)	Total
Accommodation and food services	67(3)(a), 74(1)(a), 7 75(1)(b)(i)	
Administrative and waste remediation		
Agriculture, forestry, fishing and hunting		
Arts entertainment and recreation		
Construction		
Educational Services		
Finance and Insurance		
Health and social assistance		
Information and cultural industries		
Manufacturing		
Mining, quarrying and oil and gas extraction		
Other services (except public administration)		
Professional scientific and technical services		
Real estate, rental and leasing		
Retail trade		
Transportation and Warehousing		
Wholesale trade	C7/2\\2\\7.4/4\\2\\7.4/4\\2\\7.4/4\\2\\7.4/4\\2\\7.4/4\\2\\7.4\\7.4\\7.4\\7.4\\7.4\\7.4\\7.4\	
Total	67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)	%100.0

Note: Tourism is not identified as a separate sector in YBRP – it consists primarily of accommodation, food services, transportation, recreation, cultural industries, educational services, fishing and hunting.

Approved by:	
fustin ferberg	
	November 15, 2021
Deputy Minister, Economic Development	Date approved
Deputy Minister, Leononile Development	Date approved

Yukon Essential Workers Income Support Program

TAB 6 Fall 2021

Economic Development

Recommended response:

- The Yukon Essential Workers Income Support Program was part of the Yukon government's response to COVID-19 and provided temporary financial support for lower-income workers who deliver essential services.
- The wage-top-up ran until February 15, 2021 and was an acknowledgment of the important role essential service workers played during the height of the pandemic as they continued to offer the services and goods relied upon by Yukoners.

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Additional response:

- Businesses, non-government organizations and governments delivering essential services received a wage subsidy of up to \$4.00 per hour for each eligible employee, increasing their wage to a maximum of \$20.00 per hour for up to 16 weeks for each phase, for a total of 32 weeks.
- Essential workers who received the benefit during the first program period of March 2020 to October 2020 were eligible for a further 16 weeks of funding from October 2020 to February 2021.
- Government of Yukon also paid a one-time fee of \$100 per registered employee to the employer to offset increased Canada Pension Plan, Employment Insurance and Workers Compensation premiums and administrative costs.

Yukon Essential Workers Income Support Program

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Economic Development

- The Government of Canada provided \$4.3 million in funding for this program.
- Businesses continue to have access to the federal Canada Emergency Wage Subsidy as well as the latest federal program – the Canada Recovery Hiring Program.

Context—this may be an issue because:

67(3)(a), 74(1)(a)

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Background:

- The Yukon Essential Workers Income Support Program was established to provide temporary financial support to full-time, part-time and student low-income workers in sectors identified as essential or critical in the Government of Yukon Guidelines for the delivery of critical and essential services.
- Essential services include healthcare workers and caretakers, restaurant employees, retail clerks including grocery stores, agriculture workers, news organizations, energy industry workers, transportation of goods, call centres and construction fields.
- The program resulted in an increase of \$4,336,000 in the department's operations and maintenance budget, with a corresponding recovery from Canada.
- The program end date was extended from October 3, 2020, to February 15, 2021.

TAB 6 Fall 2021

Yukon Essential Workers Income Support Program

Economic Development

- Canada ceased funding for the program after the first 16-week intake from March 2020 to October 2020. Government of Yukon was able to stretch some of Canada's \$4,336,000 in funding for an additional 16-week intake from October 2020 to February 2021.
- Employers can additionally access the Canada Emergency Wage Subsidy program (CEWS) until October 23, 2021.
- The Canada Recovery Hiring Program (CHRP) was launched in June of 2021. The
 program will provide employers with a subsidy of up to 50 per cent of wages for
 workers that have been added to staff since the previous 4-week period. As the
 workers' length of employment progresses to six months their wage subsidy
 progressively declines to 20 per cent.
- Some Yukon employers have been eligible for further funding from the Department of Education's Staffing Up program for eligible student employees in essential positions.

By the numbers – Payout for the program by community:

More than ^{67(3)(a), 74(1)(a)} Essential Workers benefited from this program:

Community	Total (\$)	% of Total
Whitehorse	67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)
Dawson City		
Haines Junction	_	
Watson Lake	_	
Teslin		
Carcross		
Mayo		
Marsh Lake		
Tagish		
Carmacks		
Keno		
Old Crow		
Total	67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i	100.0%

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Session Briefing Note

Yukon Essential Workers Income Support Program

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Economic Development

Payout for the program by industry sector:

Sector	Total (\$)	% of Total
Retail Trade	67(3)(a), 74(1)(a), 75(1)(a)	(ii), 75(1)(b)(i)
Accommodation and Food Services		
Health and Social Assistance		
Admin Support, Waste Management		
Professional, Scientific and Technical		
Transportation and Warehousing		
Other Service (except public admin)		
Agriculture, Forestry, Fishing, Hunting		
Wholesale Trade		
Finance and insurance		
Arts, Entertainment, Recreation		
Real estate, rental, leasing		
Information and cultural industries		
Construction		
Total	67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)	100.0%

Approved by	:
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Deputy Minister, Economic Development

September 3, 2021

Date approved

CONFIDENTIAL Session Briefing Note Vaccine Verification Rebate

TAB 7 Fall 2021

Economic Development

Recommended response:

- Government of Yukon launched the Vaccine Verification Rebate to help meet the changing economic conditions resulting from the COVID-19 pandemic.
- The Vaccine Verification Rebate will help businesses and organizations that are required to verify vaccination status purchase equipment to scan QR codes.
- This new program will help businesses and NGOs that are directly impacted by the CEMA orders and restrictions.

Additional response:

- The rebate program is available to all Yukon businesses and nongovernmental organizations that are required to ensure individuals have received two doses of an approved COVID-19 vaccine before being allowed access to a designated setting.
- The Vaccine Verification Rebate provides a 50% rebate towards the purchase of equipment required for the efficient and accurate checking of vaccine status.
- The maximum rebate is \$500 (based on a purchase of \$1,000 or greater).

Context—this may be an issue because:

 The COVID-19 pandemic continues to affect our economy and some Yukon businesses and non-governmental organizations require support going forward.

CONFIDENTIAL Session Briefing Note Vaccine Verification Rebate

TAB 7 Fall 2021

Economic Development

Background:

- On November 08, 2021, Yukon declared a state of emergency (OIC 2021/144) under the Civil Emergency Measures Act (CEMA).
- As of November 13, 2021, Civil Emergency Measures Health Protection (COVID-19) Order 2021 (Ministerial Order 2021/47) requires patrons of certain locations to be vaccinated, and requires the parties responsible for those locations to verify vaccination status.
- Examples of designated settings include: Restaurants and bars, gyms, indoor sporting events, cultural events and venues, personal care services, faith-based gatherings.
- On November 23, 2021, the Government of Yukon's announced the availability of the new Yukon Vaccination Verifier for download to Apple and Android devices.
 The app will help designated services and establishments verify Yukoners' proof of vaccination credentials.

Approved by

Deputy Minister, Economic Development

November 26, 2021

Date approved

CONFIDENTIAL Session Briefing Note Yukon Emergency Relief Program

TAB 8 Fall 2021

Economic Development

Recommended response:

- Government of Yukon launched the Yukon Emergency Relief Program (YERP) as a successor to the Yukon Businesses Relief Program and adapted the program to meet the changing economic conditions resulting from the COVID-19 pandemic.
- The Yukon Emergency Relief Program supports Yukon businesses and non-government organizations impacted by restrictions under the Civil Emergency Measures Act (CEMA).
- The funding program focuses on funding eligible fixed costs for businesses, and non-recoverable financial commitments or incremental expenses incurred by non-government organizations for events cancelled or significantly altered due to CEMA orders.

Additional response:

- The Yukon Emergency Relief Program will expire two weeks after CEMA orders have been lifted.
- The COVID-19 pandemic continues to affect our economy and some Yukon businesses and non-governmental organizations require support going forward.
- This relief program is intended to be targeted and specific to those businesses and organizations directly impacted by the CEMA orders.
- Throughout the pandemic, we have monitored and adapted our supports to meet Yukoners' changing needs.

CONFIDENTIAL Session Briefing Note Yukon Emergency Relief Program

TAB 8 Fall 2021

Economic Development

Context—this may be an issue because:

67(3)(a), 74(1)(a)

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Background:

There are two-streams under the program:

- Business stream: businesses directly affected by the restrictions brought in under the state of emergency. The business stream of YERP will cover 100% of businesses fixed costs up to \$10,000 per month or the financial breakeven point to a maximum of \$30,000.
- Only businesses that fall under the following North American Industry Classification System (NAICS) industries will be eligible:
 - Food services and drinking places
 - o Amusement, gambling and recreation industries
 - o Performing arts, spectator sports and related industries
 - o Ambulatory health care services
 - o Personal and laundry services.
- Businesses already enrolled in the tourism-focused programs Tourism
 Accommodation Sector Support (TASS) and Tourism Non-Accommodation Sector Support (TNASS) will not be eligible for YERP.
- Non-governmental organization stream: NGOs that cancelled or significantly
 altered an eligible event due to restrictions. Rebates will be issued for
 documented non-recoverable financial commitments or expenses incurred
 because of the cancellation or incremental costs for significantly altering an
 eligible event between November 08, 2021, and January 01, 2022, or while the
 state of emergency is in place. No applicant may receive more than \$10,000.

CONFIDENTIAL Session Briefing Note Yukon Emergency Relief Program

TAB 8 Fall 2021

Economic Development

- Eligible events include:
 - o Conferences, trade and craft fairs.
 - o Seated, ticketed events, including arts and sporting events.
 - o Workshops with more than twenty-five confirmed participants.
- Neither stream will act as a revenue replacement program, but only to assist with documented costs.

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Deputy Minister, Economic Development

November 26, 2021

Date approved

CONFIDENTIAL Session Briefing Note Canada's Afghan Resettlement

TAB 20 Fall 2021

Economic Development

Recommended response:

67(3)(a), 68(1)(a), 74(1)(a)

Additional response:

- The Government of Canada is committed to welcoming Afghan refugees to Canada, and will be working to increase the number of eligible refugees from 20,000 to 40,000.
- Yukoners wanting to help should review IRCC information available online for opportunities to volunteer, donate and sponsor Afghan refugees.
- I want to thank the hard work of IRCC and Canadians who have opened their homes to Afghan refugees.

CONFIDENTIAL Session Briefing Note Canada's Afghan Resettlement

TAB 20 Fall 2021

Economic Development

Context—this may be an issue because:

- The U.S. withdrawal from Afghanistan, the ensuing Taliban take-over and the question of Afghan refugees are being widely discussed in the international media.
- There is significant concern over what this will mean for vulnerable Afghans, including those who aided Canadian and U.S. forces.
 67(3)(a), 74(1)(a)
- Yukoners may want to know how and if they can help.

Background:

- In April 2021, President Biden announced the withdrawal of U.S. forces from Afghanistan starting in May 2021, to be completed by mid-September 2021.
- On July 13, 2021, Canada announced a special program to resettle Afghans who were integral to Canada's efforts in Afghanistan. That commitment was later expanded.
- The Government of Canada announced its commitment to welcome Afghan refugees to Canada, and will be working to increase the number of eligible refugees from 20,000 to 40,000.
- The Government of Canada also reached an agreement with the United States to welcome up to 5,000 refugees whose evacuations were facilitated by the United States.
- This will be done through 2 programs:
 - A special immigration program for Afghan nationals, and their families, who assisted the Government of Canada.
 - A special humanitarian program focused on resettling Afghan nationals who are outside of Afghanistan and who do not have a durable solution in a third country.

CONFIDENTIAL Session Briefing Note Canada's Afghan Resettlement

TAB 20 Fall 2021

Economic Development

- In the first phase of our operation, Canada evacuated over 3,700 people from Afghanistan. More than 3,000 evacuees have now arrived in Canada, which includes more than 900 passengers who arrived on four flights since Sunday, August 29, 2021.
- 1,900 persons have completed quarantine and moved to their destination community.
- As of September 14, 2021, Global Affairs Canada has confirmed there are 440
 Canadian citizens who currently remain in Afghanistan, as well as close to 260
 permanent residents and 580 family members. Some Canadians have managed
 to get to a third country.
- Resettlement for the special humanitarian program for Afghan refugees outside of Afghanistan will be via the Private Sponsorship of Refugees (PSR) and the Government Assisted Refugees (GAR) programs.
- In order for an organization to help refugees resettle in Canada, they must become a Sponsorship Agreement Holder (SAH) or a community sponsor.

Approved by:

Deputy Minister, Economic Development

October 7, 2021

Date approved

Department of Economic Development Accomplishments

TAB 21 Fall 2021

Economic Development

Recommended response:

- The Department of Economic Development continues to support Yukoners and their businesses through the challenges of the pandemic and moving into recovery.
- The Economic resilience plan: Building Yukon's COVID-19 economic resiliency was released to the public on March 10, 2021, to guide the Yukon's economy back to pre-pandemic levels of productivity and chart a path beyond in a way that is consistent with our environmental and socio-economic commitments.

COVID-19 Programs:

- In the 2020-2021 fiscal year, the Department of Economic Development provided almost \$20 million through its COVID-19 support programs.
- Starting October 1, 2021, Economic Development began administering the Tourism Accommodation and Tourism Non-Accommodation Support Supplements to support tourism-reliant businesses.
- As of October 29, 2021, the Paid Sick Leave Rebate program has rebated **67 74 75** to over ^{67 74 75} employers, providing sick leave pay to over ^{67 74 75} workers since March 2020.
- We have approved **67 74 75** in interest-deferred loans for **67 74 75** applicants through the Regional Relief Loan Program.
- In total, the Yukon Business Relief Program has provided **67 74 75** in non-repayable grants to more than Yukon businesses to keep

CONFIDENTIAL Session Briefing Note Department of Economic

TAB 21 Fall 2021

Economic Development

Department of Economic

Development Accomplishments

them in a position to restart and recover. The program concluded on September 30, 2021, as scheduled.

• The Yukon Essential Workers Income Support Program provided over **67 74 75** in claims for ^{67 74 75} businesses supporting more than ^{67 74 75} lower-income workers who deliver essential services.

Mining:

67(3)(a), 68(1)(d), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i), 75(1)(b)(ii)

• We provide the Yukon Mining Alliance (YMA) with annual funding to support its global investment attraction activities.

Immigration:

- In 2020, the Yukon Nominee Program approved nominations for foreign nationals to move to the Yukon to fill crucial positions for businesses across the territory.
 - o Between January 1, and November 12, 2021, 67 74 new candidates have been approved under the Yukon Nominee Program.

Technology and Innovation:

- We have established an Innovation Commission to advise on the development of a five-year innovation strategy that will attract technology start-ups and grow the Yukon's digital ecosystem.
- We are committed to building a thriving innovation economy and have supported YuKonstruct's Startup Bootcamp, TechYukon's North of Al

CONFIDENTIAL Session Briefing Note

Department of Economic Development Accomplishments

TAB 21 Fall 2021

Economic Development

program, and Yukon University Innovation and Entrepreneurship's Yukon Innovation Prize.

Funding Supports:

- We have streamlined our funding support programs by amalgamating the Enterprise Trade Fund (ETF), Regional Economic Development Fund (REDF) and Strategic Industries Development Fund (SIDF) into a single Economic Development Fund (EDF).
- This amalgamated fund was launched on April 1, 2021, to improve funding flexibility and ensure greater responsiveness to the needs of the business community.
- As at November 3, 2021, 28 projects have been approved for funding with a total contribution commitment of just over \$1,016,885.
- The Community Development Fund (CDF) has enabled us to support 28 projects for the 2021-2022 fiscal year with a total contribution commitment of \$2,252,510 as of November 5, 2021.
- CDF funded 66 projects and contributed \$2,766,795 for the 2020-2021 fiscal year.
 - o These projects have revitalized infrastructure, created programs that support children and families, and allowed organizations to grow to meet changing markets.
- In 2020-2021, the Business Incentive Program (BIP) supported ^{67(3)(a), 74(1)(a)} Yukon employees, including ^{67 74} apprentices, by helping local businesses bid on Yukon government tenders.

Page 3 of 5

CONFIDENTIAL Session Briefing Note Department of Economic

Department of Economic Development Accomplishments

TAB 21 Fall 2021

Economic Development

Media Development:

- We have carried out public engagement on potential improvements to our music and media funding programs and are currently pursuing modernization to foster growth in the Yukon's vibrant creative industries.
- In 2020-21, we supported the creation of 28 film projects and 25 sound recording projects that are conceived, developed and owned by Yukoners and will carry Yukon stories to the world, attracting over \$7.7 million dollars in investment to our territory and providing valuable jobs to Yukoners.

Trade:

- We are creating opportunities for businesses to expand beyond our territory while applying the Yukon's special provisions and negotiated exceptions to develop our economy at home through the Canadian Free Trade Agreement. I look forward to meeting with the Council of Internal Trade in December to discuss the work of last year.
- We continue to participate in regional and global innovation initiatives to encourage investments in our economy, support growth of Yukon businesses across all sectors and create opportunities for employment, diversification and market expansion.

Context—this may be an issue because:

• The Department of Economic Development has been focused on supporting the Yukon's businesses to weather the COVID-19 pandemic. In addition, it has continued to advance many important files and priorities.

CONFIDENTIAL Session Briefing Note

Department of Economic Development Accomplishments

TAB 21 Fall 2021

Economic Development

Background:

• Economic Development's current Strategic Plan (2022-23 to 2024-25) identifies a vision of:

The Department of Economic Development aims to be a dynamic partner to First Nations, municipalities and the private sector with responsive resources for targeted opportunities that have measurable impacts on economic growth and diversification.

Approved by:

Deputy Minister, Economic Development

November 15, 2021

Date approved

CONFIDENTIAL Session Briefing Note EcDev Staffing and Remote

EcDev Staffing and Remote Work Arrangements

TAB 22 Fall 2021

Economic Development

Recommended response:

- As of October 19, 2021, the Department of Economic Development has^{67 74} staff who provide a variety of services to Yukon businesses and Yukoners, in addition to the COVID-19 economic response programs.
- As of October 19, 2021, the department has 67 74 staff operating with an approved work-from-home or rotational arrangement.
- The department has become more flexible in allocating staff to areas of higher activity in the department as we work to fulfill our mandate.
- The Department of Economic Development follows public safety measures and has implemented safe work practices to ensure that both staff and visitors are protected.

Additional response:

• I would like to use this opportunity to acknowledge the great work done every day by Economic Development staff.

Context—this may be an issue because:

67(3)(a), 74(1)(a)

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CONFIDENTIALSession Briefing Note

EcDev Staffing and Remote Work Arrangements

TAB 22 Fall 2021

Economic Development

Background:

- The department is budgeted for approximately ⁶⁷ ⁷⁴ full-time equivalent (FTEs) positions. Each position is reviewed and allocated to a program area. This does not directly correspond to each position as is the case for student or seasonal positions, where one full-time position will support the hiring of three students in a summer program.
- Encouraging staff to work remotely was one of the first actions taken by the public service to prevent the spread of COVID-19 in March 2020.
- The remote work arrangements include working from home five days per week as well as partial remote work with staff coming in to the office on specific days.
 67(3)(a), 74(1)(a)

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- By staying within our current staffing envelope and being flexible with our working arrangements, we are achieving the government's commitment of fiscal responsibility while supporting employee health and safety.
- Economic Development has provided staff with Plexiglas barriers, signage and cleaning supplies in addition to supporting remote work through the purchase of webcams, headsets, etc.

Deputy Minister, Economic Development

October 25, 2021

Date approved

TAB 23 Fall 2021

Economic Development

Recommended response:

- The COVID-19 pandemic created a sudden and highly uneven decline in economic activity across Canada and the Yukon was no exception.
- Businesses linked to tourism, including tour operators, accommodations and the aviation sector saw massive declines in revenue and many continue to struggle as visitor numbers remain far lower than usual.
- There are encouraging signs that some sectors have rebounded from the worst of the economic decline:
 - Statistics Canada's GDP numbers show that the Yukon's economy grew at a blistering 5.2% in 2020, while Canada's GDP shrank by 5.2% over the year. Yukon's economic growth rate is by far the fastest in the country.
 - Although the labour market has not fully recovered from pandemic lows, the Yukon continues to have a lower unemployment rate than the Canadian average.
 - With three operating hard rock mines and high mineral prices, mining continues to be a bright spot in the Yukon economy.
 - Construction, particularly residential construction, is another sector showing significant strength.

Additional response:

• Most economic indicators are pointing to the Yukon weathering the storm better than other jurisdictions.

TAB 23 Fall 2021

Economic Development

- The population continues to grow, average weekly earnings are up and retail sales are still strong and rising.
- The Yukon's mining sector is contributing significantly to the economy:
 - Victoria Gold's Eagle Gold Mine, the largest gold mine in the Yukon's history, achieved full commercial production as of July 1, 2020.
 - Total gold production in 2020 was 116,644 ounces.
 - 2021 production to date is 94,605 ounces.
 - o The Minto Mine, under the ownership of Pembridge Resources, resumed producing copper concentrate in late 2019 with plans to reach full production in 2021. Production has been rising quarter over quarter and the expected mine life has been extended from 2023 to 2028.
 - Alexco Resource Corporation resumed production at Keno Hill in late 2020 and production levels have ramped up sharply over the first two quarters of 2021.
 - High mineral prices are likely to drive an active exploration season in the remainder of 2021.
- These successes mean more mining jobs in the Yukon, more money for local businesses, and more partnerships that bring jobs and training to our communities.

TAB 23

Economic Development

Context—this may be an issue because:

- The COVID-19 pandemic has created a sudden and unprecedented economic upheaval.
- The Yukon government has committed to growing and diversifying the economy, a daunting challenge during a global pandemic.

Background:

• The COVID-19 pandemic created economic upheaval in the Yukon as elsewhere. While the overall impact has been strongly negative, it has also been very uneven and most economic indicators are trending up.

Real GDP:

- Statistics Canada's GDP numbers show that the Yukon's economy grew at 5.2% in 2020, the highest in Canada. Yukon's economic growth rate is by far the fastest in the country.
- GDP declined in all provinces and Northwest Territories. Canada's GDP shrank by
 5.2% over the year.
- Yukon's expenditure-based GDP growth in 2020 was attributable to an:
 - o 18.5% growth in Exports of goods and services,
 - o 18.3% growth in General governments gross fixed capital formation,
 - o 6.6% growth in General governments final consumption expenditure, and
 - o 6.2% growth in Residential structures.

Population:

• Despite the onset of COVID-19, the Yukon's population has continued to grow, reaching a new high of 42,827 at the end of December 2020 and an estimated 43,118 by June 30, 2021.

TAB 23

Economic Development

Labour Market:

- The Yukon had a strong labour market performance from 2017 through 2019. Following historic lows of 2.3% in the summer of 2018, the unemployment rate averaged 3.6%, the lowest in the country, in 2019.
- The Yukon's unemployment rate, at 5.1% in October 2021, is the second lowest in the country and well below the Canadian rate of 6.7%.
 - o In October 2021, the labour force (those working or actively looking for work) was 23,700, up from the pandemic low of 22,400 in May 2020, but down slightly from 23,800 in April 2021.
 - Yukon women and men have experienced very different labour markets during the pandemic. Unemployment for men jumped to a higher peak (10.2% in August 2020) then stayed higher than the women's rate before gradually falling to 4.0% in October 2021. The unemployment rate for women reached a lower peak (7.1% in July 2020), fell to a low of 2.6% in November 2020, but then rose higher than the men's to a new peak of 7.8% in June of 2021 before declining to 6.3% by October 2021.
- The Yukon's average weekly earnings increased by 3.0% in the first six months of 2021.

Retail Sales:

- In 2019, rising incomes and a growing population translated into higher levels of consumer spending and retail sales hit a record \$865.4 million.
 - o COVID-19 reversed the growth trend with sales declining by 13.8% year-to-date over the January through May period.
 - o However, retail sales figures began rising again over the summer and 2020 now shows as another record year with sales of \$885.2 million. Year-to-date numbers for 2021 show retail sales continuing strong growth.

TAB 23 Fall 2021

Economic Development

Real Estate (Whitehorse):

- Value of real estate transactions and the average prices of homes continue to rise.
 - o In 2020 the total value of Whitehorse's real estate transactions jumped by 11% over the 2019 numbers reaching a record total of \$342.1 million.
 - o Q1and Q2 2021 have demonstrated a further increase in the value of Whitehorse real estate transactions, up 16.0% over Q1 2020.
 - o The average price of a single-detached house reached another new record of \$564,700 in 2020 up from \$516,200 in 2019. In Q3 of 2021, the average price has now risen to \$656,800.
 - The costs of construction have also increased sharply with supply chain pressures in southern Canada.
- Residential construction is booming.
 - o In 2020, permits were issued for 648 new or converted dwelling units, up by 67.9% over 2019.
 - For January through September of 2021 the number of permits issued for new or converted dwelling units has kept pace with the same period in 2020.
 - Value of residential permits for 2020 is \$95.6 million, up by 74.6% over 2019.

TAB 23 Fall 2021

Economic Development

	2018	2019	2020
Real GDP			
Annual per cent change	3.8	<mark>-2.1(r)</mark>	<mark>5.2</mark>
Population			
Population (persons)	40,643	41,352	42,507
Annual per cent change	2.3	1.7	2.8
Labour Market	•		
Labour force	21,900	22,300	21,300
Employment	21,300	21,500	20,200
Unemployment rate (per cent)	2.7	3.6	5.2
Consumers	•		
Inflation (per cent)	2.4	2.0	1.0
Retail sales (\$millions)	838	865	892
Real Estate (Whitehorse)	•		
Total sales (\$millions)	286.5	308.2	342.1
Average detached house price	480,700	516,200	564,700

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Danish Minister Francis Danish and

November 15, 2021

Deputy Minister, Economic Development Date approved

CONFIDENTIAL Session Briefing Note Innovation Commission

TAB 24
Fall 2021

Economic Development

Recommended response:

- An Innovation Commission was established to provide advice on the development of a five-year innovation strategy that will support local entrepreneurs and grow the Yukon's technology and innovation sector.
- Innovation Commission members were chosen for their experience and interest in innovation, technology and entrepreneurship, both within the Yukon and across the world.
- The Commission's work will be informed by the public engagement results from fall 2020.
- With the support of the Innovation Commission, we will better position the Yukon for success by creating opportunities and increasing career choices for all Yukoners.

Additional response:

- The Innovation Commission first met in August of this year, and concluded their work in late November.
- The Commission provided technical and professional input on the development of a five-year innovation strategy to expand opportunities for local entrepreneurs, diversify our economy and create jobs.
- We received strong advice from the commission on start-ups, growing a digital ecosystem, attracting entrepreneurs and fostering innovation networks across Yukon's communities.

CONFIDENTIAL Session Briefing Note Innovation Commission

TAB 24 Fall 2021

Economic Development

 I would like to take this opportunity to thank the Commission members for their contribution to this work.

Context—this may be an issue because:

- This initiative is consistent with the 2021 mandate letter to Minister Pillai, to establish an Innovation Commission to attract new technology startups and grow the Yukon's digital ecosystem.
- During the public engagement for the innovation plan in fall 2020, there was general consensus that innovation will have an impactful role in the diversification of the Yukon's economy.

Background:

- The public engagement for the innovation strategy was held in fall 2020. The campaign consisted of face-to-face interviews, focus groups discussions as well as an online survey posted for general participation.
- The Innovation Plan What We Heard report is targeted to be released in conjunction with the establishment of the Innovation Commission.
- Participation in the Innovation Commission was on a voluntary basis and no direct compensation or honouraria will be provided.
- The Innovation Commission was funded from within existing allocations to the Department of Economic Development.
- The volunteer working group advised on topics such as attracting start-ups, building a digital ecosystem, and fostering innovation and sharing networks across communities.
- The Commission also provided input on challenges to establishing innovative businesses, practices and products in the territory.
- Commission members:
 - o Astrid Grawehr, Kryotek Arctic Innovation Inc.;

CONFIDENTIAL Session Briefing Note Innovation Commission

TAB 24 Fall 2021

Economic Development

- o Cherish Clarke, Digital Engine Technology;
- o Chris Lane, Make IT Solutions; Northmark Ventures; TechYukon;
- o Curtis Shaw, NorthwesTel;
- o Inga Petri, Strategic Moves;
- o John Jensen, MGrid Energy; and
- o Melaina Sheldon, Melaina Sheldon Consulting.
- Commission advisors:
 - o Bernd Petak, Northmark Ventures;
 - o David Larkin, Northmark Ventures;
 - o Dr. Alexandra Greenhill<mark>, Careteam Technologies Inc.;</mark>
 - o Micheal Mooney, Creative Lab North;
 - Norm Fraser, SoftIron;
 - o Patrick Lor. Panache Ventures:
 - o Thomas Park, BDC Deep Tech Fund; and
 - o Véro Herry, Startup Palace.

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November 25, 2021

Deputy Minister, Economic Development Date approved

TAB 25

Economic Development

Recommended response:

- The Department of Economic Development is taking action on its mandate commitments to support local jobs and diversify our economy.
- These initiatives will create opportunities for innovation and expansion in the Yukon and support economic development and diversification.
- Priority initiatives include the continuation of COVID-19 economic support and recovery programming, a new immigration strategy and growing the Yukon's media industry.
- We are also pleased with the progress on our innovation strategy and the kickoff of the Innovation Commission.
- These commitments focus on supporting local entrepreneurs and innovators and providing Yukon businesses the assistance they need now and into the future.

Additional response:

- These commitments will meet Yukoners' changing needs from immediate relief to adaptation, investment and growth.
- Other shared commitments include exploring the feasibility of commercial and passenger rail; developing a Mineral Exploration Fund; looking at the feasibility of developing an athletic fieldhouse complex and enhancing opportunities for collaboration and shared services in support of the non-profit sectors' recovery from the effects of COVID-19.

TAB 25 Fall 2021

Economic Development

Context—	-this ma	av be	an iss	ue beca	use
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67(3)(a), 74(1)(a)

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Background:

Key platform commitments:

COVID support programs:

- The Paid Sick Leave Rebate program has been extended to September 30, 2022.
- The Tourism Accommodation Sector Supplement and the Tourism Non-Accommodation Sector Supplement have been transferred from Tourism to Economic Development. Both programs have been extended to March 31, 2022.
- By renewing these programs, the department is ensuring that critical supports remain available for those most impacted by the COVID-19 pandemic.
- The Yukon Business Relief program closed on September 30, 2021, as scheduled.

Develop an Innovation Strategy: to create opportunities for local entrepreneurs

- We are working with the Innovation Commission to develop the five-year innovation strategy that will attract technology start-ups and grow the Yukon's digital ecosystem.
- The strategy will outline the Yukon's unique strengths and identify actions, programs and services that will achieve our vision.
- Engagement for the development of the innovation plan was completed and the What We Heard report was issued August 2021.

TAB 25 Fall 2021

Economic Development

• The department is continuing to finalize the contents of the strategy, and hope to release it in Spring 2022.

Establish an **Innovation Commission** to attract new technology start-ups and grow the Yukon's digital ecosystem:

- The Innovation Commission kick-off took place in August 2021. This working group will seek to attract new technology start-ups and grow the Yukon's digital ecosystem.
- Innovation Commission members were chosen for their experience and interest in innovation, technology and entrepreneurship, both within the Yukon and across the world.
- The Commission has been formed to provide technical and professional input on the development of a five-year innovation strategy to expand opportunities for local entrepreneurs, diversify our economy and create jobs.

Foster the growth of the **Yukon's film industry**:

- The Department of Economic Development is updating its funding programs to foster growth in the Yukon's vibrant music and media industries.
- These programs have not been updated since inception in 2004 despite significant changes to the music and media industries, such as the advent of Netflix, YouTube and Spotify.
- A public engagement on music and media funding programs was completed and development of new program guidelines and policies are currently underway.

Introduce a new **Immigration strategy** to support workforce requirements of business and industry:

- Modernizing our Immigration Strategy, to guide policy and program development over the next decade to be responsive to the needs of the Yukon's employers.
- The What We Heard report on the engagement for the Immigration Strategy was released to the public in July 2021.

TAB 25 Fall 2021

Economic Development

• The department is continuing to finalize the contents of the strategy, and hope to release it in the coming months.

Working with Yukon University to investigate the feasibility of a varsity sports program.

- The Department of Education, working with Yukon University, and with the support of the Department of Economic Development, will investigate the feasibility of a varsity sports program in the Yukon.
- Education has been in contact with Yukon University on this file and is working closely with Economic Development on next steps.

Working with partners and stakeholders to investigate the feasibility of **commercial** and passenger rail in the Yukon:

- Work with partners, including the White Pass and Yukon Route Railway, to consider bringing back commercial and passenger rail to the Yukon.
- Reopening the railway to regular freight and passenger service provides an alternative supply chain route in the event of a closure of the Alaska Highway south of Whitehorse.
- Economic Development has held an initial meeting with White Pass and Yukon Route with a follow-up scheduled.

Creating a **Mineral Exploration Fund** to support junior mining companies operating in the Yukon.

- The department has undertaken a preliminary cost-benefit analysis on a number of fund models. The department is assessing how best to fit a new fund within existing mining supports, such as the Yukon Mineral Exploration Program.
- Candidate models include a range of options, including traditional supports such as grant, loan and tax credit programs, as well as direct and indirect government investment models.
- The department is preparing to seek ministerial guidance for a detailed assessment on a specified fund model.

TAB 25 Fall 2021

Economic Development

Investigating, in partnership with the private sector, the potential to develop a **flexible fieldhouse complex** for athletes and large public conferences and events.

- Preliminary scoping has begun on the feasibility of building a fieldhouse complex for athletes and large public events.
- The work will proceed in tandem with the technical needs analysis already underway for the 2027 Canada Winter Games bid.
- We look forward to continuing working on this important file.

Working with the **non-profit sector** to ensure that this important industry is able to recover from COVID-19 by enhancing opportunities for collaboration and shared services.

- This is a shared mandate commitment with Community Services.
- The department has received a proposal from the Yukon Nonprofit Advisory Council for funding of a Social Recovery Plan to support mental health, executive training and COVID recovery in the nonprofit sector.
- Economic Development, in partnership with Community Services, is assessing the proposal as well as identifying further interventions in support of sector recovery.
- In fall 2020, the department provided financial support to Volunteer Benevoles Yukon to develop business plans for both a virtual and a physical HUB space for shared services in the nonprofit sector.

Approved by:

Deputy Minister, Economic Development

October 7, 2021

Date approved

CONFIDENTIAL Session Briefing Note Philippines MOU

TAB 26 Fall 2021

Economic Development

Recommended response:

 The Government of Yukon announced in August 2019 the signing of a Letter of Intent with the Republic of the Philippines to undertake negotiations on a Memorandum of Understanding on immigration issues.

67(3)(a), 68(1)(b)(ii), 74(1)(a)

Additional response:

67(3)(a), 68(1)(b)(ii), 74(1)(a)

- Discussions have taken longer than expected in part due to disruptions caused by the COVID-19 pandemic.
- We value the Filipino community and the cultural and economic contributions of its members to the territory.

67(3)(a), 74(1)(a)

CONFIDENTIAL Session Briefing Note Philippines MOU

TAB 26 Fall 2021

Economic Development

Context—this may be an issue because:

- Negotiations on a Memorandum of Understanding (MOU) between the Republic of the Philippines were announced after the signing of a Letter of Intent (LOI) in August 2019 67(3)(a), 74(1)(a)
- The issue has been previously raised in the House. It was last raised in Question Period in December 2020. The question was prompted by a publication on the website of the Philippines' Department of Labour and Employment (DOLE) that referenced that the MOU had not yet been signed.
- The Philippine Consul General in Vancouver, Maria Austria, visited the Yukon in late September as part of a Consular Outreach Mission to Yukon.

CONFIDENTIAL Session Briefing Note Philippines MOU

TAB 26 Fall 2021

Economic Development

Background:

 Since 2019 the Government of Yukon and the Government of the Philippines have been collaborating on a MOU that is aimed at improving the system of recruitment and employment for Filipino workers in the Yukon.
 67(3)(a), 68(1)(b)(ii), 74(1)(a)

fustin Jerbey

Deputy Minister, Economic Development

October 25, 2021

Date approved

CONFIDENTIAL Session Briefing Note Regional Accomplishments

TAB 27

Economic Development

Recommended response:

- The Government of Yukon has made significant investment across all communities in the Yukon.
- Communities have benefitted from a variety of funds administered by the Department of Economic Development, most significantly the Community Development Fund and the Economic Development Fund.
- The amalgamation of the Regional Economic Development Fund, the Enterprise Trade Fund and the Strategic Industries Fund into the Economic Development Fund has reduced red tape and simplified access to funding for the Yukon's businesses, communities and organizations.

Additional response:

- Community funding is broken down by region. From April 2019 to November 2021, regions received funding from the department as follows:
 - North region: \$1,584,375.54;
 - o West region: \$622,162.03;
 - o Central region: \$864,584.63; and
 - o Southeast region: \$1,690,168.65.

Context—this may be an issue because:

• 67(3)(a), 74(1)(a) The data shows that funding activities are occurring in all regions and communities throughout the Yukon.

CONFIDENTIAL Session Briefing Note Regional Accomplishments

TAB 27
Fall 2021

Economic Development

Background:

- The regional funding overview provides a breakdown of Economic Development funding to clients and projects within communities outside of Whitehorse from April 2019 to November 2021. Yukon Business Relief Program recipients are from April 2020 to September 2021.
- North Region: Dawson City, Eagle Plains, Keno, Mayo, Old Crow.
 - o 52 organizations received combined total funding of \$1,584,375.54;
 - Community Development Fund: 26 organizations, \$994,679.00;
 - Regional Economic Development Fund: ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)}
 \$331,248.40;
 - Enterprise Trade Fund: ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)}, \$45,836.64;
 - Economic Development Fund: 3 organizations, \$200,529.00
 - Film Training Fund: one organization, \$4,695.00;
 - Filmmakers Fund: one organization, \$3,000.00; and
 - Sound Recording Fund: one organization, \$4,387.50.
 - o $^{67(3)(a), 74(1)(a), 75(1)(a)(ii)}$ received funding through the Yukon Business Relief Program.
- West Region: Beaver Creek, Burwash Landing, Destruction Bay, Haines Junction.
 - o 20 organizations received combined total funding of \$622,162.03;
 - Community Development Fund: five organizations, \$247,076.00;
 - Regional Economic Development Fund: 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)
 \$214,450.00;
 - Enterprise Trade Fund: ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)}, \$11,423.53;
 - Economic Development Fund: one organization, \$3,712.50; and
 - Strategic Industries Fund: ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)}, \$145,500.00.

CONFIDENTIAL Session Briefing Note Regional Accomplishments

TAB 27 Fall 2021

Economic Development

- o received funding through the Yukon Business Relief Program.
- Central Region: Carmacks, Faro, Pelly Crossing, Ross River.
 - o 21 organizations received combined total funding of \$864,584.63;
 - Economic Development Fund: 2 organizations, \$129,301.00;
 - Community Development Fund: 12 organizations, \$570,977.00;
 - Regional Economic Development Fund: ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)}
 \$162,892.00; and
 - Enterprise Trade Fund: ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)}, \$1,414.63.
 - o ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)} received funding through the Yukon Business Relief Program.
- Southeast Region: Carcross, Southern Lakes, Teslin, Watson Lake.
 - o 43 organizations received combined total funding of \$1,690,168.65;
 - Community Development Fund: 23 organizations, \$1,211,287.00;
 - Regional Economic Development Fund: ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)}
 \$427,968.00;
 - Enterprise Trade Fund: ${}^{67(3)(a), 74(1)(a), 75(1)(b)(i)}$, \$17,751.65; and
 - Economic Development Fund: one organization, \$33,162.00.
 - o received funding through the Yukon Business Relief Program.

Approved by:

November 18, 2021

Deputy Minister, Economic Development

Date approved

TAB 28

Economic Development

Recommended response:

- The Government of Yukon recognizes the Skagway ore terminal as a valuable export option for the Yukon mining industry - facilitating access to international markets.
- We recognize and respect the priorities and responsibilities of both the Municipality of Skagway and the Alaska Industrial Development and Export Authority (AIDEA) as they plan for the future of the ore peninsula post-2023.
- We have taken note that a recent report commissioned by AIDEA has estimated the cost of modernizing the ore terminal to be between 25 million and 54 million USD, and that as a result, AIDEA intends to let its lease lapse in 2023, handing the facility over to the Municipality of Skagway.
- We continue to engage with the Municipality of Skagway and the Alaska Industrial Development and Export Authority to advance the Yukon's interest regarding the ore terminal.

Additional response:

- We have raised this issue at a recent meeting with the US Consul General in Vancouver and intend to raise the issue with our federal counterparts in infrastructure, export and trade promotion.
- We have met with the Chamber of Mines on this issue and will continue to engage with them as we plan for a path forward.

TAB 28 Fall 2021

Economic Development

• I want to thank the work of staff and their continued effort along with AIDEA, the Municipality of Skagway and industry on this important file.

67(3)(a), 68(1)(d), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i), 75(1)(b)(ii)

TAB 28 Fall 2021

Economic Development

• We look forward to continuing conversations with AIDEA as we work towards mutually beneficial port facilities in Southeast Alaska.

Context—this may be an issue because:

 At its October 27, 2021 board meeting, AIDEA staff shared with its board the results of its Skagway Ore Terminal Evaluation study and informed the board they would be notifying Skagway of their intent to allow their lease for the Skagway Ore Terminal to lapse in March 2023. 67(3)(a), 68(1)(d), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i), 75(1)(b)(ii)

 Questions may arise on what this means to the Yukon and the future of the terminal.

Background:

- The Alaska Industrial Development and Export Authority (AIDEA) owns the Skagway Ore Terminal. AIDEA subleases land owned by the Municipality of Skagway, and that lease expires on March 19, 2023.
- The Port of Skagway is the closest ice-free, deep water port to most of the Yukon. The current location of the ore terminal shortens the sailing time to Asian markets as compared to other western North American ports.
- AIDEA has commissioned a Skagway Ore Terminal Evaluation to inform its approach for the Ore Terminal Project. $^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(ii), 75(1)(b)(i), 75(1)(b)(ii)}$ 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i), 75(1)(b)(ii)

TAB 28

Economic Development

- Upgrading the terminal to a "state-of-the-art" bulk ore handling operation requires an evaluation of approximately 750,000 tonnes/year throughput. The maximum operational capacity of the terminal is 1,500,000 tons of ore concentrate annually.
- The Skagway Ore Terminal Evaluation estimates that upgrades necessary to bring the terminal's annual capacity to 750 000 tonnes per year would take three years and between USD 25M and USD 53.6M.
- AIDEA staff notified the AIDEA board at its October 27 board meeting that it intends to let its sublease of the terminal lapse in March 2023 for financial feasibility reasons.
- The Skagway Ore Terminal Evaluation does not assess decommissioning of the terminal or relocation of the terminal to Haines, Alaska.
- AIDEA's Skagway Ore Terminal accommodates storage and shipment of copper ore concentrates from Minto Mine (owned by Pembridge Resources).
 67(3)(a), 68(1)(d), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i), 75(1)(b)(ii)

Approved by	/:
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November 8, 2021

Deputy Minister, Economic Development

Date approved

TAB 29 Fall 2021

Economic Development

Recommended response:

• The Department of Economic Development has been busy supporting Yukoners and their businesses during the pandemic and I am pleased to share updates on their work:

COVID-19 Economic Response Programs:

- Yukon funding programs have been a model for other Canadian jurisdictions as we are developing approaches to address the impacts of COVID-19.
- We are maintaining contact with Yukon businesses, industry and partners as we continue to monitor and address COVID-19 impacts.
- Feedback from the business community contributed to our economic support programs including the Yukon Business Relief Program and the Paid Sick Leave Rebate for Employers and the Self-employed, which has now been extended until September 30, 2022.
- We partnered with Canada to deliver the Regional Relief and Recovery Loan Program, an interest-free loan that has principal payments deferred until December 31, 2022. As of the program deadline of June 30, 2021, the Government of Yukon had received 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

 $67(3)(a),\ 74(1)(a),\ 75(1)(a)(ii),\ 75(1)(b)(i)$

 We are working closely with our federal partners to ensure Yukon businesses continue to have comprehensive and efficient access to the supports they need.

TAB 29 Fall 2021

Economic Development

Improving public service delivery:

- We have streamlined our funding support programs by amalgamating the Enterprise Trade Fund, Regional Economic Development Fund and Strategic Industries Development Fund into a single Economic Development Fund. This amalgamated fund was launched on April 1, 2021 and will improve funding flexibility and ensure greater responsiveness to the needs of the business community.
- We have also carried out public engagement on the potential for improvements to our film funding programs and are currently pursuing modernization as a result of the feedback received.
- During the COVID-19 pandemic, we have coordinated with Canadian Northern Economic Development Agency (CanNor), the Departments of Highways and Public Works and Tourism and Culture to streamline application processes to various Government of Yukon COVID-19 relief programs including the Yukon Business Relief Program and CanNor's Northern Business Relief Fund.

Supporting regional economic development:

- We are working to support economic development in the Yukon's communities. Current projects we support include the Teslin municipal boundary expansion for the Village of Teslin and VanGorda Enterprises Ltd.'s expansion and renovation of a new convenience store in Faro.
- We partnered with CanNor and Yukon University's Innovation & Entrepreneurship team to launch a PIVOT program. This program

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Economic Development

supported^{67 74} Yukon businesses to adopt to a changing business landscape due to COVID-19.

Background:

Immigration - Yukon Nominee Program:

- The Yukon's economic growth depends on having enough skilled and qualified people to meet labour market needs.
- The Yukon Nominee Program is a way for high-demand foreign workers and experienced entrepreneurs to gain permanent residency in the Yukon.
- The Yukon Nominee Program helps employers fill crucial positions with foreign nationals who intend to settle in the Yukon.
- Once a nominee has received their Permanent Resident status they are no longer part of the Yukon Nominee Program and the Yukon does not actively collect information on whether nominees remain within the territory.

Media Development Programs:

- From December 9, 2020, to January 31, 2021, we sought feedback from Yukon sound recording professionals on potential changes to the Yukon Sound Recording Program. A What We Heard document is now available on Yukon.ca.
- We are finalizing the new programs and looking forward to rolling out changes that support Yukon musicians to succeed in the modern music industry.

REDF, ETF and SIDF Fund Amalgamation:

• The Enterprise Trade Fund, Regional Economic Development Fund and Strategic Industries Development Fund were amalgamated into a single Economic Development Fund on April 1, 2021.

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Economic Development

- The new Economic Development Fund supports initiatives aimed at increasing business innovation, market diversification and competitiveness through capacity and capital development.
- Since its launch, the Economic Development Fund has approved 16 projects with a total contribution commitment of just over \$987,000.

Approved by:

Deputy Minister, Economic Development

October 7, 2021

Date approved

CONFIDENTIAL Session Briefing Note Yukon Employment During COVID-19

TAB 30 Fall 2021

Economic Development

Recommended response:

- The COVID-19 pandemic created a period of highly uneven economic activity and employment across Canada and throughout the territory.
- Statistics Canada's Labour Force Survey data shows that for October 2021, the Yukon had the highest labour force participation rate (71.8%), second highest employment rate (68.5%) among provinces and territories and the second lowest unemployment at (5.1%), well below the national rate of 6.7%.
- Statistics Canada's payroll data show that the mining and construction industries have been adding significant number of jobs despite the pandemic. Mining employment is up by a net 706 jobs from February 2020 through June 2021 while construction is up 107 jobs over the same period.
- There is still more work to be done, but the Yukon is well-positioned for strong economic performance going forward.

Additional response:

- Recent data does point to one area of concern. The slow recovery of the size of the labour force post-pandemic is in an ongoing issue and in flux from a variety of factors. We can expect some volatility in the labour force numbers to continue.
- The labour force has saw a small decrease from 23,800 in April 2021 to 23,700 to October 2021.

CONFIDENTIAL Session Briefing Note Yukon Employment During COVID-19

TAB 30 Fall 2021

Economic Development

- o There is a significantly higher job vacancy rate than normal, signs of upward pressure on wages, and an expected significant decline in the number of those eligible for Employment Insurance and related additional COVID-19 support for workers over the next several months.
- We will continue to monitor the labour force data and, if needed, work with our partners to respond to the changing employment situation.
- Statistics Canada's monthly Labour Force Survey shows that since March 2020:
 - The Yukon unemployment rate for males was 4.0% in October 2021, down from a high of 10.2% in August 2020;
 - o The unemployment rate for females was 6.3% in October 2021, down from a high of 7.8% in June 2021; and,
 - o The number employed in October 2021 was 22,500 up from the low of 21,000 in August 2020 and just exceeding a high point of 22,400 in April 2021.

Context—this may be an issue because:

- The COVID-19 pandemic has created a sudden and unprecedented economic upheaval.
- Employment levels are a critical indicator of economic health.
- The Yukon government has committed to growing and diversifying the economy, a daunting challenge during a global pandemic.

CONFIDENTIAL Session Briefing Note Yukon Employment During COVID-19

TAB 30 Fall 2021

Economic Development

Background:

- The Yukon had a strong labour market performance from 2017 to 2019. Following historic lows of 2.3% in summer 2018, the unemployment rate averaged 3.6% in 2019, the lowest in Canada.
- Over the two years prior to the pandemic, the Labour Force Survey has generally found the Yukon to have:
 - The highest labour force participation rate (those age 15 years and over either working or actively seeking work) in Canada;
 - The highest employment rate (the percentage of the population age 15 and over which is employed) in Canada; and
 - The lowest unemployment rate in Canada.
- The onset of COVID-19 led to a decline in the size of the labour force and in the number employed. For May 2020, Statistics Canada reported that the labour force had declined by 2,000 people from the year before. August 2020 saw a peak unemployment rate of 8.3%, up from 2.9% in August 2019.
- Statistics Canada's monthly Survey of Employment, Payrolls and Hours (SEPH) found that the Yukon had 22,523 jobs (not people employed but separate jobs) in February 2020:
 - o By June 2020, the number of jobs had fallen to 18,462, a decline of 4,061 or -18.0%.
 - o Following the June 2020 low, the number of jobs began to rise, hitting 22,469 jobs in August 2021, an increase of 4,007. This largely returns the Yukon to its pre-pandemic level of jobs.
- SEPH shows that job loss and job recovery since the onset of COVID-19 have varied widely across industries. Comparing February 2020 with June 2021:
 - Accommodation and food services remains the hardest hit industry with a net 526 fewer jobs;

CONFIDENTIAL Session Briefing Note Yukon Employment During COVID-19

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Economic Development

- Transportation and warehousing is also struggling to return to pre-COVID levels of employment with a net 210 fewer jobs;
- o At the other end of the spectrum, natural resource industries have been on a hiring spree with a net gain of 706 jobs; and,
- Construction has added a net 107 jobs.
- Preliminary estimates from SEPH show 1,135 job vacancies in the Yukon in August 2021, translating into a job vacancy rate of 5.9%.
 - o Although high, August's numbers are lower than the record-high Yukon job vacancy rate of 10.0% in June 2021.

Aρ	pro	ved	bv:

Deputy Minister, Economic Development

November 10, 2021

Date approved

CONFIDENTIAL Session Briefing Note Skagway Waterfront Lease

TAB 31 Fall 2021

Economic Development

Recommended response:

- The Port of Skagway is an important gateway into and out of the Yukon for tourists, consumer goods, fuel, construction materials and ore concentrates.
- We have a good relationship with the Municipality of Skagway who have appointed a representative from our department to its Ports and Harbours Advisory Board.
- Through this seat at the table, we continue to advocate for the Yukon's interests, many of which align with Skagway's, as the waterfront transitions back to municipal management post-2023.
- Those interests include the arrival of cruise tourists to the Yukon, who make significant contributions to our economy, continuation of barge service for the import and export of goods, fuel service through Petro Marine, and the preservation of Skagway as a viable export option for ore concentrates from the Yukon.

Additional response:

- I would like to congratulate Mayor Cremata on his reelection as Mayor of Skagway and look forward to working with him as the municipality plans for the port, post-2023.
- We will continue to work closely with our counterparts in Skagway to support them in this transition and to keep the Yukon's interests front of mind.

Context—this may be an issue because:

 The existing waterfront lease between White Pass & Yukon Route and the Municipality of Skagway expires on March 19, 2023.

CONFIDENTIAL Session Briefing Note Skagway Waterfront Lease

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Economic Development

Skagway has begun working towards the transition, including hiring a Port
Director, negotiating MOUs for new leases on the waterfront, and issuing RFPs
for design of infrastructure upgrades on the waterfront.

Background:

- The existing 55-year lease between the Pacific Arctic Railway and Navigation Company and the Municipality of Skagway (MOS) is set to expire on March 19, 2023, with control of the leased area returning to the Municipality of Skagway.
- With it will expire subleases on the waterfront to TEMSCO Helicopters, Alaska Marine Lines (AML), Petro Marine, Cruise Line Agencies of Alaska (CLAA), and the Alaska Industrial Development and Export Authority (AIDEA).
- AIDEA has confirmed that it intends to let its lease of the Skagway Ore Terminal lapse in March 2023 for financial feasibility reasons. It shared a report evaluating the costs to modernize the terminal and a memorandum outlining its intent with the Department on 21 October.
- Skagway has in place MOUs for negotiation of new leases with AML, Petro Marine and TEMSCO, but nothing with AIDEA.
- On September 1, 2021, MOS closed an RFP for project planning for removal of the existing ore dock, relocation of the existing barge loading ramp, and installation of a new multiuse pier on the ore peninsula.
- Remediation of historical lead and zinc contamination in the ore basin, including 67(3)(a), 68(1)(b)(ii), 75(1)(a)(ii), 75(1)(b)(ii), 75(1)(b)(ii), 75(1)(b)(ii), 75(1)(b)(ii), 75(1)(b)(ii), 75(1)(b)(ii), 75(1)(a)(ii), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i), 75(1)(b)(ii)

Deputy Minister, Economic Development

October 25, 2021

Date approved

TAB 32 Fall 2021

Economic Development

Recommended response:

- We are closely watching supply chains in and out of the territory for potential disruptions due to flooding in BC We do not currently expect any major disruptions in the near term and will continue to monitor the situation for potential long-term impacts.
- We understand that grocery providers are not anticipating major supply issues, as most shipments for major grocers are sourced from Alberta or further east.
- We have heard that some are experiencing some delays for certain goods and some unavailability. We share the concerns of those affected.

Additional response:

- Flooding in BC. We are deeply concerned by the flooding in BC and our thoughts go out to our southern neighbours at this difficult time
- Global supply chain disruptions. Pandemic conditions have disrupted international supply chains, resulting in higher prices, delays, and affecting both consumers and businesses. Our government continues to work to limit the impact of these disruptions on the territory.

TAB 32 Fall 2021

Economic Development

Context—this may be an issue because:

- Supply chain disruptions in western Canada due mainly to the effects of the COVID-19 pandemic will almost certainly be exacerbated by flooding in BC, which briefly completely cut off commercial land access to the Port of Vancouver.
- Yukon has experienced relatively limited disruptions to its supply chains due to flooding. The Department has received reports of delays or trapped shipments, but essential goods, including groceries, are not anticipated to face significant shortages.

Background:

- Global supply chain disruptions. International supply chain disruptions have
 caused record shortages for a range of consumer and industrial products as the
 global economy recovers from COVID-19. In addition, the pandemic and
 mitigation measures have resulted in higher prices and a backup in demand as
 supply-side productivity is restricted.
- An estimated 77% of ports are experiencing abnormally long turnaround times. Seaborne freight costs have also risen, jumping an estimated 300% year on year as of August 2021. As of November, ocean freight costs have begun to fall from their record highs.
- Global economic recovery is expected to continue despite ongoing supply chain challenges, with the IMF projecting global GDP to expand 5.9% in 2021 and 4.9% in 2022. There are early indications that supply chain challenges are beginning to recede, with factory closures, energy shortages and port capacity issues easing as COVID-19 infections drop.
- BC Flooding. British Columbia announced a two-week state of emergency on November 17, responding to an intense storm on November 13-15. The resulting flooding severed road and rail arteries from the Port of Vancouver, producing supply chain disruptions inland.

TAB 32 Fall 2021

Economic Development

- The federal government is supporting BC's response. On November 20, Canada and BC announced a joint supply chain recovery working group. Transport Canada and Public Safety are actively working to support infrastructure repair and other flood response efforts. Five hundred military personnel have been deployed.
- Limited overland access to the port has been restored. Intermittent road openings allowed limited commercial transport from the port by November 19, and rail and road service to key BC interior regions was restored on November 23. Delays are still anticipated, but additional re-openings are expected in the coming days.
- Implications for Yukon. The Yukon is monitoring the situation in BC and wider supply chain issues but is anticipating relatively limited and temporary impacts on supply in the territory.
- Grocery providers are not anticipating major supply issues. Most major grocers source shipments from Alberta or regions further east that BC flooding has not disrupted. The Department anticipates some impact on consumer and commercial goods availability, with certain goods expected to see significant delays or be unavailable in the near term.
- The full impact of flooding in BC on the Yukon's supply chains will likely take several months to be felt. The Port of Vancouver was experiencing record traffic in summer 2021, which will likely mean larger back-ups when service is restored.
- The Department is actively engaging the business community to monitor the impacts on their supply chains.
 - o The Yukon Chamber of Commerce has heard retailers are experiencing delays getting product to shelves and seeing substantially longer shipping times ahead of Christmas. This is likely related to global disruptions, not B.C. flooding. Retailers feel there is no role for government at this time.
 - o The Whitehorse Chamber of Commerce has not yet heard concern from its membership. It anticipates few near-term challenges, although there may be longer-term impacts depending on the length of the disruption.

TAB 32 Fall 2021

Economic Development

- The Yukon First Nation Chamber has reported delays, with shipments stuck on-route or unavailable products requiring re-sourcing. Some freight too large to fly is trapped in the Port of Vancouver. Grocery shipments to Yukon communities remain on time due to sourcing from Alberta.
- o Manitoulin Transport has reported delays but confirms it is moving freight in and out of Vancouver when highway connections are open.

Approved by:

Deputy Minister, Economic Development

November 25, 2021

Date approved

TAB 124 Fall 2021

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CONFIDENTIAL Session Briefing Note COVID-19 Government Wide Note

Health and Social Services

Recommended response:

- Our government continues to follow the advice and recommendations of the Chief Medical Officer of Health.
- In response to this significant surge in COVID-19 cases in the territory and widespread community transmission in Whitehorse, our government re-instated a state of emergency on November 9, 2021.
- Declaring a state of emergency will allow temporary measures to be quickly implemented by the Chief Medical Officer of Health to rapidly decrease transmission and the protect the territory's healthcare capacity from becoming overwhelmed.
- New measures will be enforced through the Civil Emergency
 Measures Act on November 13, 2021, but Yukoners are strongly
 encouraged to follow these measures immediately.
- On October 15, 2021, we announced that all Yukon government employees and all frontline health care workers in the territory will be required to be have at least one does of a COVID vaccine by November 30, 2021. Mandatory vaccination will apply to all public servants, including teachers, as well as those who work in hospitals, long-term care homes, medical clinics and allied health care settings.
- The Government of Yukon is moving rapidly to implement the proof of vaccination requirement for designated settings, to align with the new recommendations from the acting Chief Medical Officer of Health.
- As of November 13, 2021, individuals will be required to provide proof that they have received two doses of an approved vaccine to access a designated setting. The list of designated settings is being finalized and will be made public before November 13, 2021.

CONFIDENTIAL Session Briefing Note COVID-19 Government Wide Note

TAB 124 Fall 2021

Health and Social Services

- It is expected that COVID-19 will present an endemic risk for many years to come. We are continuing to provide targeted public health measures to directly address COVID-19 where and when it emerges, and look at broader recommendations from the Chief Medical Officer of Health.
- Forging Ahead: Yukon's Continued Response to COVID-19 outlines our goals for ensuring the safety and well-being of Yukoners and how we will adapt to COVID-19 becoming a normal part of our lives.
- This plan includes the steps we are taking to limit the spread of disease, ensure Yukoners are connected to the social, mental and physical health supports and services they require, and move forward with our plan to help Yukoners to succeed.

Additional response:

- COVID-19 continues to have a disproportionate impact on our most vulnerable, including seniors, elders, and women, those with precarious or insecure housing, individuals living with chronic conditions, and unvaccinated individuals and those who do not yet have access to a COVID-19 vaccine.
- Our one government approach and close collaboration with communities, First Nations, local partners and non-government organizations allows us deliver the appropriate level of health and social care required to meet our community's needs and remain responsive to their concerns.
- Once a pediatric vaccine for individuals under the age of 12 is approved, our immunization teams will be ready to quickly reach this subset of the population.

CONFIDENTIAL Session Briefing Note COVID-19 Government Wide Note

TAB 124
Fall 2021

Health and Social Services

 We are focused on reducing the number of people susceptible to COVID-19 and its variants through partnerships with First Nation governments and First Nations, increased vaccination, maintaining our testing capabilities and the capacity of our health and social care system, providing supports to our most vulnerable, and implementing targeted measures to the areas of highest risk.

Context—this may be an issue because:

With the lifting of many public health measures on August 4, 2021 and the state
of emergency on August 25, 2021, there is interest in the Yukon's plans for
moving forward while COVID-19 continues to present a threat.

Background:

- The Yukon initially declared a State of Emergency on March 27, 2020. The initial State of Emergency ended on August 25, 2021.
- The Yukon declared State of Emergency again on November 8, 2021.
- Under the Public Health and Safety Act, the Chief Medical Officer of Health is
 responsible for monitoring, investigating, and responding to a communicable
 disease. The Act and the Communicable Disease Regulations provide the Chief
 Medical Officer of Health with a number of authorities to ensure the health and
 safety of Yukoners.
- The Yukon's original reopening plan, A Path Forward: Yukon's Plan for Lifting COVID-19 Restrictions, was released on May 15, 2021 and was informed by the available evidence on COVID-19, risk assessments and timelines for developing and delivering a vaccine.
- On March 5, 2021, an updated plan, A Path Forward: Next Steps, was released and outlined the thresholds for easing public health measures while also ensuring the health and safety of Yukoners.

CONFIDENTIAL Session Briefing Note COVID-19 Government Wide Note

TAB 124 Fall 2021

Health and Social Services

- An endemic can be understood as the stable spread of a disease from person-toperson without significant exponential growth amongst a population; or, the presence of a disease within a population but at a rate that does not see widespread transmission.
- Despite having one of the highest vaccination rates in Canada, the Yukon was one
 of the first jurisdictions in the world to see how quickly COVID-19 could spread
 amongst a highly vaccinated population.

App	proved	l by:
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November 9, 2021

Deputy Minister, Health and Social Services [Date approved]

CONFIDENTIAL Session Briefing Note Housing Issues

TAB #C5
Fall 2021

Yukon Housing Corporation

Recommended response:

- We are working on initiatives to create more Community Housing options that support the development of a full housing continuum across the Yukon.
- Community Housing is a vital community resource that support Yukon individuals and households who are facing housing affordability, availability and vulnerability.
- In November 2020, we launched the Canada Yukon Housing Benefit, a rental subsidy for low to moderate income households to help Yukoners with housing affordability.
- We are moving forward with the implementation of the federal Northern Carve Out, from the National Co-Investment fund, to build new housing for Yukoners.
- We offer capital incentive programs for partners to develop and increase housing options throughout the Yukon.
- Our new approach to housing for employees aims to decrease the housing cost disparities in communities, further incentivize private sector investment in housing, and prioritize the government's existing staff housing units to the critical needs for community wellbeing.
- We are guided by the Safe at Home Plan, the Housing Action Plan for Yukon, the Aging in Place Action Plan, and the Putting People First report to work with our partners on initiatives from housing with support services, to Community Housing, to private market rental, to home ownership.

CONFIDENTIAL Session Briefing Note Housing Issues

TAB #C5
Fall 2021

Yukon Housing Corporation

Additional response:

- We know that the Yukon is facing an acute housing shortage. We are seeing housing prices increase and vacancy rates drop, and we know that too many people are struggling to find adequate and affordable housing.
- That is why across government, we are working with stakeholders to develop new land parcels, increase housing stock, and to explore innovative approaches to help address housing supply solutions.

Context—this may be an issue because:

• Since the COVID-19 pandemic started, Yukoners have been facing housing challenges including increased housing prices and low vacancy rates.

Background:

Measures during COVID-19:

 During the COVID-19 pandemic, housing prices in Whitehorse have continued to climb.

Housing Action Plan and Safe at Home Plan:

- The 10-year Housing Action Plan (HAP) for Yukon was launched in 2015 and provides guidance on housing priorities for the territory.
 - A committee made up of key housing stakeholders and partners from across the territory oversees its implementation.
- The Safe at Home Community Based Action Plan to End and Prevent Homelessness (Safe at Home) was launched in November 2017.
 - The Safe at Home plan was developed by the Government of Yukon, the City of Whitehorse, Kwanlin Dün First Nation, the Ta'an Kwäch'än Council and a number of local NGOs.

CONFIDENTIAL Session Briefing Note Housing Issues

TAB #C5
Fall 2021

Yukon Housing Corporation

- The Safe at Home Society, oversees implementation, under direction of the key stakeholders, and recently released a three-year progress report.
- The Safe at Home Society has submitted under the federal Rapid Housing Initiative 2.0 a 55-unit supportive housing project proposal.

Land:

- The Government of Yukon continues to make land available to support the construction of new housing for Yukoners. This includes land development work in Whistle Bend and in Yukon's communities, and work towards releasing the 5th and Rogers parcel in Whitehorse for future development.
- The Land Development Branch is implementing an integrated land development program to maintain lot inventories across the Yukon, support private sector development and support First Nations in developing their land for citizen housing.

Major investments in housing include:

- The Canada Yukon Housing Benefit, an eight year rent subsidy program to support low to moderate income Yukoners renting private market rental housing.
- \$4.5 million in funding for the Normandy project, currently under construction in Whitehorse. This project will be a privately owned senior's residence with some supports.
- \$18 million (over two years) for the design and construction of the 4th and Jeckell 47-unit mixed-income housing development in Whitehorse, and \$1.1 million to plan new Yukon Housing Corporation housing in Old Crow, Watson Lake and Carcross.
- \$5.77 million commitment (over two years, 2020-21 & 2021-22) to the Challenge Cornerstone project, in addition to funding already provided for purchase of the land and project development.
 - \$5.77 million as a capital grant
 - \$1.5 million through the Developer Build Loan
 - \$750 thousand for the purchase of their land;
 - \$500 thousand under Municipal Matching Rental Construction;
 - \$500 thousand under the Housing Initiatives Fund; and

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Yukon Housing Corporation

- - \$150 thousand under the Victims of Violence Program.
 - \$3.6 million annually under the Housing Initiatives Fund, which is in its fourth year.
 - \$2.4 million will flow to Yukon through a Northern Housing Fund under the National Housing Strategy.
 - \$6.9 million for First Nation Energy Efficiency Program and \$8.4 million for Community Housing retrofits under the Low Carbon Economy Fund (LCEF). The funding is provided on a 75% (Canada) 25% (territory) cost-matching ratio between 2019 and 2023.
 - \$4.1 million for the construction of a Housing First residence for vulnerable individuals (5th and Wood St.) in Whitehorse.
 - Continued commitment by Government of Yukon toward the Municipal Matching Rental Construction program for new rental units.

Community Housing:

- We have an approved "Community Housing" program, which aligns with the National Housing Strategy, and includes a broader range of programs, and removes the stigma attached to social housing.
- We are improving our Community Housing program to enable more affordable and appropriate housing solutions for low-income Yukoners including direct provision of housing, rent subsidies and loans and grants programs.
- Currently, we offer over 700 homes through our social housing program in which eligible Yukoners pay 25% of their income for rent (rent-geared-to-income), support for 90 households through our rent supplement program and over 200 Yukoners through the Canada-Yukon Housing Benefit.
- Seniors are a priority for this government. We are working on the implementation
 of the Aging in Place Action Plan and, as we continue to modernize our
 community housing program, we will tailor our approach to meet the unique
 housing needs of seniors living in community housing.
- Yukon First Nation's governments also offer community housing in many communities. To keep this housing in good repair we offer grant programs to help renovate and retrofit First Nations' housing.

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s Yukon Housing Corporation

Affordable rental housing incentives (in partnership with the private market):

- Four Housing Initiatives Fund intakes in June 2018, February 2019, January 2020, and January 2021 resulted in agreements for construction of more than XYZ total housing units (including approximately XYZ affordable housing units). The fourth intake closed on January 15, 2021, and is supporting 8 more shovel ready housing projects, totaling an estimated XYZ affordable housing units, and four housing project concepts that are under development.
- The Housing Initiative Fund 5th intake will occur between the middle of November 2021 to the middle of January 2022.
- Since its launch in 2015, the Municipal Matching Rental Construction Grant has supported the construction of over 300 new rental homes throughout the Yukon.
- In 2020-21, our homeownership loans, relaunched to focus on buying and building rural Yukon, have helped 14 Yukoners buy or build their first homes.

Approved by:

Mary Cameron

President, Yukon Housing Corporation

September 9, 2021 [Date approved]

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Our Clean Future

Environment Energy, Mines and Resources

Recommended response:

- We live in a world that is rapidly changing.
- Climate change is impacting ecosystems, harvesting, infrastructure, leisure activities, and many other aspects of our lives.
- The Yukon population is growing. And this comes with a growing need for reliable, affordable and renewable energy to continue to power our lives, work, and economy.
- New economic opportunities are also emerging in the sustainable, green economy.
- Implementing the actions in Our Clean Future is our answer to the climate emergency and in recognition of the urgency of the climate crisis.
- We have increased the territory's greenhouse gas reduction target from 30 per cent to a 45 per cent reduction by 2030, compared to 2010 levels.

Additional response:

- We have already made progress in taking action on climate change following the release of Our Clean Future in fall 2020.
- We released the first annual report on Our Clean Future on August 13, 2021. This outlines the status of all of the actions in the strategy and shares data on a number of key performance indicators, including updated greenhouse gas emissions data.
- We are working across our government to identify which Our Clean Future actions can be accelerated to meet our new 45 per cent reduction target.

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Our Clean Future

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Environment Energy, Mines and Resources

 We will also be working with experts and stakeholders across the territory and beyond to identify opportunities and approaches to reach this ambitious target. This will include working with the new Yukon Climate Leadership Council

Third response:

- We know the Yukon's road transportation sector is currently the largest emitter of greenhouse gas emissions. To support emissions reductions, we have already made progress by launching new clean transportation rebates issuing rebates for 29 battery-powered electric vehicles, 41 plug-in hybrid vehicles and 355 e-bikes as of the end of September 2021.
- We are also making advancements in renewable transportation fuels.
- In order to reach Yukon's 2030 greenhouse gas reduction target, the use of renewable fuels for transportation is necessary. We will establish requirements to blend gasoline and diesel with renewable fuels beginning in 2025.
- We estimate that applying renewable fuel requirements in Yukon will achieve around 20 per cent of the necessary emissions reductions.
- We will engage with major fuel suppliers, users and work with our counterparts at the federal level to develop a new regulation for Yukon's own fuel blending requirements.
- Further progress on Our Clean Future actions includes increasing our rebate for smart electric heating devices, launching the second Youth Panel on Climate Change and supporting building and energy efficiency retrofits.

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• We are also on track to set an intensity-based target for greenhouse gas emissions from Yukon's mining industry by the end of 2022.

Context — this may be an issue because:

- The first annual report on Our Clean Future was released on August 13, 2021. Yukoners will want to know the Government of Yukon's progress in delivering on the commitments in the strategy.
- The 2021 Confidence and Supply Agreement between the Yukon Liberal Caucus and the NDP Caucus committed to reducing greenhouse gas emissions by 45 per cent by 2030, compared to 2010, creating a Yukon Climate Leadership Council and a policy implementation committee that will report to the public every six months. There may be questions from the public and the Opposition as to how the Government of Yukon plans to meet and support these commitments.

Background:

Cost and economic impact

- The total cost to implement Our Clean Future over the next 10 years was estimated to be over \$500 million, including existing departmental expenditures and secured federal funding. Additional actions needed to achieve the new 45 per cent greenhouse gas reduction target are likely to result in additional costs.
- Over \$400 million of the original \$500 million investment will directly support
 economic development and recovery by investing in local renewable energy,
 infrastructure and building projects, encouraging purchases of green technologies
 such as zero emission vehicles and e-bikes, and supporting Yukon businesses and
 workers to develop new skills for the green economy.
- The implementation of Our Clean Future is taking place over three phases. At the end of each phase, we will review our progress and reassess spending for the upcoming phase to ensure our investments continue to align with our goals and priorities.
- Departments have budgeted over \$50 million for Our Clean Future initiatives in 2021-22. This amount is consistent with our original commitment to invest over

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\$500 million in climate change, energy and green economy initiatives over the next 10 years.

- The Government of Canada's 2021-22 budget includes \$25 million for Yukon's climate change priorities, this is expected to go toward a combination of Our Clean Future initiatives and related renewable energy projects.
- Our Clean Future is estimated to create or support 115 jobs each year for retrofits to residential, commercial and institutional buildings, including installation of renewable heating systems.

Targets

- Our Clean Future sets several targets for 2030 :
 - o Yukon's greenhouse emissions will be 45 per cent lower than they were in 2010 (increased from 30 per cent by the Liberal-NDP agreement);
 - o 97 per cent of the electricity on Yukon's main grid will be generated from renewable sources on average;
 - o 30 per cent less diesel will be used to generate electricity in off-grid communities, compared to 2010;
 - o 50 per cent of our heating needs will be met by renewable sources; and
 - o Yukon will be highly resilient to the impacts of climate change.
- By 2050, Yukon's total greenhouse gas emissions will reach net zero. This aligns with the Government of Canada's announcement to legislate a national target of net zero emissions by 2050, with legally-binding five-year milestones.
- Our Clean future commits the Government of Yukon to legislate greenhouse gas and renewable electricity generation commitments. These commitments are included in the proposed Clean Energy Act, which is out for engagement with the public, stakeholders and Yukon First Nations until January 7, 2022.
- The current actions were estimated to get us three-quarters of the way to the 30 per cent greenhouse gas reduction target by 2030. We will support the Yukon Climate Leadership Council in their development of a plan to achieve the more ambitious 45 per cent target.

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- Any gap to reaching the 45 per cent target after this work is completed will be closed over time as we learn which actions are working well, what can be improved, and as new technologies emerge over the next 10 years. This approach would be consistent with British Columbia and Canada.
- We expect that announcements in the new federal Strengthened Climate Plan, including planned increases to the federal carbon price – will help Yukon get closer to our 2030 greenhouse gas reduction target. The increase to the federal carbon price will be reflected in updated modelling included in the first annual progress report.

Progress

- The actions outlined below provide a snapshot of progress to date. The annual public report, released in summer 2021, provides official information on the status of all actions and progress indicators, including greenhouse gas emissions.
- Our Clean Future contains 131 actions. 104 of which are new commitments with deadlines. The remaining 27 actions are commitments to continue with existing successful initiatives.
- Of the 11 actions listed for completion in 2020, nine have been completed
 - o Increase the capacity in Yukon Wildland Fire to prevent wildfires and respond to extended fire seasons by investing in staffing in 2020 (CS).
 - o Continue to provide rebates for residential, commercial and institutional biomass heating systems and smart electric heating devices and increase the current rebate for smart electric heating devices beginning in 2020 (EMR).
 - o Provide rebates to encourage the purchase of electric bicycles for personal and business commuting beginning in 2020 (EMR).
 - o Provide a rebate to Yukon businesses and individuals who purchase eligible zero-emission vehicles beginning in 2020 (EMR).
 - o Provide rebates to support the installation of smart electric vehicle charging stations at residential, commercial and institutional buildings in collaboration with Yukon's public utilities beginning in 2020 (EMR).

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Environment Energy, Mines and Resources

- o Create a Youth Panel on Climate Change in 2020 that will provide advice and perspectives to the Government of Yukon on climate change, energy and green economy matters that reflect the diversity of Yukon youth (ECO).
- o Incorporate support, where possible, for local food producers into the Government of Yukon procurement processes beginning in 2020 (HPW).
- o Incorporate fuel efficiency into purchasing decisions for the Government of Yukon fleet vehicles beginning in 2020 to reduce greenhouse gas emissions and fuel costs (HPW).
- o Provide direction to the Yukon Utilities Board in 2020 to allow Yukon's public utilities to partner with the Government of Yukon to pursue cost-effective demand-side management measures (YDC).
- While the remaining two actions due for completion in 2020 are in progress, the delay is due to limited resources or shifting priorities:
 - Update the Government of Yukon's procurement policies and standards in 2020 to better support sustainable and local procurement (HPW).
 Anticipated completion in December 2021 (HPW).
 - o Implement a glacier monitoring program in 2020 to improve our ability to predict the impacts of glacier melt on hydrological systems and hydroelectricity generation (EMR). Anticipated completion in January 2022.
- There are 19 actions in Our Clean Future listed for completion in 2021, and three have already been completed:
 - o Increase the Government of Yukon's participation in intergovernmental initiatives related to mine resiliency, low-carbon mining and innovation (EMR).
 - o Improve modelling of the impacts of climate change on hydroelectricity reservoirs and incorporate this information into short, medium and long-term forecasts for renewable hydroelectricity generation (YEC).
 - o Establish a partnership between the Government of Yukon, Yukon Energy Corporation and ATCO Electric Yukon that will collaborate on the delivery of energy and capacity demand-side management programs (EMR & YEC).

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Our Clean Future

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- Ministers receive an update on the progress of action items for our Clean Future at the halfway point of each calendar year.
- A 2017 Auditor General of Canada report was critical of the Government of Yukon on its climate action. Our Clean Future addresses the report's recommendations, including through the commitment to clear and transparent annual reporting.
- The Our Clean Future strategy was developed in partnership with Yukon First Nations, transboundary Indigenous groups, and Yukon municipalities over the course of three years. The Government of Yukon will continue to work collaboratively with Yukon First Nations on climate change initiatives, including through the new Yukon Climate Leadership Council.

Approved by:	
Afgream	
l	November 17, 2021
Deputy Minister of Environment	Date approved
Deputy Minister of Energy, Mines and Resources	/7/1/202/ Date approved

Date prepared:

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Tourism and Culture

Recommended response:

- The creative and cultural industries are a key part of Yukon's economy and northern way of life.
- Creative Potential: Advancing Yukon's Creative and Cultural Industries is a government-wide strategy that will support growth and development of Yukon's creative and cultural industries. There is a clear opportunity to increase the contribution these industries make to Yukon's GDP, through rewarding work that enriches the quality of life in Yukon.
- The strategy identifies 4 strategic objectives and 22 key actions. All of the actions integrate input gathered through extensive public engagement with individuals and organizations in the creative and cultural sector.

Additional response:

- Many actions in the draft strategy support the sector's recovery from COVID-19 pandemic impacts, which in turn contributes to the recovery and wellbeing of the territory as a whole.
- In support of COVID-19 recovery, Phase 1 implementation includes: reviewing and revising existing funding; delivering new funding opportunities; industry branding and promotion; marketing and export strategies; workshops; and labour market supports.

Context—this may be an issue because:

The draft strategy was out for review in early 2021, so people will be wondering when it will be approved and implemented.

Background:

• Yukon's 2018 Culture GDP was \$59.7M, representing 2% of the total territorial economy. Canada's 2018 Culture GDP was \$56.1B, representing 2.7% of Canada's total

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Tourism and Culture

economy. Moving Yukon to 2.7% through implementation of this strategy will increase Yukon's GDP by \$21M.

- The creative and cultural industries sector encompasses the creation, production, promotion, distribution and commercialization of cultural goods, as well as the labour force and institutions required to support it.
- Yukon has the third-highest concentration of artists in the country (1.14%) and the highest concentration of cultural workers (5.3%) in Canada (2016).

Public Engagement Process

Date	Engagement Method	Participation
May 3, 2019	In person Whitehorse gathering	~100 participants
Sept – Dec 2019	In person sessions across Yukon	35 Sessions
		5,000 comments
Sept – Dec 2019	Online survey	133 submissions
Dec, 2019	Focus groups	Contributed to draft strategy
Jan - Feb 2021	Public comment on draft strategy	36 responses

- The 2021-22 budget contains \$300,000 of new money for some initial actions in the strategy. Additional budget for subsequent years will be requested as part of the strategy review and approval process.
- Responsibility for cultural industries is shared across a number of departments including T&C (arts, museums, archives, heritage resources, historic sites) Economic Development (film, sound, media), Education (Labour Market Training), Community Services (Libraries).

Approved by:

Deputy Minister, Tourism & Culture

September 02, 2021

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Regional Economic Development Exceptions

Highways and Public Works

Recommended response:

- The Yukon government is helping boost economic development across the territory through the use of trade agreement exceptions.
- The exceptions allow us to restrict procurement competitions exclusively to qualified Yukon businesses ten times per year in order to keep government dollars in the territory and support local businesses.
- Since 2018, Yukon businesses have competed for and secured 42 Yukon-exclusive government contracts worth \$20.4 million.

Additional response: This years projects

- So far this fiscal year, trade agreement exceptions have been used to award three projects to Yukon businesses, totalling \$ 1.7 million. In addition to these projects, one more is pending award, and another four are approved for tender in the upcoming months.
- The selection criteria includes how much of the money spent on the project will create economic opportunities in the Yukon and whether the project supports the territory's industries and suppliers.
- This year's projects include tenders for bridge replacements and upgrades, HVAC upgrades, oil/water separator and sump modifications, heating, boiler, and fuel tank replacements, and infill developments and utility installations.

Third response: Past successes

• Over the past five years, manufacturing, construction and consulting contracts have been awarded for work in communities across Yukon.

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Regional Economic Development Exceptions

Highways and Public Works

Context – this may be an issue because:

 Regional economic development exceptions are important tools to support Yukon's economy.

Background:

- Four projects have been tendered in the 2021-22 fiscal year so far:
 - The Access Road Bridge Replacement (number 4) at the Ketza River Mine.
 Awarded to Boreal Engineering Ltd.
 - HVAC system and Paint Booth Ventilation System replacement at the Parks Building in Whitehorse. Awarded to Hvactech Systems Inc.
 - Surface Works and Underground Utilities for the Logan Residential Lots in Whitehorse. Awarded to Castle Rock Enterprises Ltd.
 - Fuel tank replacement and boilers at the Field Operations Building in Haines Junction. Closed pending award.
- At the close of a project, suppliers are now required to report on the total dollar value expended on Yukon labour and materials to quantify the direct positive impact these projects have on Yukoners.
- To date, 12 projects have submitted reporting on their completed contracts, with eight projects using 100 percent Yukon labour and Yukon materials. The reporting from the 12 projects shows that approximately \$1,060,000 was spent on Yukon employee Labour.

Approved by:	
The Care	September 8, 2021
Deputy Minister, Highways and Public Works	Date Approved

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Tourism and Culture

Recommended response:

- We identified \$15 million to be allocated over 3 years (fiscal years 2020/21 to 2022/23) to fund the COVID-19 Tourism Relief and Recovery Plan (TRRP).
- This plan is intended to help Yukon's tourism industry deal with the unprecedented impact the COVID-19 pandemic has had on global tourism and travel.
- The relief and recovery plan has been developed with the input of the Yukon Tourism Advisory Board and tourism industry organizations.

Additional response:

- This recovery plan focuses on four key themes:
 - 1. Providing Tourism Sector Leadership;
 - 2. Rebuilding confidence and capabilities for tourism;
 - 3. Supporting the recovery of tourism industry operators; and,
 - 4. Refining the brand and inspiring travelers to visit.
- We are continuing to engage with tourism businesses, Yukon First Nations, non-profit organizations, and other partners as we develop and implement the 19 key initiatives contained in the plan.

Context—this may be an issue because:

• Tourism businesses continue to suffer from the unprecedented decline in travel caused by the pandemic. There may be interest in updates on the status of the tourism relief and recovery plan and actions.

Background:

- \$15 Million has been allocated over 3 years to the COVID-19 Tourism Relief and Recovery Plan.
- For 2021-22, there is \$6.475M in the mains for Tourism Relief and Recovery initiatives as follows:

Last Updated: M/D/Y

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Tourism and Culture

Key	Project Description	Allocated in
Initiative	Project Description	2021-22
2.1,	Rebuilding confidence - Industry adoption of standardized safe	
2.2, 2.3	travel protocols/resident perception of tourism	
	research/monitoring/rebuild trust to invite visitors (TIAY)	\$225,000
3.1	ELEVATE (TIAY)	\$450,000
3.2	Enhancement to base TCMF budget	\$300,000
3.3	Relief Programs (Tourism Accommodations Sector Supplement	
	and Tourism Non-Accommodation Supplement.	\$4,000,000
4.3	Enhanced Marketing	\$1,000,000
4.5	Place Brand (Yukon Story) (Yukon First Nation Chamber of	
	Commerce)	\$500,000
		\$6,475,000

1. Providing Tourism Sector Leadership

- Engage the Yukon Tourism Advisory Board (YTAB)
 - During the pandemic, the YTAB has met 12 times providing 39 recommendations to help us shape our relief and recovery efforts for the tourism sector.
- Engage and communicate tourism relief efforts and the Tourism Relief and Recovery Plan with stakeholders
 - o The department held several meetings with Yukon tourism NGO stakeholders including two full-day planning sessions on the development and implementation of the TRRP, in addition to our regular participation and updates on the Tourism Industry Association of Yukon (TIAY) weekly zoom calls.
 - The department collaborated with TIAY to conduct the 2021 Yukon Tourism Sector Needs Assessment to gather information from the Yukon tourism sector on their state of readiness for reopening and outlook for summer 2021.
- Establish a One Government Deputy Minister's Tourism Committee

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Tourism and Culture

- o As recommended in the YTDS and by YTAB, the government established the first ever Deputy Minister's Tourism Committee in support of a one government approach to tourism.
- Create a one window "concierge" service for tourism businesses seeking relief funding support
 - o The department provided support to TIAY to hire two funding navigators to assist Yukon tourism businesses to access funding programs that best meet their needs.

• Sustainable Tourism Measurement Framework:

- o We are on track to establishing a framework that measures the sustainability of tourism development by the end of 2021.
- o The framework will enable the tourism sector to enhance the positive benefits from tourism while safeguarding communities and the environment from negative impacts. Annual framework reports will replace year-end indicator reports.
- Enhanced investments in tourism to achieve the goals of the YTDS
 - o Continued support for the implementation of the three-year Tourism Relief and Recovery Plan.

2. Rebuilding Confidence and Capabilities for Tourism

- Support industry adoption of standardized safe travel protocols for the protection of visitors and residents
 - o The department is working with TIAY to support industry adoption of the World Travel and Tourism Safe Travel protocols initiative.
- Implement resident perception of tourism research/monitoring
 - o The department is conducting its second survey to measure resident support of tourism. Results are expected in late 2021.
- Implement a resident and community support for tourism strategy
 - o The department is working with TIAY, WTAY, YFNCTA and other tourism related NGO's to develop a resident and community sentiment strategy.
- Support the recruitment, retention and training for labour in the tourism industry
 - o The department is working with the department of Education to support the tourism industry's access to the labour market workforce agreement addressing recruitment, retention and training for the tourism sector.

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Tourism and Culture

3. Supporting the Recovery of Tourism Industry Operators

- Invest in the provision of mentoring, advice and implementation funding to Yukon tourism businesses to prepare for recovery
 - o The department has provided support to TIAY for the implementation of the ELEVATE Tourism program in partnership with CanNor.
 - The department led the Great Yukon Summer campaign as travel restrictions were easing to help Yukon tourism businesses prepare for recovery.
- Enhance investment in marketing funding for individual businesses and organizations
 - o The department enhanced its investment in the Tourism Cooperative Marketing Fund (TCMF) in fiscal year 2021/22 by \$300K, bringing total program support to \$1M to help Yukon businesses mitigate the impacts of COVID-19.
- Develop and implement relief programs that enable tourism operators to survive to recovery.
 - o The department continued its investment in the Tourism Accommodation Sector Supplement and Tourism Non-Accommodation Sector Supplement to September 30, 2021. [pending Management Board]
- Conduct a review of financial programs, incentives and supports for tourism development
 - o This review will begin in the 2021-2022 fiscal year.

4. Refining the Brand and Inspiring Travelers to Visit

- Invest in research to better understand consumer behaviour and new markets
 - o This research will take place in fiscal year 2021-2022 in coordination with Destination Canada.
- Enhance Yukon tourism brand and assets
 - o This initiative will take place during the 2021-2022 fiscal year.
- Enhance investments in a three-year destination marketing strategy
 - o The department is developing a three-year destination marketing strategy that lays the foundation for recovery from the COVID-19 pandemic and is based on research and aligned with the YTDS.
- Enhance partnerships with key tourism stakeholders and partners

Last Updated: M/D/Y

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- o The department will develop strategic partnerships to assist in the recovery of the Yukon's tourism sector.
- Invest in a place brand for Yukon as a whole
 - o The department has provided support to the Yukon First Nation Chamber of Commerce to advance development of a place brand for Yukon. While this initiative is broader than just tourism, it will assist Yukon businesses by providing them with the tools they need to recover from the pandemic when restrictions are lifted.

Approved by:

Deputy Minister, Tourism & Culture

September 08, 2021

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TAB #41 Fall 2021

Size of Government/ FTE Growth **Public Service Commission**

Recommended response:

- We know that people have questions and concerns about the size of the Yukon government.
- We are listening to those concerns, while also ensuring we provide the services needed by Yukoners.
- Yukon's population is growing, and demand for public services and infrastructure tends to increase with population size.

Additional response:

- The number of FTEs comprising the government workforce based on actual hours worked in the 2020 calendar year was 5,162. This is an increase of 118 FTEs, or 2% change over the previous calendar year. In 2019, the year-over-year increase was 6%.
- Most of the additional FTEs are within Health and Social Services,
 Community Services, and Highways and Public Works.
- These do not necessarily represent new budgeted positions; they simply reflect the full-time equivalent number of hours worked during the period. This year, the increase in hours worked could be directly related to the pandemic response.
- The Public Service Commission and the Department of Finance are working with all departments to standardize the method for counting, budgeting and reporting FTEs.

Context—this may be an issue because:

• The 'size of government' has received considerable media and Opposition attention in recent years.

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TAB #41 Fall 2021

Size of Government/ FTE Growth **Public Service Commission**

Background:

- The Yukon Financial Advisory Panel (YFAP) report devoted several pages to the "size of government" and growth in spending as a share of GDP (gross domestic product). The report did not provide details that may account for the growth trends. For example;
 - growth in government spending as a share of GDP between 1980 and 2015 is partly explained by a notable drop in Yukon's GDP after the 1982 shutdown of the Faro mine.
 - growth in the number of YG jobs as a percentage of the Yukon population is partly attributable to devolution of federal programs.
- Since 2003, 250 federal employees have transferred to YG through devolution of the Northern Affairs Program (246) and a component of Human Resources and Skills Development (4).
- Aside from growth related to devolution, YG has responded to pressures to both expand services and improve service standards in a number of areas, particularly in health care and education. FTE growth in the departments of Education and Health and Social Services accounts for more than half of the overall growth in FTEs in the past decade.
- The FTEs tracked and reported through PSC are based on actual hours worked, measured after the fact, and are therefore impacted by the number of positions that are vacant within the reporting period. They are not equivalent to the projected FTEs that are reported in the government's Main Estimates.

Approved by:	
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Pol V-le	Sep 1, 2021
Public Service Commissioner	Date approved

CONFIDENTIAL Session Briefing Note Tourism Relief Funds

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Tourism and Culture

Recommended response:

- Based on industry feedback, data and the guiding principles of the Yukon Tourism Development Strategy, the three-year, \$15 million Tourism Relief and Recovery Plan (2020-2023) outlines initiatives to support the survival of Yukon's tourism businesses, and rebuild and strengthen our tourism industry for the future.
- The plan outlines targeted investments that prioritize safety; economic viability; resident support; and enhanced communications with communities, industry, and associations; in order to build sector resiliency for the future.
- Supporting the recovery of the tourism sector will ensure that our tourism assets, accommodations, experiences, and communities remain viable and sustainable for recovery.

Context—this may be an issue because:

• Some may question the rationale for tourism funding given there are indicators that some of the economy is improving; however, the tourism sector continues to be affected.

Background:

Tourism Accommodation Sector Supplement (TASS) Tourism Non-Accommodation Sector Supplement (TNASS)

- To help ensure the accommodations sector and other visitor-dependent businesses survive through winter 2020–21, up to \$3.88 million was available through the Tourism Accommodation Sector Supplement (TASS) and the Tourism Non-Accommodation Sector Supplement (TNASS).
- TASS is a special supplement to the Yukon Business Relief Program (YBRP) for accommodations businesses who had maximized their eligibility in the YBRP and CanNor's Northern Business Relief Fund, but were still operating at a deficit.
 TASS provides up to \$400 per room each month, up to the point of breakeven.

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Tourism and Culture

- We currently have agreements with 16 Yukon businesses through TASS for a total value of \$1.2M. Reporting and reconciliation is currently underway.
- Under TNASS, Yukon tourism operators and food and beverage businesses that
 rely on visitors for at least 60 per cent of their revenues, and have maximized their
 eligibility in the Yukon Business Relief Program and CanNor's Northern Business
 Relief Fund, were able to apply for up to \$60,000 to cover variable expenses up to
 the point of break even.
- We currently have agreements with 47 Yukon businesses through TNASS for a total value of \$2.1M. Reporting and reconciliation is currently underway.
- Both TASS and TNASS have been extended to the end of the current fiscal year (March 31, 2022). [MB decision pending]

Culture and Tourism Non-Profit Sector Supplement (NPOSS)

- A total of \$300,000 was allocated to provide support to culture and tourism nonprofit organizations who suffered revenue losses related to declines in tourism visitation and restrictions on public gatherings.
- Organizations projecting year-end deficits more than 10 per cent of their overall operating budget were eligible to apply for a maximum of \$20,000.
- This program was administered by the Yukon Historical Museums Association.
- \$80,000 was allocated in 2020/21 to seven applicants through this program
- This program has not been extended into the current fiscal year, but we continue to have a dialogue with the non-profit sector while they examine their needs.

Approved by:

Deputy Minister, Tourism & Culture

September 02, 2021

CONFIDENTIAL Session Briefing Note

TAB #17 Fall 2021

Working from Home During COVID-19

Public Service Commission

Recommended response:

- Throughout the pandemic, some employees have worked from home where they can do so and still meet operational needs. Currently, the vast majority of Yukon government employees are working from the official workplace.
- Working from home during the pandemic showed us that remote work arrangements can support Yukon government employees to continue providing high-quality services to Yukoners.
- A new remote work policy will be introduced this fall to support some Yukon government employees to continue working remotely, postpandemic.

Additional response:

- The Yukon government is a large organization with varied operations among our departments. Many of our employees cannot work from home as they deliver critical and essential services to the public from the official workplaces.
- We have implemented rigorous health and safety measures in our workplaces to provide a safe environment for those who have continued to work in the official workplace.

Context—this may be an issue because:

• There may be questions relating to Yukon government's approach to work from home.

CONFIDENTIAL Session Briefing Note

TAB #17 Fall 2021

Working from Home During COVID-19

Public Service Commission

Background:

- On March 18, 2020, the Government of Yukon issued a Human Resource Work from Home Directive intended to get as many employees as possible, taking into account operational requirements, working from home.
- On June 24, 2020, a new Working Arrangements During COVID-19 Directive replaced the previous Work from Home Directive. The new directive authorized employees to work from home where it made sense, while also enabling more employees to gradually return to the workplace.
- This directive remains in effect to support ongoing work from home arrangements until the new remote work policy is in place.
- All employees working from home are required to complete a Work from Home Health and Safety checklist, discuss with their supervisors, schedule regular meetings to stay connected and mitigate any identified hazards.
- As of July 2021, 10.1% of employees have been authorized to work from home, either full or part time.
- In addition to enhancing services to Yukoners, remote work can help increase employee satisfaction, support government's ability to recruit and retain talent, reduce carbon emissions, and enable employees to work remotely from Yukon communities outside of Whitehorse.
- Implementing a long-term remote work policy is an action item identified in Our Clean Future. Modernizing human resources policies to enable employees to work from all communities in Yukon is also a mandate letter item for the Minister responsible for the Public Service Commission.

Approved by:	
Jis[anBoyd	Sep 9, 2021
Commissioner, Public Service Commission	[Date approved]

Program

#33

Session Briefing Note Yukon Resource Gateway

Fall 2021

Energy, Mines and Resources

Recommended response:

- The Government of Yukon has signed six Project Agreements with affected First Nations under the Yukon Resource Gateway Program.
- Approved Project Agreements have an estimated total capital construction cost of \$251.45 million.
- Project Agreements are announced when they are approved by the Government of Yukon and signed by all Parties.

Additional response:

- We worked hard to increase the flexibility of the funding to include additional roads, as well as the ability to approach projects in phases. This way, we have more options to focus the available money on projects that are supported by First Nations and communities.
- The Government of Yukon continues to work with First Nations in the spirit of reconciliation to develop projects that have lasting benefits.
- We continue to pursue additional agreements with Yukon First Nations while implementing the signed Project Agreements.
- Road construction projects provide sustainable employment for Yukoners, significant opportunities for Yukon First Nations and employment training to strengthen our communities.

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Session Briefing Note

Fall 2021

Yukon Resource Gateway Program

Energy, Mines and Resources

Context — this may be an issue because:

- This is a high-profile funding and investment opportunity that continues to receive media attention.
- Mandate letter commitment (Minister Clarke):
 - o Continue to work with Yukon First Nations to realize the Yukon Resource Gateway project (2021).

Background:

- Project Agreements with affected First Nations are a pre-requisite for funding Yukon Resource Gateway Program components. The Department of Energy, Mines and Resources continues to pursue additional Project Agreements with Yukon First Nations.
- The departments of Highways and Public Works and Energy, Mines and Resources, implements the signed Project Agreements in collaboration with the respective First Nations.

Approved Project Agreements include:

- First phase of the Nahanni Range Road component with Liard First Nation, with an estimated construction value of \$17 million.
- North Canol Road and Robert Campbell Highway (kilometres 354.9 to 414.4)
 with Ross River Dena Council with an estimated construction value of \$71 million.
- Carmacks Bypass with Little Salmon/Carmacks First Nation, with an estimated construction value of \$26.7 million.
- Robert Campbell Highway (kilometres 114 to 171) with Liard First Nation, with an estimated construction value of \$50 million. This is a section between Ross River and Watson Lake.

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Session Briefing Note

Fall 2021

Yukon Resource Gateway Program

Energy, Mines and Resources

- Freegold Road Phase II with Little Salmon/Carmacks First Nation consisting of reconstruction and replacement of bridges at Crossing Creek, Seymour Creek and Bow Creek, with an estimated construction value of \$23.75 million.
 - A Project Agreement is also required with Selkirk First Nation for the Yukon Resource Gateway Program funding to support construction of Bow Creek and Seymour Creek Bridges.
- And most recently, the Silver Trail Project Agreement with the First Nation of Na-Cho Nyäk Dun consisting of road construction, critical infrastructure improvements such as the replacement of four culverts and rehabilitation of the Mayo River Bridge, at an estimated construction value of \$63 million.
- Additional Project Agreements may be negotiated for other Yukon Resource Gateway Program road projects.

The Program

- The Yukon Resource Gateway Program is jointly-funded and aimed at upgrading existing road infrastructure, improving the safety and reliability of the road system, and providing more reliable access into areas of high mineral potential.
- The Government of Yukon remains committed to maximizing benefits that can be accessed through the Yukon Resource Gateway Program.
- To ensure the Yukon maximizes opportunities under the Yukon Resource Gateway Program, the Government of Yukon has increased the amount of possible road components eligible for funding.
- The Yukon Resource Gateway Program may also contribute to new road infrastructure that industry will build, such as the proposed new access to the anticipated Coffee Gold project.

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Session Briefing Note

Fall 2021

Yukon Resource Gateway Program

Energy, Mines and Resources

Funding and Yukon Resource Gateway Program arrangements with Canada and Industry

- The Yukon Resource Gateway Program proposal value is \$468.8 million, including \$248.2 million from the Federal Government, \$112 million from the Government of Yukon and \$108.6 million from industry.
- The Government of Yukon submitted the amended Yukon Resource Gateway Program for Canada's consideration in May 2019.
- In November 2020, the Government of Canada agreed to increase flexibility in the funding arrangement so that, as Project Agreements are signed for eligible road projects, the Government of Yukon can proceed with developing those projects. It also allows for the consideration of additional resource roads and the ability to approach projects in phases. Any potential road projects outside the identified projects within the amendment will need to be assessed to meet the requirements of the funding program.
- On March 12, 2021, the governments of Yukon and Canada announced signing a multi-million dollar contribution agreement for the Yukon Resource Gateway
 Program. The agreement confirms extension of the program from 2025 to 2030.
- Industry continues to play an important partnership role as the program strongly encourages industry connections. Industry will need to build partnerships with Yukon First Nations to garner financial support for road development under the Yukon Resource Gateway Program.

Approved by:

Deputy Minister

Department of Energy, Mines and Resources

Date approved

TAB 60 Fall 2021

Economic Development

Recommended response:

- We have targeted investments towards driving growth, diversification and market expansion by providing Yukon entrepreneurs with physical spaces, educational programming and networking opportunities.
- Our government has a number of initiatives underway with partners, including Yukon Makerspace Society and Yukon University to deliver business services and supports to Yukon entrepreneurs.
- We introduced one of the most comprehensive suites of COVID-19 economic relief programming in Canada and continue to administer these programs in support of Yukon businesses and their employees.
- Our new Economic Development Fund has been supporting business innovation and capacity development. Since its launch in April 2021, 16 projects have been approved with a funding commitment of just over \$987,000.

Additional response:

- We have worked closely with other departments and the federal government to align our programming and to support private sector hiring and training in the creative, agricultural and tech industries.
- Our collaborative efforts have helped mitigate the economic impacts of the pandemic, making the Yukon one of only two jurisdictions in Canada to show GDP growth in 2020 (Statistics Canada).
- Through these initiatives and programs, the Yukon is well-positioned for a strong economic recovery in 2021.

TAB 60 Fall 2021

Economic Development

• Throughout the pandemic, we have monitored and adapted our supports to meet Yukoners' changing needs, from immediate relief to adaptation and investment.

Context—this may be an issue because:

The COVID-19 pandemic has taken a toll on Yukon business owners and their employees.
 67(3)(a), 74(1)(a)

Background:

- The Department of Economic Development's programs to address the COVID-19 pandemic include:
 - Yukon Business Relief Program: provided relief to Yukon businesses affected by the COVID-19 pandemic by providing non-repayable grants to cover specific fixed costs, which has been the focus of the branch and its staff for the year.
 - The Paid Sick Leave Rebate: This COVID-19 sick leave support program has recently been extended until September 2022. Available to self-employed individuals and businesses without sick leave benefits, the program allows staff to stay at home if they have symptoms of COVID-19, or are required to self-isolated, or care for sick household members.
 - Tourism Accommodation Sector Supplement and the Tourism Non-Accommodation Sector Supplement: Beginning October 01, the Department took over delivery of these programs, which provides funding relief to tourism-reliant businesses still impacted by the pandemic.
 - Yukon Essential Workers Income Support Program: provided temporary financial support to workers identified as essential or critical.

TAB 60 Fall 2021

Economic Development

- The Regional Relief Loan Program: offered deferred interest and partially forgivable loans to businesses to mitigate the impacts of COVID-19.
- Additional economic support includes:
 - o The Economic Development Fund: provides support to Yukon businesses by investing in projects that focus on economic and business development, job creation, or economic planning in their community.
 - Mining Industry Funding: for industry events to promote the sector and attract investors. The department is also exploring the creation of a Mineral Exploration Fund.
 - The Business Incentive Program: providing rebates to businesses working on eligible Government of Yukon contracts and promotes local employment, training and the use of locally manufactured products.
- The department works with industry partners and stakeholders to deliver programs, including:
 - Pathfinding Services, a partnership with CanNor and YuKonstruct to provide strategic advice and resources to small and medium enterprises (SME).
 - o däna Näye Ventures Micro Loan Program, which provides loans for the creation of small and home-based businesses.
 - Whitehorse Chamber of Commerce, which provides small and medium enterprise support services through the development and delivery of Partnering for Success, SME Training and the Business Connect Conference.
 - o Yukon University Innovation & Entrepreneurship (I&E) for:
 - The launch of the PIVOT program during the pandemic to help small business adapt to the changing environment.
 - Innovation grants for new product development and commercialization opportunities.

TAB 60 Fall 2021

Economic Development

- The first incubation program North of 60, that provides space and wraparound services to help start-ups move towards commercialization.
- The Department of Economic Development has coordinated efforts and resources from other departments and the federal government for Yukon businesses to invest in promising sectors and hire and train new employees.
 - o The department has funded

67(3)(a), 74(1)(a), 77(1)(a)

Resources to hire and train the new employees are provided through the Department of Education's Staffing Up program.

- The department has partnered with the Department of Education to support
 67(3)(a), 74(1)(a), 77(1)(a)
- o The department has also provided support to ^{67(3)(a), 74(1)(a), 77(1)(a)} for export-related and investor attraction activities.

Approved by:

Deputy Minister, Economic Development

October 7, 2021

Date approved

TAB 61 Fall 2021

Economic Development

Date prepared: July 6, 2021

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Last Updated: August 23, 2021

Recommended response:

- The Business Incentive Program (BIP) helps local businesses bid on Yukon government tenders, so government investment supports economic activity and diversification.
- BIP provides rebates to businesses working on eligible Government of Yukon contracts. Rebates are for Yukon hires—youth, apprentices and adults—or for Yukon-made goods and services.
- The program encourages local employment, training and the use of locally manufactured products.
- In 2020-2021, the program supported Yukon employees, including apprentices.
- Yukon contractors use the program to secure government contracts with benefits flowing to Yukon tradespeople, apprentices, manufacturers and the broader economy.

Additional response:

- BIP may be used for tenders up to the procurement thresholds in the Yukon's international trade agreements. For example, \$9.1 million for construction.
- The way we use BIP must comply with the Yukon's domestic and international free trade obligations.
- Any changes to BIP would have to comply with the rules and spirit of trade agreements, which work to reduce barriers to trade.

TAB 61 Fall 2021

Economic Development

Context—this may be an issue because:

67(3)(a), 74(1)(a)

Background:

- BIP provides two types of cash rebates to businesses working on eligible Government of Yukon contracts:
 - Yukon Government Construction Contracts: rebates for labour and apprentice costs, youth employment and Yukon manufacturers whose materials are incorporated into eligible construction projects; and
 - Goods and Services purchased by the Government of Yukon: rebates to Yukon manufacturers for items produced in the Yukon and sold directly to the government.

67(3)(a), 74(1)(a)

67(3)(a), 73(a), 74(1)(a)

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Economic Development

Date prepared: July 6, 2021

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Last Updated: August 23, 2021

- The Yukon has an exception for BIP in CFTA. Accordingly, the Yukon may deviate from CFTA procurement obligations to operate BIP. The Yukon also had an equivalent exception for BIP in CFTA's predecessor accord, the Agreement on Internal Trade (1995-2017).
- There are no exceptions for the Yukon's BIP in any of Canada's international trade agreements. As it is a prohibited discrimination, the Yukon may only use BIP up to the applicable procurement thresholds in those agreements.
- There are two carve-outs in Canada's international trade agreements that provide some flexibility for the usage of BIP on contracts that exceed the thresholds:
 - The Yukon, alone among the provinces and territories, has not included school boards or municipalities as covered entities in Canada's agreements. This means that procurements undertaken by these entities, or undertaken by a covered entity on behalf of these entities, is not bound by the obligations of the agreements; and
 - o The Yukon has access to 10 regional economic development exceptions per year it can utilize to carve out a contract of up to \$1 million from the procurement obligations. The Yukon must formally notify Global Affairs Canada when it intends to use one of these exceptions.
- Other than under those scenarios, the Yukon cannot apply the BIP to contracts that exceed the thresholds, which are set at \$238,000 for goods and services and \$9.1 million for construction until December 31, 2021.

Aboriginal Exceptions in Trade Agreements:

- The federal government maintains aboriginal exceptions and/or reservations in all its major domestic and international trade agreements in order to be able to meet its constitutional and/or statutory obligations with respect to Aboriginal peoples in Canada.
- The Aboriginal exceptions found in those trade agreements variously allow the federal government, as well as provincial and territorial governments, to enact trade-related measures that give some sort of preference to Aboriginal peoples.

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Economic Development

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- In practical terms, within a trade context, this usually means the establishment and maintenance of various programs, limited to aboriginal peoples and/or aboriginal businesses, related to procurement, job training, job creation, startup and development assistance, loan guarantees, grants, subsidies, etc.
- The CFTA provides the broadest policy flexibility because it excludes from the agreement any measure adopted or maintained by a Party with respect to Aboriginal peoples.
- Compared to the CFTA, Canada's international agreements are, in principle, narrower in terms of policy flexibility. This is due to the fact that they either only apply to the service providers or investors and/or investments of Parties that are signatory to such agreements and/or to government procurement.
- Within the Canadian trade context, in relation to Indigenous peoples, the Yukon government could enact any legislation, regulation, directive, requirement, guideline, program, policy, administrative practice or any other procedure that variously favours Yukon Indigenous peoples over other Yukoners, other Canadians or foreigners.

Expenditures:

- For the 2020-2021 fiscal year, \$1,061,387 in BIP rebates were paid.
- For the 2021-2022 fiscal year ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)} has been processed for payment as of August 18, 2021.
- The following BIP eligible projects received BIP rebates in the 2020-2021 fiscal year in the amounts of:

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

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 $67(3)(a),\,74(1)(a),\,75(1)(a)(ii),\,75(1)(b)(i)$

• The program budget for BIP is \$1.066 million for 2021-22, of which earmarked for rebates. BIP payment averages in the past five years have seen a high degree of variation from a low of \$915,894 to a high of \$2,463,139.

Major Projects from 2021-2022:

Note: Rebate amounts to individual contractors are not included as it would constitute disclosure of confidential financial information for the businesses.

Yukon government Construction Contracts (as of July 29, 2021):

City of Whitehorse Building - \$53,540,000 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

Labour Rebate:

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

Village of Mayo New Fire Hall - \$5,086,115 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

Manufacture Rebate:

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

Approved by:

September 9, 2021

Deputy Minister, Economic Development Date approved

CONFIDENTIAL Session Briefing Note Economic Development Fund (EDF)

TAB 62 Fall 2021

Economic Development

Date prepared: July 6, 2021

Page 1 of 3

Last Updated: November 18, 2021

Recommended response:

- The Economic Development Fund supports economic growth and diversification in the Yukon by providing funding for the broadest possible range of initiatives while reducing the administrative burden on applicants.
- With the introduction of the new fund on April 1, 2021, the range of eligible activities was expanded to include capital expenditures and implementation activities.
- The change to include capital costs was made specifically due to private sector feedback obtained during our consultation process.
- Under EDF, capital projects are funded up to 50%, with any funding offered by Yukon government being dependent on an equal, or greater, contribution from the applicant.
- As mentioned, this is a cost-shared fund, and each applicant is required to demonstrate the economic impact of EDF's contribution.
- The Department of Economic Development is pleased to consider all applications under the fund and we encourage all interested businesses to apply.
- With Yukon's steadily increasing population growth, we are seeing more businesses undertake expansion and more new businesses emerge.
- We are pleased to be able to support the enhancement of our economy.

CONFIDENTIAL Session Briefing Note Economic Development Fund (EDF)

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Economic Development

Additional response:

- All EDF applications are reviewed and assessed to ensure they meet fund eligibility and evaluation criteria.
- The fund has been in place since April 1, 2021, and we are monitoring continuously for feedback from our stakeholders. We will be better able to assess its effectiveness after the first full fiscal year has concluded.

Context—this may be an issue because:

• Landed Bakehouse was approved \$100,000 for capital expenditures under the fund $^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(c)}$

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

Background:

- The fund provides support to Yukon businesses, First Nation governments, First Nation development entities, municipalities, community societies or industry associations, and not-for-profit corporations by investing in projects that focus on economic and business development, job creation, or economic planning in their community or region.
- The fund has attracted widespread interest with 67(3)(a), 74(1)(a) received by the department since April 1, 2021.
- To date, Government of Yukon has approved 30 projects for a total commitment of \$1,036,795.
- Recipients range from Yukon small businesses in various sectors to a First Nation government and First Nation development corporation.

CONFIDENTIAL Session Briefing Note Economic Development Fund (EDF)

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Economic Development

- Whereas the former funds (Regional Economic Development Fund, Strategic Industries Development Fund and Enterprise Trade Fund) were distinguished from each other by the activities they funded, the new fund is a tiered fund that distinguishes between projects based on how much funding they are applying for, similar to the Community Development Fund.
- The new fund operates with the following tiers:
 - o Tier 1 − A rolling intake for applications up to \$30,000;
 - Tier 2 Applications between \$30,001 and \$100,000 with intakes on February 15, May 15, August 15 and November 15; and
 - o Tier 3 Applications over \$100,000, with a \$500,000 per project cap, with intakes on January 15 and June 15.
- Contributions from all Government of Yukon sources for the same project may be up to 75% of the total project costs.
- Contributions from the Economic Development Fund may not exceed 50% of eligible capital expenditures.
- The intakes are adjudicated by a review committee assembled by the department.
- The total allocation for the new fund is \$1.96 million dollars.

Ap	prov	/ed	by:
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Deputy Minister, Economic Development

November 18, 2021

Date approved

TAB 63 Fall 2021

Economic Development

Recommended response:

- We are committed to building on the great work our government is already doing in promoting investment in the minerals sector.
- This work includes:
 - o continued support to the Yukon Mining Alliance to promote the Yukon:
 - 67 74 75 77 in funding for the Yukon Mineral Exploration Program;
 - o continuing to support the Yukon and its companies through participation in investment conferences; and
 - o investing in highway and aviation infrastructure through the Yukon Resource Gateway Project.
- We are committed to attracting responsible mining investment that incorporates the views of local communities that are most impacted by development.
- The Department is also looking at creating a Mineral Exploration Fund to support junior mining companies operating in the Yukon.

Additional response:

• The Government of Yukon is committed to promoting the Yukon as a world-class mining jurisdiction that adheres to strong environmental, social and corporate governance practices.

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Economic Development

- Canadian-based investment company Leede Jones Gable has identified the Yukon as a potential top-tier mining jurisdiction with significant potential for long-term sustainable investments.
- By promoting the Yukon as a stable investment jurisdiction for mineral development, First Nations governments, communities and families will continue to benefit from investments in the industry.
- Most recently, a Resource Gateway agreement has been completed with the First Nation of Na-Cho Nyäk Dun for upgrades to the Silver Trail from the Klondike Highway to Mayo and Keno City with an estimated construction value up to \$63 million.

Context—this may be an issue because:

67(3)(a), 74(1)(a)

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Economic Development

Background:

Yukon Mining Alliance (YMA):

- The Department of Economic Development's current three-year transfer payment agreement with Yukon Mining Alliance, which commenced on April 1, 2019, provides the organization with \$397,500 in annual funding. Previous funding for the YMA was \$301,500 annually.
- The funding will support YMA in its global investment attraction activities that are conducted in collaboration with the department.

Yukon Mineral Exploration Program (YMEP):

- The Government of Yukon has invested 67 74 75 77 in the Yukon Mineral Exploration Program for the 2021-2022 fiscal year.
- YMEP recipients had a very successful exploration season in 2020, investing over \$8 million in their projects and successfully raising a further \$22 million for 2021 exploration.
- For the 2021 season, ^{67 74} applications were received for the YMEP; funding decisions are expected by early May.
- Based on the strong mineral prices and funding announcements from junior companies, it is expected that the mineral exploration season in 2021 will be busier than last season. This is reflected in Natural Resources Canada's 2021 exploration expenditures estimate of \$98.5 million.
- Spending by program recipients created ⁶⁷ ⁷⁴ jobs in summer 2020 (corresponding to **67 74 77** in salaries) and generated **67 74 77** in spending on goods and services with Yukon businesses.

Investment Attraction Conferences:

We promote the Yukon at major industry events including the Vancouver
 Resource Investment Conference (VRIC) and the Prospectors and Developers

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Economic Development

Association of Canada's annual convention (PDAC), that welcomes some 25,000 industry and financial professionals each year.

• We support the Yukon Chamber of Mines for the Yukon Geoscience Forum, Yukon Mining & Geology Week and Round Up.

Yukon Resource Gateway Program:

- The Government of Yukon continues to work with First Nations in the spirit of reconciliation to develop projects that provide lasting opportunities for communities and Yukoners.
- The Yukon Resource Gateway Program is a funding program that supports one of the most significant construction programs undertaken in the territory.
- Six Project Agreements have been signed for seven components with affected Yukon First Nations to date:
 - o First phase of the Nahanni Range Road component with Liard First Nation, with an estimated capital construction value of \$17 million;
 - North Canol Road component and Robert Campbell Highway (kilometre 354.9 to 414.4) component with Ross River Dena Council, with an estimated capital construction value of \$71 million;
 - Carmacks Bypass component with Little Salmon/Carmacks First Nation,
 with an estimated capital construction value of \$26.75 million;
 - o Robert Campbell Highway (kilometre 114 to kilometre 171) component with Liard First Nation, with an estimated construction value of \$50 million. This is a section between Ross River and Watson Lake;
 - o Freegold Road Phase II component with Little Salmon/Carmacks First Nation, with an estimated construction value of \$23.75 million. The Freegold Road component includes replacement of three bridges, two of which are in an overlap area with the Selkirk First Nation Traditional Territory. A Project Agreement with Selkirk First Nation is also required; and

TAB 63 Fall 2021

Economic Development

- Silver Trail component with the First Nation of Na-Cho Nyäk Dun, with an estimated construction value of \$63 million.
- By improving infrastructure to the Yukon's most mineral-rich areas, it will set us on course for a more prosperous future.

Regulatory Improvement:

- To address some of the issues around regulatory uncertainty, the Government of Yukon is exploring the ability within current legislation and policies to reduce duplication in the regulatory regime including:
 - o reviewing recommendations in the Gowlings report for clarifying the requirements for amendments and renewals to be assessed under the Yukon Environmental and Socio-economic Assessment Act; and
 - the recent Yukon Minerals Advisory Board report that provided recommended actions to assessors and regulators.

Mineral Development Strategy:

- The independent Panel concluded public engagement on the draft Mineral Development Strategy report and recommendations on February 22, 2021.
- The Government of Yukon reviewed the draft Mineral Development Strategy and submitted fact-based information and analysis to the Panel for its consideration in developing its final report.
- The final Mineral Development Strategy report was published on April 15, 2021.
- Although the vision and guiding principles of the Mineral Development Strategy
 are helpful and set a framework to view the future development of the Yukon's
 mineral resources, there are many implications for implementation of the
 recommendations such as resource constraints, legal ability and a lack of
 understanding related to some of the more prescriptive recommendations.

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Economic Development

Yukon Environmental and Socio-economic Assessment Act (YESAA) Oversight Group – Amendments and Renewals:

• The YESAA Oversight Group is a joint effort between the Governments of Canada, Yukon and First Nations to seek efficiencies and ongoing improvements to YESAA and its processes.

67(3)(a), 74(1)(a)

Ap	n	ัดง	ed	b١	/:

September 3, 2021

Deputy Minister, Economic Development

Date approved

TAB 64 Fall 2021

Economic Development

Recommended response:

- Government of Yukon is proud to attract mining investment and maximize benefits to the Yukon's economy by working collaboratively with mineral sector stakeholders and First Nation partners.
- We are committed to promoting the Yukon as a world-class mining jurisdiction with strong environmental, social and corporate governance practices.
- By promoting the Yukon as a stable investment jurisdiction for mineral development, First Nations governments, communities and families will continue to benefit from investments in the industry.
- The Yukon government is committed to continuing our support of junior mining companies in the Yukon and is exploring the creation of a Mineral Exploration Fund.
- The department is working with industry partners to identify and undertake new initiatives for the upcoming 2022 season, taking into consideration the challenges presented by the pandemic.

Additional response:

- Our mining sector was at the forefront of the COVID-19 response. As a result of their safety measures, Yukon has been able to keep our cases among the lowest in Canada, while our mining industry maintained its upward trajectory.
- Throughout the COVID-19 pandemic, we have supported the sector to pivot to virtual events including the Yukon Geoscience Forum, Yukon Mining and Geology Week and AME Roundup.

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Economic Development

- The department worked with industry partners to create virtual promotional opportunities, including the Virtual Yukon Marketing Campaign with the Yukon Mining Alliance.
- We promoted our world-class mining industry at major industry events including the Vancouver Resource Investment Conference, Association for Mineral Exploration (AME) BC's Roundup and the Prospectors and Developers Association of Canada's annual convention.

Context—this may be an issue because:

67(3)(a), 74(1)(a)

- The mandate letter for Minister Pillai commits to support junior mining companies operating in the Yukon through the creation of a Mineral Exploration Fund.
- The mineral sector is a key contributor to the Yukon's economy 67(3)(a), 74(1)(a) 67(3)(a), 74(1)(a)

Background:

Mineral Exploration Fund:

- On July 5, 2021, the Government of Yukon published the mandate letter for the Minister of Economic Development, which included a commitment to create a Mineral Exploration Fund that would support junior mining companies.
- Department has undertaken initial consultations with the Department of Energy, Mines and Resources on a potential fund. The Department is reviewing a number of potential fund models, and is preparing for more detailed feasibility assessments.

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Economic Development

Yukon Mining Alliance (YMA):

- Economic Development's current three-year transfer payment agreement with Yukon Mining Alliance (YMA), which commenced on April 1, 2019, provides the organization with \$397,500 in annual funding, including for the Yukon property tours. Previous funding for the YMA was \$301,500 annually.
- During the COVID-19 pandemic in 2020, the Yukon Property Investor and Media Tour shifted to be an online virtual tour and allowed investors to participate in the tour through an innovative virtual online conference. This event is planned as a hybrid virtual and in-person event scheduled to take place in Vancouver from October 11-12, 2021.
- The department also provided ⁶⁷ ⁷⁴ ⁷⁵ ⁷⁷ in funding through the Strategic Industries Development Fund (since amalgamated into the Economic Development Fund) in 2019–20 for a project related to the ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a)}
 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

Yukon Chamber of Mines (YCM):

- Economic Development, in partnership with Energy, Mines and Resources, provided ⁶⁷ ⁷⁴ ⁷⁵ ⁷⁷ in funding to the Yukon Chamber of Mines for the 2020-21 Virtual Yukon Geoscience Forum, enabling Yukon companies to highlight the investment opportunities associated with their mining projects.
- The department, in partnership with Energy Mines and Resources, provided 67 74 75 77 to the Yukon Chamber of Mines in 2020–21 to assist with costs related to the Virtual Yukon Night at the annual AME Roundup event.

Yukon Women in Mining (YWIM):

- On April 1, 2019, the department, in conjunction with the Departments of Energy, Mines and Resources and Education, provided ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)}
 ^{67 74 75 77} to Yukon Women in Mining to enable them to ^{67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)}
 ^{67 (3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)}
- On March 8, 2021, Economic Development provided Yukon Women in Mining With 67 74 75 77 to 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

TAB 64 Fall 2021

Economic Development

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c)

Yukon First Nation development corporations:

The department, through the Enterprise Trade Fund (since amalgamated into the Economic Development Fund), supported ^{67 74} First Nation development corporations by 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i), 77(1)(a), 77(1)(c) 67(3)(a), 74(1)(a), 75(1)(a)(ii) 75(1)

Prospectors and Developers Association of Canada (PDAC):

- Economic Development and the Department of Energy, Mines and Resources jointly coordinate participation in the annual PDAC convention. Activities include:
 - o advertising and promotional material;
 - o hosting events to generate interest in the Yukon; and
 - o attracting resource-focused media interest in the Yukon.
- The Virtual PDAC 2021 program was an opportunity for international investors to learn more about northern mining projects by highlighting the competitive advantages of each jurisdiction including geological potential, geopolitical stability, Indigenous partnerships and leaders in exploration and mining.

Invest Canada North (ICN):

- Yukon Mining Alliance and the governments of Canada, Nunavut, Northwest
 Territories and the Yukon coordinated Invest Canada North, a strategic mining
 industry-led investment attraction initiative taking place during the annual
 Prospectors and Developers Association of Canada conference.
- There are three components to Invest Canada North:
 - A program at Virtual PDAC 2021;
 - o Invest Canada North post-PDAC Summit Series; and
 - Business Television post-PDAC promotional campaign.
- The Government of Yukon provided 67 74 75 towards the 2021 initiative.

TAB 64 Fall 2021

Economic Development

Klondike Placer Miners Association (KPMA):

67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Approved by:

Deputy Minister, Economic Development

<u>September 1, 2021</u>

Date approved

Page 5 of 5

TAB 65 & CORP-02 Fall 2021

Economic Development Community Services

Recommended response:

- We are committed to continuing to work to reduce red tape to make services easier to access. We know this is key to ensuring that the Yukon remains a competitive place to work and do business.
- The Government of Yukon will create an accessible online portal where Yukoners can submit feedback and ideas about reducing red tape.
- In addition to general service improvements, we have seen many examples of service changes over the past year to meet Yukoners' immediate needs:
 - COVID-19 program applications are available for download and submission online;
 - We merged the application forms for the Yukon Business Relief Program, Tourism Accommodation and Non-Accommodation Sector Supplements into one form to apply for financial assistance;
 and
 - Merging of three former funding programs into a single application process, into the Economic Development Fund where they can apply to one source for the same amount of support.

Additional response:

 Departments are working to reduce red tape and manage regulatory processes for Yukon businesses and individuals.

TAB 65 & CORP-02 Fall 2021

Economic Development Community Services

- We know that efficient and fair procurement processes are important to Yukon businesses, so we are also putting resources, policies and processes in place to improve government procurement.
- We are in direct contact with the Canadian Federation of Independent Business to discuss the current regulatory climate in the Yukon, ongoing efforts to improve the ease of doing business, and how the Federation can reflect the unique realities of the North in its assessment criteria when assigning grades for red tape.

Context:

- This may become an issue because the Yukon Liberal Platform commits to continue to work to reduce red tape to make services easier to access and to create an accessible online portal where Yukoners can submit feedback and ideas about reducing red tape.
- The Ministers of Community Services and Economic Development are mandated to "identify and work to remove regulatory and service impediments to competitiveness". Questions may arise about the progress made on this initiative.
- The Canadian Federation of Independent Business's (CFIB) historical practice has been to grade jurisdictions on what they say they are going to do to reduce red tape. It does not assess the actual current level of red tape or measure actual achievements in reducing red tape.

Background:

 In January 2021, Economic Development met with CFIB to discuss how the Yukon's unique situation as a Northern jurisdiction can be reflected better under the CFIB grading criteria. The government will continue working with CFIB to highlight the ongoing government efforts to improve the ease of doing business in the territory.

TAB 65 & CORP-02 Fall 2021

Economic Development Community Services

- In January 2019, CFIB released a report card giving Yukon an "F" grade, down from a "D" in 2018, for its progress on red tape reduction.
- CFIB recognized the need to better understand the uniqueness and realities in the Yukon, and did not assign a grade for northern territories in 2020.
- CFIB planned to work with the Government of Yukon (and other territorial governments) later in the year to discuss revised grading criteria comparable and reflective of northern realities. Due to the COVID-19 pandemic, CFIB was unable to hold these conversations, and as a result, no grades will be assigned to the territories in 2021.
- CFIB will work with the territorial governments, including the Government of Yukon, towards applying the revised criteria and assigning a grade for the Yukon in 2022.
- Examples of initiatives undertaken during the previous mandate (2016-2020) include:
 - Amalgamated the Enterprise Trade Fund, Regional Economic Development Fund and Strategic Industries Development Fund to launch the new Economic Development Fund on March 9, 2021. This reduced red tape for clients by implementing a standardized application process;
 - We coordinated with Canadian Northern Economic Development Agency (CanNor) for applications to the Government of Yukon's Yukon Business Relief Program and CanNor's Northern Business Relief Fund;
 - Departmental feedback for business support and immigration each have a single point of contact – limiting redundancy.
- Ongoing initiatives include:
 - o Reviewing Department of Economic Development funding programs to ensure they continue to meet the needs of Yukon's businesses and communities. Two reviews, informed by public engagements, are underway:

TAB 65 & CORP-02 Fall 2021

Economic Development Community Services

- Updating the Sound Funding Program; and
- Modernizing the funding supports for the film industry.
- Examples of inter-governmental initiatives include:
 - o The Canadian Free Trade Agreement, which establishes a regulatory reconciliation process to help address inter-provincial and territorial trade barriers, including diverging or duplicate regulation, which impede the flow of goods. The Yukon and its provincial and territorial counterparts coordinate the reduction of red tape by working to reduce regulatory burdens.
 - o Biz Pal, a free online service that helps businesses identify the permits and licenses required to operate in a chosen jurisdiction, is operational in the Yukon. Economic Development is working with Innovation, Science and Economic Development Canada to improve its functionality.

Approved by:	
fustin ferberg	
·	September 1, 2021
Deputy Minister, Economic Development	Date approved
m	
	September 1, 2021
Deputy Minister, Community Services	Date approved

CONFIDENTIAL Session Briefing Note Attracting Investment

TAB 70

Economic Development

Recommended response:

- Through our programming, the department supports private sector initiatives aimed at broadening the Yukon's economic base and increasing competitiveness.
- The department is active in remaining aware and responsive to attracting foreign direct investment through:
 - Delivery of the Yukon Business Nominee Program, attracting investment into Yukon companies from around the world.
 67(3)(a), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)
 - o Regular contact with Government of Canada's Invest in Canada Team.
- The department's tax incentive program supports private sector expansion by helping businesses attract investment:
 - o The department delivers the Yukon Small Business Investment Tax Credit program that helps businesses attract investment.
 - In June 2021, Yukon government approved ArcticPharm Limited for an issuance of shares up to \$1.5 million.
 - ArcticPharm is Yukon-based organic agriculture business licensed to produce and sell cannabis. They have started farming this season.
- Over the past few years Economic Development has started targeting the **venture capital arena** by supporting the tech and startup sector by:

CONFIDENTIAL Session Briefing Note Attracting Investment

TAB 70

Economic Development

- Collaborating with the National Angel Capital Organization (NACO) in exploring opportunities to establish a local angel investment group in Yukon.
- Supporting the First Nation Investment Corp in establishing a new fund through Panache Ventures in 2019.
- Additionally, the department continues to support **mining investment** through:
 - Supporting global investment attraction activities in mineral exploration and mining through our partnership with the Yukon Mining Alliance and Yukon Chamber of Mines.

Additional response:

- These and other initiatives help attract new investment in our economy, support growth of Yukon businesses across all sectors, and create opportunities for employment, diversification and market expansion.
 - We provided ⁶⁷ ⁷⁴ ⁷⁵ ⁷⁷ to the Yukon First Nation Chamber of Commerce to host a virtual Arctic Indigenous Investment Conference in February 2021. The conference connected Indigenous development corporations and businesses to potential partners and investors.
- As we move into recovery, we will continue to develop new opportunities with our partners.

CONFIDENTIAL Session Briefing Note Attracting Investment

TAB 70
Fall 2021

Economic Development

Context—this may be an issue because:

• Investment into the Yukon will be an important component of the Yukon's post-COVID-19 recovery across multiple sectors.

Background:

- Pre-COVID-19, the department hosted multiple international trade missions.
- When faced with the COVID-19 pandemic, we partnered with the Yukon Mining Alliance (YMA) in their Invest Canada North initiative with the Prospectors and Developers Association of Canada (PDAC) to develop virtual marketing content to continue to attract investment into this key industry.

Approved by:

Deputy Minister, Economic Development

<u>September 9, 2021</u>

Date approved

CONFIDENTIAL Session Briefing Note Community Development Fund (CDF)

TAB 71 Fall 2021

Economic Development

Recommended response:

- Through the Community Development Fund, we have supported 28 projects for the 2021-2022 fiscal year with a total contribution commitment of \$2,252,510 as of November 5, 2021.
- These projects are located throughout the Yukon and include, among others:
 - \$143,090 to the Watson Lake Ski Club to build a new jump and terrain park at Mt. Maichen Ski Hill;
 - \$200,000 to Tr'ondëk Hwëch'in for construction of a playground and community greenspace in the Tr'ondëk Subdivision;
 - \$36,975 to the Ross River Sportsmen's Association for improvements to the gun range; and
 - o \$74,362 to the Little Salmon/Carmacks First Nation to complete an architectural concept design, climate resilience assessment, and greenhouse gas mitigation assessment for a new cultural centre.
- Through these and other projects funded through CDF, we are supporting events and initiatives that provide long-term, sustainable economic and social benefits to communities across the Yukon.

Additional response:

• In 2020-21 we dispersed \$2,766,795 to 66 projects, with over 50% of that money going to communities outside of Whitehorse.

CONFIDENTIAL Session Briefing Note Community Development Fund (CDF)

TAB 71 Fall 2021

Economic Development

- This included \$84,688 to the First Nation of Nacho Nyäk Dun (NND) for a commercial greenhouse retrofit.
- This project is supporting food sovereignty and sustainability for the Nation while enabling NND citizens to learn horticultural techniques to grow fresh, nutritious produce, and providing a place to gather, learn traditional values, plant and harvest as a community.

Context—this may be an issue because:

- The Community Development Fund is well-known and well regarded, and demand for program funding is high.
 - 67(3)(a), 74(1)(a)

Background:

- The Community Development Fund is for projects that:
 - Create economic benefits such as generating local spending, creating employment opportunities, building needed infrastructure and bringing new money into the Yukon from outside sources;
 - o Develop skills, knowledge and experience;
 - Create social benefits such as strengthening social and community networks, building partnerships and facilitating community involvement;
 - o Support the community's long-term well-being; and
 - o Have measurable social, cultural and economic benefits for Yukon residents and communities.
- Funding is dispersed across three tiers:
 - o Tier 1 for projects less than \$20,000 (four intakes per year);
 - Tier 2 for projects between \$20,001 and \$75,000 (two intakes per year);
 and
 - o Tier 3 for projects over \$75,000 (one intake per year).

CONFIDENTIAL Session Briefing Note Community Development Fund (CDF)

TAB 71 Fall 2021

Economic Development

Other Major Projects from 2021-2022:

Village of Teslin - \$60,251 – To hire consultants to work with an Advisory Committee to move to an expanded village area. The project will give the Village of Teslin and the Teslin Tlingit Council greater control for development and implementation of the joint Community Development Plan and ensure the strong working relationship between the Village of Teslin and Teslin Tlingit Council continues.

Yukon Helpers Network - \$43,255 – To hire a consultant to work with the society in the development of strategic planning that will help set the direction of the organization and provide the skills and training necessary for it to grow.

Distribution of Dollars by Community for 2020-21:

Community	Total amount for all tiers
Beaver Creek	\$13,500
Burwash Landing	\$78,225
Carmacks	\$20,000
Dawson City	\$329,338
Faro	\$6,797
Haines Junction	\$200,000
Mayo	\$213,544
Old Crow	\$20,000
Pelly Crossing	\$20,000
Teslin	\$55,376
Watson Lake	\$257,075
Whitehorse	\$1,298,979
Yukon Wide	\$253,961
Totals	\$2,766,795

Apı	orov	/ed	by:

November 5, 2021

Deputy Minister, Economic Development Date approved

CONFIDENTIAL Session Briefing Note Entrepreneurial & Innovation Support

TAB 72

Economic Development

Recommended response:

- We are collaborating with business, industry and First Nation partners in the Yukon's technology ecosystem to make strategic investments and promote an entrepreneurial culture that attracts and supports start-ups.
- We are partnering with TechYukon, Yukonstruct and Yukon
 University's Innovation & Entrepreneurship to deliver the physical
 spaces, education programming and networking opportunities that
 promote and grow innovation experience and knowledge.
- We are currently developing an innovation strategy, following an extensive public engagement in fall 2020.
- We have established an Innovation Commission to advise on startups, growing a digital ecosystem, attracting entrepreneurs and fostering innovation networks across the Yukon's communities.
- We are encouraging the development and commercialization of innovative products, services and processes through funding support to our partners and by collaborating on specific projects, including:
 - YuKonstruct 12-week early-stage market validation training program called Startup Bootcamp;
 - o TechYukon's launch of North of Al program in coordination with Scale Al, Canada's Al Supercluster; and
 - o Yukon University Innovation & Entrepreneurship's Yukon Innovation Prize.

Entrepreneurial & Innovation Support

TAB 72

Economic Development

Additional response:

- In 2021, we have continued to partner with the innovation ecosystem to deliver on new programs such as:
 - PIVOT program helping businesses adapt to the changing environment during the global pandemic;
 - Hall of Innovators a commemorative display to honour success stories of Yukon innovators;
 - Yukon innovation week promoting and cultivating a culture of innovation in the territory; and
 - Co-sponsor the Yukon Research Internship Program a collaboration between ECO, EcDev and Mitacs in supporting the growth of internships in the recovery of COVID impacts.
- With our support, Yukon University's Innovation & Entrepreneurship launched IncubateNorth to provide space, tools and services to help market-ready startups grow faster.
- We continue to connect with neighboring jurisdictions to set the conditions to promote the Yukon as a startup destination. In 2020, the Department of Economic Development attended the Juneau Innovation Summit and the Collision Conference.

Context—this may be an issue because:

• The technology and innovation sector is a key area for diversification in the Yukon's economy.

67(3)(a), 74(1)(a)

Entrepreneurial & Innovation Support

TAB 72

Economic Development

Background:

- The Technology and Innovation (TI) Branch of the Department of Economic Development is tasked with supporting the technology and innovation sector in the Yukon.
- In 2019, we committed \$2 million to the Yukon First Nation Investment Corporation to support their overall investment of \$5 million in Panache Ventures, a national technology venture capital fund. The investment will help develop local entrepreneurial capacity in the territory.
- The first cohort in YuKonstruct 12-week market validation training program in September 2019 had 10 participants. The spring 2020 cohort had seven participants and successfully tested the program's ability to deliver virtually due to COVID-19. The fall-winter 2020 cohort had eight participants focusing on "Main Street" types of business startups. The spring 2021 cohort had seven participants and focused on technical founders in the areas of STEM (Science, Technology, Engineering and Math).
- For its eighth year, the Yukon Innovation Prize will continue expanding on a new approach with smaller innovation challenges throughout the year, providing a higher number of micro-grant prizes along with additional support services.
- The department supported a project with the National Angel Capital Organization (NACO) to explore ways to improve access to capital for early-stage Yukon companies. The research report titled "Mobilizing Angel Activity in Yukon" was published by NACO in November 2020.
- Yukon University's Innovation & Entrepreneurship (previously Cold Climate Innovation Centre) is focused on areas of innovation that will contribute to the social and economic prosperity of the Yukon. The unit aims to provide living laboratories for learners, innovators and entrepreneurs to lead work on the focus areas including technology development, social justice, climate action, community development and sustainable resource development.

Entrepreneurial & Innovation Support

TAB 72

Economic Development

- TechYukon is the technology industry association for the Yukon, with a mission to grow the technology industry in the Yukon. The society represents 30 Yukon technology companies.
- Mitacs links industry and post-secondary institutions, driving collaborations at home and abroad to develop projects which solve business challenges, and develop the nation's innovation capacity. Mitacs is a national, not-for-profit organization that has designed and delivered research and training programs in Canada for 20 years. Working with 70 universities, 6,000 companies, and both federal and provincial governments, that supports industrial and social innovation in Canada.
- According to a 2020 TI Branch program review, the Yukon's technology industry
 has been growing. The technology industry is representing approximately 3.7% of
 the Yukon's GDP.
- The department provides financial support to the following organizations:
 - o Innovation & Entrepreneurship \$835,000 per year;
 - o YuKonstruct \$300,000 per year; and
 - o TechYukon \$125,000 per year.

Дp	pro	ved	bv:
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_____ Deputy Minister, Economic Development August 30, 2021

CONFIDENTIAL Session Briefing Note Film and Sound Fund Reviews

TAB 73

Economic Development

Recommended response:

- Department of Economic Development is updating the music and media funding programs to foster growth in the Yukon's vibrant creative industries.
- These programs have not been updated since inception in 2004 despite significant changes to the music and media industries, such as the advent of Netflix, YouTube and Spotify.
- Modernizing these funding programs will support the growth of a Yukon music and media industry that creates local jobs and builds capacity, supports Yukon businesses and entrepreneurs and contributes to economic diversification.
- We are aiming to have the new music and media program guidelines and policies completed in the fall of 2021.

Additional response:

- The updated media funding programs will address the four themes identified through the engagement, which include:
 - o Streamlining production funding;
 - o Strengthening support for development;
 - o Simplifying access to training supports; and
 - o Standardizing business policies.
- We are simplifying the administrative processes for the music and media programs and reducing red tape.
- The need for more support for the creation of music video content was a theme throughout the conversation on these programs.

CONFIDENTIAL Session Briefing Note Film and Sound Fund Reviews

TAB 73

Economic Development

- We are addressing this input through changes to the Yukon Sound Recording Program:
 - o Expanding the range of eligible activities to include support for:
 - Music video content as well as sound recordings;
 - Marketing activities such as touring and showcasing; and
 - Training and development of Yukon's musicians.

Context—this may be an issue because:

- The Minister's mandate letter includes a commitment to foster the growth of Yukon's film industry.
- The third round of engagement on the media programs was completed in the fall of 2020 and industry is awaiting the new programs.
- A What We Heard report on the feedback received on the proposed changes to the sound programs was released on July 15, 2021 and industry is expecting updates.

Background:

Sound Program Review:

- Engagement on changes launched on December 9, 2020 and concluded January 30, 2021.
- The proposed changes to the program are intended to broaden the spectrum of supports offered through the program to better meet the needs and capacity of Yukon musicians.
- Proposed changes include adding the production of video content as an eligible expense, expanding the range of marketing activities and simplifying administrative processes in order to reduce red tape.

CONFIDENTIAL Session Briefing Note Film and Sound Fund Reviews

TAB 73

Economic Development

Film Program Review:

- In Phase 1 of the review, Media Development and Screen Production Yukon
 Association worked together to identify best practices for building the media
 industries and to develop the terms of reference and project charter to guide the
 review.
- In Phase 2 during October and November 2018, we consulted with Yukoners to gather feedback on the media funding programs.
- Based on the feedback received, the department developed the Recommendations for Change to the programs. These were released for industry feedback from September 8, 2020 to October 2, 2020.
- Responses to the Recommendations for Change were compiled into a What We Heard report, to inform the final drafting of the program and business policies.
- The goal of updated media funding programs is to support the growth of a Yukon media industry that creates local jobs and builds capacity, supports Yukon businesses and entrepreneurs, and contributes to economic diversification.

Approved by:

September 1, 2021

Deputy Minister, Economic Development

TAB 74
Fall 2021

Economic Development

Recommended response:

- Our Film & Sound Incentive Program provides financial support to the Yukon's media and sound industries and contributes to a prosperous and diversified economy.
- We have seen growth in these industries over the last few years and in fiscal year 2020-21, we supported Yukoners to create 28 film projects and 25 sound recording projects that will carry Yukon stories to the world.
- These are projects and stories that are conceived, developed and owned by Yukoners and attracted over \$7.7 million dollars in investment to our territory, providing good jobs to Yukoners.
- We are committed to growing the Yukon's vibrant film industry by supporting initiatives such as long-term planning, marketing, training and creating connections across sectors.

Additional response:

- The department is working to modernize the film funds and Yukon Sound Recording Program following public engagements.
- Modernizing these funding programs will support the growth of a Yukon music and media industry that creates local jobs and builds capacity, supports Yukon businesses and entrepreneurs and contributes to economic diversification.
- We are aiming to have the new media program guidelines and policies completed by fall 2021.

TAB 74
Fall 2021

Economic Development

• These initiatives will help ensure our programs are meeting the needs of clients and supporting a strong and vibrant sector.

Context—this may be an issue because:

- The mandate letter promises to continue to foster the growth of the Yukon's vibrant film industry by supporting initiatives such as long-term planning, marketing, training and creating connections across sectors.
- The What We Heard report regarding proposed changes to the Yukon Sound Recording Program was released on July 15, 2021.
- The film industry in the Yukon is small, active and highly engaged in the Film Funding Review, that has resulted in new programs being developed.

Date prepared: July 6, 2021

TAB 74
Fall 2021

Economic Development

Background:

- The Yukon Film & Sound Incentive Program is administered by the Media Development Unit.
- Since 2003, when the program was assigned to the department, \$16 million in funding has been committed to 663 projects.
- The Yukon Film and Sound Incentive Program has six components:
 - Film Location Incentive Fund: Provides rebates to production companies that film in the Yukon and hire and train Yukoners. There are three components to this incentive program: Spend-based Rebate, Travel Rebate and Training Program;
 - o Film Training Incentive Fund: Provides financial support to Yukon residents to take film production or post-production technical training at a recognized post-secondary institution. The program also assists non-profit societies to offer short-term educational programs, such as workshops, to Yukon filmmakers;
 - o Filmmakers Fund: Provides financial support to Yukon film and video professionals to develop viable careers and businesses making films and videos for broadcast or commercial release;
 - o Film Development Fund: Provides financial support to films developed in the Yukon;
 - Film Production Fund: Provides financial support to film productions in which a Yukon corporation has significant financial and creative control of the project; and
 - Sound Recording Program: Provides financial support to Yukon sound recording professionals to help them develop successful careers and businesses.

TAB 74 Fall 2021

Economic Development

Major Projects from 2020-2021:

- Little Dipper Films Inc. was approved for \$357,170 for its production of Polaris, a
 dystopian fantasy thriller which filmed in the Yukon in February/March 2021,
 creating employment for 44 Yukoners during the production phase of this feature
 film.
- Screen Production Yukon Association received \$38,500 to undertake industryspecific, highly specialized training in feature film production activities to prepare their members for employment on the feature film Polaris.
- We were able to pivot the Filmmakers Fund to support the development of media productions that could be ready for production once pandemic restrictions are lifted. A total of \$41,000 in funding was awarded across eight projects.
- 8636643 Yukon Inc., owned by Yukoner, Simon D'Amour, was approved for \$203,842 from the Yukon Film Production Fund for the filming of "Va Jouer Dehors" for TFO. This French language production is a children's series of 13 episodes and will film in the Yukon for approximately six months.

Aρ	pro	ved	bv:

Deputy Minister, Economic Development

September 3, 2021

CONFIDENTIAL Session Briefing Note First Nations Collaboration Initiatives

TAB 75

Economic Development

Recommended response:

- Yukon First Nation governments and their respective development corporations are critical to growing and diversifying the Yukon's economy.
- Through funds like the new Economic Development Fund and Community Development Fund, we are supporting First Nation governments and development corporations as they grow capacity, invest in new ventures, strengthen their communities, and plan for the future.
- First Nation governments and development corporations play an integral role in the Yukon's economic and social development.

Additional response:

- We are supporting First Nations to build capacity and identify economic priorities in their Traditional Territories by:
 - Supporting Copper Niisüü Limited Partnership and White River First Nation to build capacity in their respective roles and responsibilities.
 - o Supporting the Yukon Soaps Company in Mayo to enhance their digital marketing reach and expand export opportunities.
 - Supporting the Champagne and Aishihik First Nation to inventory their human resources, businesses and cultural capacity to take advantage of community economic opportunities.

CONFIDENTIAL Session Briefing Note First Nations Collaboration

Initiatives

TAB 75

Economic Development

Date prepared: July 6, 2021 Last Updated: August 20, 2021

Page 2 of 4

- Supporting the Carcross/Tagish First Nation in their planning and implementation of a land registry system.
- First Nations' enterprises and organizations bring new ideas and local expertise that help grow and diversify the Yukon's economy.

Context—this may be an issue because:

- The Yukon government is committed to increasing entrepreneurial opportunities for First Nation development corporations and working collaboratively with First Nations for their benefit and the benefit of all Yukoners.
- It also supports Government of Yukon obligations under Chapter 22 of Yukon First Nation Final Agreements.

First Nations Collaboration Initiatives

TAB 75

Economic Development

Background:

- The Government of Yukon's advisory and funding support for First Nations' economic development spans a range of activities from business planning to project evaluation, including:
 - o Building governance institutions through capacity development:
 - Supporting the Yukon First Nation Chamber of Commerce in 2020-21, including the secondment of a department employee to act as the executive director (due to end April 2023).
 - Supporting the Council of Yukon First Nations to hire a policy analyst to complete specific tasks and collaborate with the department on Yukon Forum priorities.
 - o Supporting strategic and economic planning efforts:
 - Participating on the Advisory Committee for the Kwanlin Dün First Nation and Yukon government's Joint Master Plan for lots in the Range Point neighborhood.
 - Supporting Chu Níikwän Limited Partnership to explore the potential for business opportunities with a large corporate entity.
 - Supporting Tr'ondëk Hwëch'in to complete the required assessments and a feasibility study for identified land parcels.
 - o Identifying and supporting projects that will provide lasting benefits to Yukoners:
 - Providing funding to Kluane Dana Shäw Limited Partnership to identify if there is a market within Yukon First Nations for an Enterprise-Resource-Planning platform.
 - Supporting the Champagne and Aishihik Community Corporation to undertake business planning for vacation rental development in Haines Junction.

First Nations Collaboration Initiatives

TAB 75

Economic Development

- Supporting the Council of Yukon First Nations to sustain Traditional Indigenous languages through the translation and targeted distribution of popular youth books.
- Supporting and developing feasibility studies, and establishing business ventures:
 - Supporting Chief Isaac Incorporated to assess the viability of constructing a new commercial building in downtown Dawson City.
 - Supporting the Selkirk Development Corporation to develop a business plan on the viability of expanding the Selkirk Centre to enhance services for the community and travelling public.
- First Nations and their development corporations can access funding support from the Economic Development Fund and Community Development Fund.
- The department works with both individual development corporations as well as on territory-wide initiatives.

Approved by:

Deputy Minister, Economic Development

August 30, 2021

CONFIDENTIAL Session Briefing Note Innovation Plan

TAB 76

Economic Development

Recommended response:

- The Government of Yukon is committed to building a thriving innovation economy by supporting technological growth and entrepreneurship. Our aim is to establish the Yukon as an ideal destination to create and grow a startup company.
- We have worked with the Innovation Commission to seek advice and their professional and technical input to support the development of the five-year innovation strategy.
- The strategy will outline the Yukon's unique strengths and identify actions, programs and services that will achieve our vision.
- By supporting the innovation sector, we are creating jobs and building a strong, diverse Yukon economy.

Additional response:

- The strategy will seek to grow and attract technology start-ups and expand the Yukon's digital ecosystem.
- The Yukon's tech sector has grown by an average of 11.4% per year over the past three years and represented approximately 3.7% of Yukon's GDP in 2020.
- We still have room to grow, but our strong innovation and entrepreneurial culture will continue providing momentum to move us forward.
- The innovation strategy will encourage and support entrepreneurship and innovation in Yukon.

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Economic Development

Context—this may be an issue because:

- Minister Pillai's 2021 mandate letter identifies the direction to develop an innovation strategy to create opportunities for local entrepreneurs.
- The May 2021 Speech from the Throne highlighted the importance of innovation to the Yukon in the coming years.

Background:

- In 2018, Whitehorse was named the top Canadian city for entrepreneurship by the Canadian Federation of Independent Business (CFIB).
- Technology and innovation is the fastest growing sector across the globe. The global technology sector accounts for 4.5% of global GDP and is expected to double within the next 15 to 20 years.
- Public engagement for the initial draft of the innovation plan was conducted in fall 2020 through interviews, focus groups and surveys.
- A public engagement period ran from September 28, 2020 to October 28, 2020.
 The What We Heard will be released in conjunction with the establishment of the innovation commission.

Approved by:

Deputy Minister, Economic Development

November 25, 2021

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Economic Development

Recommended response:

- In 2019, the Government of Yukon provided \$2 million to the Yukon First Nation Investment Corporation to support their overall investment of \$5 million in Panache Ventures, a Canadian venture capital fund.
- As part of the investment agreement, Panache Ventures will invest in Yukon start-ups, which will provide critical early-stage support to entrepreneurs that will help support economic growth and diversification.
- Panache Ventures has also committed to mentor and coach investment-ready Yukon companies until 2028 through one-on-one meetings, business introductions and strategic advice.
- This investment is one component of a growing innovation ecosystem including the NorthLight Innovation Hub, market-validation bootcamp, and the IncubateNorth program.

Additional response:

- The investment in Panache Ventures by the Yukon First Nation Investment Corporation helps diversify their investments and return benefits to Yukon communities.
- The Yukon government's support for the Yukon First Nation Investment Corporation aligns with the intent of Chapter 22 to provide Yukon First Nations with opportunities to fully participate in the Yukon's economy.

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Economic Development

- The value of Government of Yukon's partnership with the First Nation Investment Corporation is in the capital and mentorship opportunities that it will bring to Yukon businesses. The government does not receive a financial return from its contribution.
- As of August 20, 2021, Panache has met and/or coached over Yukon firms during their office-hours, demo days and other events.

 67(3)(a), 74(1)(a), 77(1)(c)
- Patrick Lor, Managing Partner with Panache, has also been contributing to the development of businesses in the Yukon through his advisory role on the Innovation Commission.

Context—this may be an issue because:

- The deal is a unique arrangement that does not have any recent comparable. At two million dollars, the scale of the Yukon government's contribution is significant.
- During Question Period November 27, 2019, and November 9, 2020, the Official Opposition raised concerns that the Yukon's investment will not deliver specified, quaranteed financial investments in Yukon businesses.

Background:

• Government of Yukon transferred \$2,000,000, matched by a \$3,000,000 contribution from the Yukon First Nation Investment Limited Partnership (the investment vehicle), for the purposes of a \$5,000,000 investment in Panache Ventures Investment Fund Limited, 2018.

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Economic Development

- Government of Yukon is not a direct investor in the fund.
- The deal between Panache, Government of Yukon and Yukon First Nation Investment Corporation was announced on September 23, 2019. The same day, Panache announced a final close of \$58 million in its inaugural fund, surpassing the initial \$40 million target.
- As of March 16, 2021, the Government of Yukon had released \$2,000,000 to Panache Ventures.
- Panache's September 2020 capital call was delayed due to COVID-19. In December 2020, Panache issued a capital call which had Government of Yukon issue \$266,667 of its commitment. The remaining \$233,333 was called in March 2021.
- Panache Ventures Investment Fund Limited, 2018, was launched in March 2018 with \$25 million in capital and a commitment to focus on seed-stage companies.
- The General Partner for the fund is Panache GP Inc., and the managing partners are Mike Cegelski and Patrick Lor.
- The other investors in the fund include Investissement Quebec, Alberta Enterprise Corporation, and Quebec's FTQ Solidarity Fund.
- Seven Yukon First Nations development corporations have formed a limited partnership under the name Yukon First Nation Investment Limited Partnership as the vehicle for the investment. They are:
 - o Da Daghay Development Corporation (Ta'an Kwäch'än Council);
 - Dakwakada Capital Investments Limited Partnership (Champagne and Aishihik First Nations);
 - o Selkirk Development Corporation Limited (Selkirk First Nation);
 - o Kluane Dana Shäw Limited Partnership (Kluane First Nation);
 - o Chu Níikwän Limited Partnership (Kwanlin Dün First Nation);
 - Na-Cho Nyäk Dun Development Corporation (First Nation of Na-Cho Nyäk Dun); and
 - o Dena Nezziddi Limited Partnership (Ross River Dena Council).

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Economic Development

Panache's commitment towards investment in Yukon:

- This is a 10-year fund, from 2018-2028. We are in the fourth year of the fund and working to develop investment ready Yukon opportunities.
- Panache has noted that it is targeting to invest a minimum of 3% of \$58 million in the Yukon over the life of the fund, which is approximately \$2 million.
- In the case of the Yukon based company, Panache's investment was leveraged to raise further capital investment from other pools resulting in more than just Panache's investment flowing to the company.
- This is an example of how Panache's reputation and network can attract even more investment into this sector in the Yukon.
- They have also committed to use commercially reasonable efforts to identify and make investments in a minimum of three more Yukon companies over the life of the fund.

Panache's involvement in Yukon and resulting benefits since the investment:

- Panache representatives have been to the Yukon four times between the close of the investment fund and the beginning of the COVID-19 pandemic.
 - o September 2019: Patrick Lor & Nicolas Jacques-Bouchard; and
 - November 2019, December 2019, March 2020: Nicolas Jacques-Bouchard.
- Panache has participated in the Startup Bootcamp graduation pitches, met with several startups face to face and has spent many hours with Yukonstruct and its members providing mentorship.
- Panache Ventures has met with Yukon startup companies one-on-one and provided information on opportunities to access the fund.

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Economic Development

- Some of the Yukon's high-potential startups such as ^{67(3)(a), 74(1)(a), 77(1)(a), 77(1)(c)} have had periodic direct engagement with Panache to assess their investment readiness relative to the fund.
- Panache representatives have not visited the Yukon since the start of COVID-19 safety measures.

67(3)(a), 74(1)(a), 77(1)(a), 77(1)(c)

Investment in Proof:

• The exact investment amount is confidential and cannot be disclosed. The investment was leveraged to support Proof to raise more significant capital from additional investment pools.

Source of opportunity and total fund value:

- This fund closed August 30, 2019, after raising \$58 million.
- Kluane Dana Shaw had the initial conversation with Panache and then brought in some of the other partners, including Da Daghay, who led the work.
- Once it was determined there was an interest on the part of the development corporations, Panache reached out directly to the Department of Economic Development to present the investment opportunity.

Assessment and due diligence:

• The Department of Economic Development contracted Gilles Durufle, an independent consultant on venture capital, to assess the fund. Gilles' track record

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Economic Development

includes advising the Government of Nova Scotia on setting up its own venture capital fund.

67(3)(a), 74(1)(a)

• We continue to work with other partners including work we continue to do with Yukon University Innovation and Entrepreneurship, and funding we continue to provide through programs at the Department of Economic Development.

Approved by:

Deputy Minister, Economic Development

October 19, 2021

CONFIDENTIAL Session Briefing Note Francophone Immigration

TAB 80 Fall 2021

Economic Development

Recommended response:

- Promoting francophone immigration is a priority for the Yukon and we recognize the economic, social, cultural and demographic opportunity that French-speaking immigrants represent for the territory.
- The Yukon is the third most bilingual jurisdiction in Canada outside of Quebec, making us an attractive settlement destination for francophone immigrants.
- We work in partnership with the Government of Canada and L'Association franco-yukonnaise (AFY) to recruit bilingual immigrants and help them integrate into Yukon communities.
- AFY was an active participant in our stakeholder engagement for the new Immigration Strategy, providing meaningful feedback that is being taken into account in the development of the strategy.

Additional response:

- Since 2007, when the Yukon Nominee Program (YNP) was established,^{67 74} nominees from French-speaking countries were approved through the program.
- This accounts for approximately 4.7% of the total number of Yukon nominees and exceeds the Government of Canada's goal of having francophone newcomers make up at least 4% of all economic immigrants settling outside Quebec.

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Economic Development

• In May 2019, Whitehorse was selected as one of the Welcoming Francophone Community cities as part of the Government of Canada's Action Plan for Official Languages.

Context—this may be an issue because:

67(3)(a), 74(1)(a)

Background:

- Increasing francophone immigration is a high priority of the Federal-Provincial-Territorial (FPT) Vision Action Plan (VAP). The VAP outlines shared goals for immigration related to priorities based on FPT collaboration, consultation, and cooperation.
- Under the Welcoming Francophone Communities initiative, a total of 14 communities across Canada will receive funding so they can create programs and activities to help French-speaking newcomers feel welcomed and integrated into francophone minority communities.
- This initiative of \$12.6 million over three years was announced in the 2018 Budget to support the integration and retention of French-speaking newcomers to Canada.
- In 2020, AFY received funding from the Department of Canadian Heritage
 67 74 77 in support of the Action Plan for Official Languages.
- In addition, Immigration, Refugees and Citizenship (IRCC) provided ^{67(3)(a), 74(1)(a)} in support of Canada's Settlement Program.
- The Immigration Unit has attended Destination Canada, an annual francophone recruitment fair in Paris and Brussels since 2017, to fill labour market needs in the

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Economic Development

Yukon. In 2020, the fair was held online. Yukon Nominee Program staff participated in a virtual booth in partnership with AFY.

- The Immigration Unit offers bilingual services for clients and is represented on the "Réseau d'immigration francophone au Yukon".
- AFY receives federal funding to provide settlement services in the Yukon. They
 offer programs including language instruction, orientation to healthcare, education
 and information on the employment sector.
- The Yukon's top source countries are France, Belgium, Switzerland and Morocco.
- Not all francophones immigrate through the Yukon Nominee Program. Some skilled francophone workers arrive through the federal Mobilité Francophone stream which exempts employers from the Labour Market Impact Assessment. The Yukon does not manage this stream. Other young francophones arrive with federal, temporary working holiday permits.

Дp	pro	ved	bv:

September 3, 2021

Deputy Minister, Economic Development

CONFIDENTIAL Session Briefing Note Immigration Strategy

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Economic Development

Recommended response:

- Economic immigration is an essential tool for attracting skilled workers and developing a labour force that supports investment, economic growth and diversification.
- Immigrants also contribute to the modernization and diversification of Yukon's economy, invest in businesses that create jobs and enrich the culture of the territory.
- We are in the process of updating the 2010 Yukon Immigration
 Strategy, that will guide policy and program development over the
 next decade to ensure our immigration programs are responsive to the
 evolving needs of the Yukon's economy, employers and communities.
- The Government of Yukon published the What We Heard report in July 2021, following a public engagement on the future of immigration in the territory.
- The new Yukon Immigration Strategy is anticipated to be released later this year.

Additional response:

- The public engagement for the Immigration Strategy concluded in December 2020. Yukoners were asked to contribute their ideas and experiences with the Yukon Nominee Program (YNP) and Yukon Business Nominee Program (YBNP) to help inform immigration in the Territory for the next ten years.
- The feedback from the engagement will help the Government of Yukon position the Yukon as a northern leader in immigration programs that reflect the values and priorities of all Yukoners.

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Economic Development

• The updated strategy will cover existing programs, like the Yukon Nominee Program and the Yukon Business Nominee Program, along with proposed new actions to assist Yukon employers and newcomers as we work together to grow the Territory's economy.

Context—this may be an issue because:

- The Minister's mandate letter includes introducing a new immigration strategy to support workforce requirements of business and industry.
- The engagement process ended in December 2020 and there may be interest in the updated Immigration Strategy status.
- Labour shortage has been a concern for many employers as the Yukon's unemployment rate remains well below the national average.

Background:

- The engagement ran from October 20, to December 4, 2020, and included an online survey and discussion document, phone interview and virtual meetings.
- We have received feedback on existing Yukon immigration programs and how the new strategy can address issues faced by employers.
- The engaged stakeholders included nominee program users (employers and nominees), municipalities, chambers of commerce, settlement agencies and First Nation governments. Some of the key stakeholders included:
 - o Major employers and users of the program;
 - Past and current nominees:
 - o Settlement agencies; and
 - Association franco-yukonnaise; and
 - the Multicultural Centre of the Yukon;

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Economic Development

- o Cultural associations;
 - Canadian Filipino Association;
 - Chinese Canadian Association;
 - Japanese Canadian Association;
 - Korean Association; and
 - Yukon African Caribbean Association.
- The previous immigration strategy was developed in 2010 by the Immigration Strategy Working Group, which included representatives from business, non-governmental organizations, cultural groups, educational providers, federal and territorial governments and Council of Yukon First Nations staff.
- The Minister's mandate letter reaffirmed the commitment to introduce a new immigration strategy to support increased workforce requirements of business and industry.

Approved by:

Deputy Minister, Economic Development

September 3, 2021

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Economic Development

Recommended response:

- We are committed to welcoming immigrants who come to live and work in the Yukon.
- The Department of Economic Development provides settlement support to Yukon Nominees in the form of workplace standards sessions, information sessions, worksite monitoring and community outreach.
- L'Association franco-yukonnaise and the Multicultural Centre of the Yukon (MCY) offer programs to newcomers on behalf of the Government of Canada. These services include language instruction, orientation to healthcare, education and information on the employment sector.
- The Government of Canada has invested ^{67(3)(a), 74(1)(a)} for settlement services for permanent residents (PR) in the Yukon in 2021-2022, representing a 2.3 per cent increase from 2020.
- In 2021-2022, Immigration, Refugees and Citizenship Canada (IRCC) anticipates investing approximately ⁶⁷(3)(a), ⁷⁴(1)(a) to support the settlement needs of newcomers outside Quebec, an increase of five per cent compared to 2020.

Additional response:

 In July 2018 Canada and the Yukon signed a Memorandum of Understanding (MOU) and established the Canada – Yukon Coordination Working Group (LCWG.)

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Economic Development

 The LCWG meets regularly to oversee settlement within the Yukon and to promote effective communication, co-operation and collaboration between Canada and the Yukon on settlement outcomes, pre-arrival services and integration program and policy issues.

Context—this may be an issue because:

67(3)(a), 74(1)(a)

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Background:

- Settlement services are generally funded by the federal government to support
 PRs to integrate and establish themselves in the economic, social, political and
 cultural aspects of their chosen community, whereas Temporary Residents
 (international students, foreign workers, refugee claimants) are usually supported
 by the province or territory.
- The Immigration Unit of the Department of Economic Development provides the following settlement services directly to its Yukon Nominee Program clients (foreign workers and employers):
 - o Review and interpretation of the Nominee Tri-Partite Agreement;
 - o Employee and worksite monitoring;
 - Mandatory workplace standards information sessions (on hold due to COVID-19); and
 - Outreach, including a weekly drop-in session and community visits (on hold due to COVID-19).
- Survey respondents during the Immigration Strategy engagement in fall of 2020 identified settlement and integration of newcomers as one of the top three priorities for economic immigration.

Settlement Agencies:

- In 2020, L'Association franco-yukonnaise received funding from:
 - o The Department of Canadian Heritage 67 74 77 in support of the Action Plan for Official Languages. Approximately 67 74 77 was used to support initiatives that increase the proportion of French-speaking immigrants within the Yukon: and
 - o Immigration, Refugees and Citizenship 67 74 77 in support of Canada's Settlement Program.

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- In 2020, the Multicultural Centre of Yukon received settlement services funding through the Yukon Tourism Education Council (YTEC);
 - o YTEC received 67 74 77 in funding from IRCC in support of Canada's Settlement Program; and
 - YTEC additionally received settlement funding from Tourism HR Canada in support of the Destination Employment pilot (three years – ending in 2021).
- Yukon Cares and Yukon University sponsor refugees.
 - Yukon University currently sponsors one student under the Student Refugee Program; and
 - o Yukon Cares has sponsored 25 refugees to Whitehorse.

Ap	nro	vec	d b	V:

September 3, 2021

Deputy Minister, Economic Development

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Government of Yukon Immigration Programs

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Economic Development

Recommended response:

- The Government of Yukon administers two immigration programs in partnership with Immigration, Refugees and Citizenship Canada (IRCC): The Yukon Business Nominee Program and the Yukon Nominee Program.
- Our government is utilizing its immigration programs to meet the identified needs of Yukon businesses, both urban and rural.
- In 2020, the Yukon Nominee Program utilized its entire base allocation of nominations for a second consecutive year, demonstrating the value it delivers to both employers and nominees.
- The Yukon's total allocation from the federal government for the Yukon Nominee Program in 2021 is people $^{67(3)(a), 74(1)(a)}$ people $^{67(3)(a), 74(1)(a)}$
- Between January 1, 2021, and October 1, 2021, for new candidates have been approved through the program.

Additional response:

The Yukon Business Nominee Program (YBNP):

- The Yukon Business Nominee Program is designed to attract and retain skilled international entrepreneurs.
- Entrepreneurs and investors arriving through the Yukon Business
 Nominee Program inject new capital and business expertise into the
 Yukon's economy, increasing job opportunities and enhancing
 economic diversification and growth within the territory.

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Government of Yukon Immigration Programs

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- The program has successfully attracted business entrepreneurs to the hospitality, service, tourism, arts and agricultural sectors in Dawson City, Mayo, Faro, Haines Junction and Whitehorse.
- Between January 1, 2020, and July 31, 2021, ^{67(3)(a), 74(1)(a)} business concepts have been accepted into the selection pool with a total potential investment of ^{67(3)(a), 74(1)(a)}.
- Since 2004 candidates have been nominated for Permanent Residence through the program, establishing businesses and investing 67(3)(a), 74(1)(a) in the Yukon.

The Yukon Nominee Program (YNP):

- The Yukon Nominee Program helps employers fill crucial positions with foreign nationals who intend to settle in the Yukon. The Yukon's economic growth depends on having enough skilled and qualified people to meet labour market needs.
- The Yukon Nominee Program is a way for high-demand foreign workers and experienced entrepreneurs to gain Permanent Resident status.
- Between January 1, 2021, and October 1, 2021: Critical Impact Workers; Skilled Workers and Express Entry have been approved through the program.
- Once a nominee has received their Permanent Resident status they are no longer part of the Yukon Nominee Program and the Yukon does not actively collect information on whether nominees remain within the territory.

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Government of Yukon Immigration Programs

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The Yukon Community Program (YCP):

- The Yukon Community Program launched in January 2020, as a new stream of the Yukon Nominee Program, in conjunction with IRCC. Participating communities are Dawson City, Carmacks, Carcross, Haines Junction, Watson Lake and Whitehorse.
- Up to 50 candidates can be nominated through the program enabling them to work for up to three employers or hold up to three different occupations with a single employer in a participating community.
- The program provides flexibility to employers in rural communities, where seasonal and part-time work is a fundamental part of the local economy and essential for local economic development.
- The program currently has an end date of June 2023. 67(3)(a), 74(1)(a)
 67(3)(a), 74(1)(a)
- Between January 1, 2020, and August 1, 2021, candidates have been approved through the program, 67(3)(a), 74(1)(a)

Context—this may be an issue because:

• Labour shortages have been a concern to many employers in recent years. The Yukon's unemployment rate remains among the lowest in Canada.

Background:

Vital Stats:

• There are currently four streams under the YNP: Critical Impact Worker, Skilled Worker, Express Entry, Yukon Community Program.

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Government of Yukon Immigration Programs

Economic Development

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- IRCC introduced the National Occupation Classification (NOC) Level C Initiative to provide more opportunities for temporary foreign workers already in Canada at the intermediate/ semi-skill level to transition to Permanent Residence.
- The Yukon's allocation from the federal government for the YNP in 2020 was 300 persons (190 Base, 60 Enhanced, and 50 in the NOC C Initiative). In 2021 the total allocation remains the same but is now 220 base; 30 enhanced and 50 NOC.
- In 2020, YNP approved nominations for ^{67(3)(a), 74(1)} nominees. This consists of:
 - $\hspace{1cm} \circ \hspace{1cm} \text{Critical Impact Workers} {}^{67(3)\text{(a)}, \, 74(1)\text{(a)}} \\$
 - o Skilled Workers $-\frac{67(3)(a), 74(1)(a)}{}$
 - o Express Entry 67(3)(a), 74(1)(a)
- Top five countries of origin for the YNP in 2020:
 - o India –^{67(3)(a), 74(1)(a)}
 - o Philippines -67(3)(a), 74(1)(a)
 - o $Japan \frac{67(3)(a), 74(1)(a)}{}$
 - o China 67(3)(a), 74(1)(a)
 - o France $-\frac{67(3)(a), 74(1)(a)}{}$
- Top five occupations filled by nominees in 2020:
 - o Food Counter Attendants, Kitchen Helpers and Related Occupations –
 - o Early Childhood Educator 67(3)(a), 74(1)(a)
 - o Light Duty Cleaner and Related Occupations -67(3)(a), 74(1)(a)
 - o Cashiers 67(3)(a), 74(1)(a)
 - \circ Retail Salespersons and Sales Clerks 67(3)(a), 74(1)(a)
- To qualify under the YNP, an employer must prove that a Canadian citizen or permanent resident worker could not be hired to fill the position that is proposed to be filled by a nominee. This condition is met through specific job advertising requirements.
- Since 2007, the YNP has received applications from over employers to address labour shortages, approving principal nominees to date.

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Government of Yukon Immigration Programs

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- The average application processing time for nominee applications in 2020 was 93.2 days (13 weeks).
- The Department of Economic Development administers the YNP in partnership with IRCC under the Agreement for Canada-Yukon Co-operation on Immigration.
- The YBNP operates under an agreement with the Government of Canada allowing the Government of Yukon to accept prospective immigrants with proven business skills to work, live and settle in the Yukon by owning and operating their own businesses.
- The YBNP is focused on attracting foreign investors and entrepreneurs to run their businesses in the Yukon and contains one stream.
- The YBNP participants are required to contribute a minimum of \$300,000 to their business in the Yukon, and have a minimum verifiable net worth of \$500,000, to ensure their business' viability.
- The YBNP policy was last updated in August 2017 to clarify the parameters and requirements of the program. In 2021, the policy is being revisited as part of a broader review of the YNP.
- Although immigration may be a factor in resolving seasonal labour shortages in the Yukon, there are other challenges, such as housing and community retention, which may constrain the availability of seasonal workers.

Date approved

Justin ferberg	
, ,	October 7, 2021

Deputy Minister, Economic Development

Approved by:

CONFIDENTIAL Session Briefing Note Alaska to Alberta Railway (A2A)

TAB 90 Fall 2021

Economic Development

Recommended response:

- The Alaska to Alberta Railway (A2A) is an ambitious rail project proposal that would connect Fort McMurray, Alberta to tidewater in Alaska.
- The A2A is currently the subject of formal restructuring proceedings under Canadian insolvency statutes.
- The primary objective of these proceedings is to complete a sale of A2A and its assets in an effort to continue the project.
- The project was in the early stages and not at the point of evaluation or assessment.
- In 2020, the Alaska to Alberta Railway Development Corporation obtained the required Presidential Border Crossing Permit – regulatory milestone.
- The Government of Yukon will continue to monitor this project.

Additional response:

- The Government of Yukon is aware of the Ontario Securities Commission (OSC) investigation into Bridging Finance which is A2A's largest private lender.
- Regional transportation infrastructure corridors increase access to resources and the Yukon has an interest in enhancing transportation routes to improve the marketability of our resources.
- Our government supports responsible development in key economic sectors, including exploration and mining and we will continue to monitor this project.

CONFIDENTIAL Session Briefing Note Alaska to Alberta Railway (A2A)

TAB 90 Fall 2021

Economic Development

Context—this may be an issue because:

- Ontario financial regulators are investigating Bridging Finance, one of the largest private lenders, for alleged improper use of investor funds to benefit the firm and its chief executive.
- Environmental advocates in the Yukon are criticizing the project as potentially damaging to First Nation's Territory. A petition opposing the project is circulating in the Yukon.

Background:

- The A2A project was based upon a pre-feasibility report proposed by the Seven Generations Railway (G7G), funded by the Government of Alberta ^{67(3)(a), 68(1)(b)(i), 74(1)(a)} CDN) and authored by the Van Horne Institute (VHI) and AECOM in 2015.
- The proposed railway between Fort McMurray, AB and Delta Junction, AK comprised 2,440 kilometers of single, standard gauge, bi-directional heavy haul track.
- On May 1, 2021, private lender Bridging Finance Inc. was placed under control of a receiver (Price Waterhouse Coopers) following allegations of improper use of investor funds.
- Bridging Finance was A2A's primary lender. Sean McCoshen, A2A's founder has been implicated in the charges against Bridging Finance and has additionally been sued by G7G.
- B.C.-based G Seven Generations Ltd., G7G is a competing project with a similar proposed route from Fort McMurray, AB to the Port of Valdez, Alaska.
- G7G filed a lawsuit against a group of defendants, including Bridging Finance Inc., and Sean McCoshen alleging that a rival project at the centre of the private lender's high-profile scandal stole proprietary information.

CONFIDENTIAL Session Briefing Note Alaska to Alberta Railway (A2A)

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- The A2A Corporation suggested Northern communities would benefit from more affordable transportation costs for goods, as well as permanent jobs along the route.
- Portions of A2A's proposed route traverse undeveloped Yukon wilderness and have the potential to disrupt sensitive areas, including environmentally protected and conserved areas as well as habitat for endangered and migratory species.
- A2A has proposed that railway construction would cost \$22 billion with approximately \$15 billion for the Canadian portion. A2A states that the project would take approximately three years to complete.

Дp	pro	ved	bv:

September 9, 2021

Deputy Minister, Economic Development

Date approved

CONFIDENTIAL Session Briefing Note Canada-United States-Mexico-

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Economic Development

Recommended response:

Agreement (CUSMA)

- We continue to work closely with our federal, provincial and territorial counterparts on implementation of the Canada-United States-Mexico Agreement (CUSMA).
- CUSMA preserves key elements of the long-lasting Canada-US trading relationship and incorporates new and updated provisions that seek to address modern trade issues.
- We will continue to support our federal government's commitment to rules-based international trade and the pursuit of trade deals for Canada that protect the Yukon's interests.

Additional response:

- Yukon continues to promote greater cross-border trade and collaboration that advances and protects Yukoners' interests.
- Rules-based international trade is a cornerstone of a healthy Canada-US relationship.
- The Department is coordinating with other Yukon government departments and agencies on implementation matters related to the Environment Chapter and State-Owned Enterprises.
- The State of Alaska is our most important international trading partner and we work closely with our counterparts there to facilitate and strengthen that relationship for the benefit of both our economies.

Context—this may be an issue because:

• The agreement will continue to be a story of interest as the Biden administration implements its approach to free trade throughout its first year in office.

Canada-United States-Mexico-Agreement (CUSMA)

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Economic Development

 Dispute resolution processes under CUSMA are moving ahead. Canada requested a dispute resolution panel in June 2021 regarding US tariffs on solar products. A US-initiated process regarding Canada's allocation of Dairy Tariff-Rate Quotas (TRQs) had its panel membership finalized in July 2021.

Background:

- In November 2018, Canada, the United States and Mexico signed the new Canada-United States-Mexico Agreement. It entered into force on July 1, 2020.
- CUSMA applies to the Yukon, except in areas where there is exclusive federal jurisdiction. While the Yukon is not a signatory, Canada has effectively committed to take reasonable measures to ensure observance by provinces and territories.¹
- CUSMA requires that parties undertake negotiations related to the application of the chapter on State Owned Enterprises (SOEs) to subnational SOEs within six months of the agreement coming into force.
- Canada is seeking input from provinces and territories. 67(3)(a), 68(1)(a), 68(1)(b)(ii), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(ii)
- The department sits on Skagway's Ports and Harbors Advisory Board and is speaking with the Alaska Industrial Development and Export Authority on the future of the ore loading terminal in Skagway.
- In 2020, the value of the Yukon's exports to the U.S. was \$75.9 million. Copper Ores and Concentrates and Gold accounted for the majority of these exports².

¹ From WTO rules of Accession.

² All 2019 import/export data based on products are from Innovation, Science and Economic Development Canada's Trade Data Online tool.

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Canada-United States-Mexico-Agreement (CUSMA)

Economic Development

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- In 2020, the value of the Yukon's imports from the United States was \$43.4 million. Fish products accounted for the majority of these imports.
- In 2020, the value of the Yukon's exports to Mexico was \$516,000. Over 90% of these exports were for Rock Drilling and Earth Boring Tools.
- In 2020, the value of the Yukon's imports from Mexico was \$2,200. Machine Parts accounted for the majority of these imports.

Approved by:

Deputy Minister, Economic Development

August 30, 2021

Date approved

Canadian Free Trade Agreement Implementation

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Economic Development

Recommended response:

- By being part of the Canadian Free Trade Agreement, we ensure Yukon businesses have access to markets and investment opportunities beyond our territory.
- We are creating opportunities for businesses to expand beyond our territory while applying the Yukon's special provisions to develop our economy at home through the Canadian Free Trade Agreement.
- We have ensured growing businesses have access to markets, government procurement and investment opportunities across Canada.
- We are also using the Yukon's exceptions to increase local employment, support small businesses, and strengthen our regional economies.

Additional response:

- As a small economy, the Yukon negotiated exceptions to support local industries. These exceptions will have a limited impact on Canada's overall growth but could significantly benefit Yukon businesses.
- Under the Canadian Free Trade Agreement, the Yukon government has the option to bypass the procurement rules for contracts of up to \$1 million, ten times every year to support regional economic development. This exception will maximize the use of those procurements to support local industries and suppliers and create economic opportunities across the Yukon.

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• As a result of our negotiations Yukon University, hospitals and municipalities are exempt from Canadian Free Trade Agreement procurement rules.

Context—this may be an issue because:

- The Montreal Economic Institute released its 2021 Internal Trade Provincial Leadership Index. This report ranks the provinces and territories on their openness to trade. The Yukon was second last in the ranking and was identified as having increased trade barriers since the Canadian Free Trade Agreement (CFTA) was signed in 2017.
- The CFTA's many exceptions have been criticized by various industry, research and political entities as limiting the agreement's effectiveness.

Background:

- Since 2017, the CFTA has applied to all government measures affecting trade unless explicitly excluded. Exclusions are through general and party-specific exceptions and, temporarily, for the Financial Services and Cannabis for Non-Medical Purposes industries while negotiations are underway.
- The CFTA has been updated as of August 10, 2021. Canada made amendments to some of their exceptions, the most notable of which is the removal of their Importation of Intoxicating Liquors Act exception. This change removes the barrier prohibiting individuals from transporting intoxicating liquors from one province to another.
- The CFTA makes it easier and more profitable for businesses to operate interprovincially because its parties commit to:
 - o Transparency about measures affecting trade;
 - Non-discriminatory treatment and access to their markets, investment opportunities and government tenders;
 - o Reducing regulatory barriers to trade; and

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- o Dispute settlement processes.
- By providing certainty and a clearer path to selling goods and services, the CFTA encourages innovation, product development, business expansion and investment attraction.
- CFTA does not impact territorial legislation or protections related to Indigenous peoples, language, the environment, culture or health care. These areas are exempt from the rules of the agreement.

Exceptions:

- All parties share general exceptions that exclude measures for Indigenous Peoples, social services, language, culture, gambling and betting, and other sensitive areas. Parties have taken party-specific exceptions reflecting local economic priorities.
- The Yukon has 26 exceptions, comprising 13 Annex I, eight Annex II, and five procurement exceptions, more than all parties except Quebec. However, our small economy means these exceptions have little negative impact on Canada's overall growth in practice.
- Yukon exceptions include:
 - Annex I: Exceptions for Existing Measures
 - Yukon is able to undertake certain discriminatory actions that provide preference to Yukon residents including preference to Yukon resident real estate agents and authorizations related to agriculture and forestry.
 - Yukon is also able to undertake discriminatory actions that provide preference to Yukon residents and limit market access for wilderness and outfitter tourism operations and land lotteries.
 - Yukon is additionally able to undertake discriminatory actions that provide preference to Yukon residents and impose performance requirements under the Yukon Income Tax act as it relates to investment tax credits; the Waters Act as it relates to electrical

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energy; the Corporate Governance Act as it relates to regulating energy; the Public Utilities Act as it relates to energy transportation and the Oil and Gas Act.

- o Annex II: Exceptions for Future Measures
 - Yukon has maintained the ability to control the right of entry or exit of goods and to limit market access in advertising, storage, manufacture, distribution, transport, sale and trade of alcoholic beverages.
 - Yukon has maintained the ability to limit market access in a number of areas. Specifically, Yukon reserves the right to adopt or maintain any measure limiting market access in oil and gas development; commercial and industrial water uses; forestry activities; agricultural land; fisheries and recycling services.
 - Yukon also has a broad exception for measures for Regional Economic Development. Non-discrimination and Performance requirements and most rules to do not apply to the general framework of Yukon's regional economic development.
- Yukon has a number of procurement exceptions as well.
 - Regional, local, district or other forms of municipal governments;
 Francophone School Board and publically funded academic institutions and health and social service entities are not covered by the CFTA procurement chapter.
 - The procurement chapter does not cover the Yukon Business
 Incentive Policy or any successor policy having similar objectives.
 - Yukon may derogate from the Procurement Chapter in order to promote regional economic development, up to ten times per year and up to \$1 million per occasion.

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• In January 2020, parties officially adopted a CFTA amendment allowing parties to unilaterally remove any of its exceptions or, with the consent of other parties, narrow any of its exceptions.

Technical Review of Exceptions:

- Parties undertook technical reviews to verify their current exceptions' accuracy.
 This review considers the accuracy of each element of each exception: sector, sub-sector, industry classification, type of exception, measure and description.
- The technical review was directed by the Committee on Internal Trade in May 2019 and reaffirmed in December 2019.
 67(3)(a), 68(1)(a), 68(1)(b)(i), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i)

Other Issues:

- The Ontario Government delivered the first internal trade forum, the True North Free Trade Forum, as a joint provincial territorial initiative from March 30 to 31, 2021.
- The Regulatory Reconciliation and Cooperation Table (RCT) reduces barriers to trade by reconciling existing regulatory measures and cooperating in the development of future regulatory measures. The RCT has endorsed 10 reconciliation agreements since 2018 and individual parties implement only those agreements for which they have relevant regulations. The Yukon has implemented agreements for occupational health and equipment, pressure vessel registration and wide-base single tires. Article 1205 commits parties to negotiating the inclusion of Financial Services.

 67(3)(a), 68(1)(a), 68(1)(b)(i), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(ii), 75(1)(b)(i)
- Article 1206 commits parties to negotiating the inclusion of Cannabis for Non-Medical Purposes. Negotiations were temporarily delayed in 2020 as jurisdictions

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focused on COVID-19. Negotiations have resumed and parties will be preparing the second round of offers in Q4 of 2021.

- In September 2020, rules and party-specific exceptions pursuant to Annex 309
 Electricity Transmission Service Providers and Trade in Electricity Transmission
 Services came into effect. The Yukon took a broad exception to electricity
 obligations, to be reviewed within two years of any future connection to the bulk
 electric system.
- Parties developed several recommendations to facilitate trade in alcohol. The Yukon is:
 - Already compliant with recommendations relating to improved sales channels, information transparency, and listing and pricing practices;
 - Contributing information on its alcohol regime to alcohollaws.ca, a new website aimed at manufacturers and distributors; and
 - Not currently considering an e-commerce presence for Yukon Liquor Corporation sales nor direct-to-consumer alcohol sales.
 67(3)(a), 68(1)(a), 68(1)(b)(i), 74(1)(a), 75(1)(a)(ii), 75(1)(a)(iv), 75(1)(b)(i)
- With regard to the Trade in Cannabis Working Group, at the time that the CFTA was negotiated in 2017 recreational cannabis was not legal.

 67(3)(a), 68(1)(a), 68(1)
 (b)(i), 74(1)(a), 75(1)(a)
 (ii), 75(1)(a)(iv), 75(1)(b)
 (i)

Approved by:

Deputy Minister, Economic Development

October 20, 2021

Date approved

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Recommended response:

- Increasing market access for Yukon businesses and investments helps grow the economy and provide good jobs for Yukoners.
- The Yukon participates in Canada's international trade negotiations with our provincial and territorial partners and in support of the Government of Canada.
- We promote Yukon's interests in areas important to our economy, including regional economic development, small business participation and government procurement.

Additional response:

- The Yukon engages the federal government's provincial/territorial consultations on a number of international trade issues, such as implementation, new trade initiatives, and to advocate that Canada's efforts reflect Yukon's trade interests.
- We work closely with Global Affairs Canada and our colleagues at the Trade Commissioner Service to identify export opportunities for Yukoners and Yukon companies.
- Trade liberalization opens foreign markets and creates economic opportunity for Yukoners, Yukon businesses and Canadians.

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Context—this may be an issue because:

• Economic Development is the lead on a number of trade files, and represents the Yukon. Questions may arise on the status of various trade negotiations.

Background:

• The Government of Canada is the only order of government that can negotiate international trade agreements. It has been transparent with the Yukon in its initiatives. Canada consults provinces and territories, as modern trade agreements include commitments that fall within provincial and territorial jurisdiction.

Trade Promotion Work:

• The Business and Industry Development Branch works with Global Affairs Canada, the Trade Commissioner Service, and other federal departments to promote the benefits of Canada's trade agreements to Yukon companies.

Canada – European Union Comprehensive Economic and Trade Agreement (CETA):

- Canada is engaging provinces and territories on implementing of the Canada– European Union Comprehensive Economic and Trade Agreement (CETA).
- Representatives from the department participate as necessary as observers to CETA committees, including on procurement, and in the negotiations on adjunct agreements such as Mutual Recognition Agreements.
- The Business Incentive Program (BIP) has <u>no reservation</u> under CETA. It can only be used for procurements under CETA thresholds or that qualify for an exception. Changes to BIP would need to comply with Canada's trade agreements.

Canada – United Kingdom Trade Continuity Agreement:

The Canada–UK Trade Continuity Agreement entered into force on April 1, 2021.

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- It aims to preserve preferential access following the UK's withdrawal from the EU, provisionally applied on January 1, 2021, and entered into force in May.
- The transitional agreement largely echoes CETA, and will be in place as Canada and the UK continue negotiating a comprehensive free trade agreement.
- Canada and the UK have committed to begin negotiations within one year of entry-into-force. Canada launched a public consultation on an FTA and the UK's possible accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) that ran in March and April 2021.

Twelfth World Trade Organization Ministerial Conference:

- The Twelfth World Trade Organization (WTO) Ministerial Conference (MC12) is slated for November 30 to December 3, 2021 in Nur-Sultan, Kazakhstan. It was initially scheduled for summer 2020, but was postponed due to the COVID-19 pandemic.
- Canada is leading a small set of WTO members called the Ottawa Group. It aims to advance WTO reform efforts, namely to fix gaps in dispute settlement, improve multilateral negotiations, and strengthen monitoring of members' trade policies.
- The department has participated in Global Affairs' consultations on WTO issues, including procurement, investment facilitation, and other items. The department also provided input for Canada's 2021 WTO Subsidy Notification.

Other Trade Initiatives:

- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).
 - Canada is one of eleven member of the CPTPP Free Trade Agreement. The UK began formal accession negotiations in June 2021. The Yukon participates in CPTPP committees, and provides input on issues such as procurement, for guidelines on adjunct agreements, such as Mutual Recognition Agreements
- Canada-Indonesia Comprehensive Economic Partnership Agreement (CEPA).
 Canada launched negotiations toward a CEPA on June 20, 2021. The first round

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is expected to take place in late 2021. Canada conducted a public engagement on the CEPA in January-February 2021, and the report was published in May. The Yukon provided input as part of federal-provincial territorial consultations.

• Canada-India Comprehensive Economic Partnership Agreement. Canada has been in negotiations with India on a CEPA since 2010, and the tenth full round of negotiations took place in 2017. 67(3)(a), 68(1)(a), 68(1)(b)(ii), 74(1)(a), 75(1)(a)(ii), 75(1)(b)(i)

Approved by:

Deputy Minister, Economic Development

August 30, 2021

Date approved